Binani

BRAJ BINANI GROUP

EDAYAR ZINC LIMITED

ANNUAL REPORT 2016-17

Edayar Zinc Limited

(A Subsidiary of Binani Industries Limited)

Binani
BRAJ BINANI GROUP

BOARD OF DIRECTORS

Mr. Braj Binani (upto 31st May, 2016)	:	Chairman
Mr. R. S. Joshi (w.e.f. 29th September, 2016)	:	Managing Director
Mr. V. Subramanian (upto 29th September, 2016)	:	Director
Mr. Rahul Asthana (upto 29th September, 2016)	:	Director
Ms. Bhumika Batra (upto 29th September, 2016)	:	Director
Mr. Sushil Bhatter (upto 21st April, 2016)	:	Managing Director
Mr. Krishnan Sangameshwaran (upto. 27th January, 2017)	:	Director
Mrs Aparna Sahay (w.e.f. 27th January, 2017)	:	Director
Mr L. Venkatachalam (w.e.f. 27th January, 2017) (upto 18th April, 2017)	:	Director
Mr. Mahesh Gupta (w.e.f. 23rd May, 2017)	:	Director

COMPANY SECRETARY
Mr. Saurabh Tiwari

AUDITORS
M/s. Udeshi Shukla & Associates,
Chartered Accountants, Mumbai
B220, Pranik Chambers 2nd Floor,
Sakivihar Road, Saki Naka,
Andheri East, Mumbai-4000 72
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
C-101, 247 Park, L.B.S. Marg, Vikhroli (W),
Mumbai-400 083.
Tel: 022-4918 6270
Fax: 022-4918 6060
Email: satyan.desai@linkintime.co.in

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

EDAYAR ZINC LIMITED

(Formerly Binani Zinc Ltd)
CIN U27204WB2000PLC091214
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 17th Annual General Meeting of the Members of **EDAYAR ZINC LIMITED** (Formerly known as Binani Zinc Ltd) will be held on Wednesday, 20th December, 2017 at 1.30 p.m at Rabindra Thirtha Premises No. 35-1111, Major Arterial Road, 3rd Rotary, New Town, Kolkata- 700156 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, 2017, including the Audited Balance Sheet as at 31st March, 2017, together with reports of the Directors and the Auditors thereon.
2. To ratify the appointment of M/s Udeshi Shukla & Associates, Chartered Accountants, Statutory Auditors of the Company in respect of Financial Year 2017-18. M/s Udeshi Shukla & Associates were appointed as Statutory Auditors of the Company in the 15th Annual General Meeting for a period of 5 years upto a maximum period up to the conclusion of Twentieth Annual General Meeting of the Company.

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modification (s) or re-enactment thereof for the time being in force), the appointment of M/s Udeshi Shukla & Associates, Chartered Accountants, Mumbai (Firm Registration Number – 114886W) who were appointed as Auditors of the Company by the Members at the fifteenth Annual General Meeting of the Company to hold office till the conclusion of the Twentieth Annual General Meeting of the Company subject to ratification of appointment at every Annual General Meeting, be and is hereby ratified for the Financial Year ending March 31, 2018 and the Board of Directors / Audit Committee of the Company be and is hereby authorised to fix the remuneration plus reimbursement of out of pocket expenses as may be incurred by them in connection with the audit of the accounts of the Company for the Financial Year ending March 31, 2018."

SPECIAL BUSINESS:

3. **Appointment of Mr. R. S. Joshi 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 Board of Directors of the Company in their respective meetings held on 29th September, 2016 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 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 Mr R.S. Joshi (DIN 00218927) as a Managing Director of the Company for a period effective from 29th September, 2016 till 31st March, 2018 at NIL Remuneration and Perquisites, the other terms and conditions as set out in the draft Agreement entered between the Company and Mr R. S. Joshi (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 Mr R. S. Joshi 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 Mr R. S. Joshi shall be suitably modified to give effect to such variation or increase, as the case may be."

   "**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.
4. **Appointment of Mrs. Aparna Sahay 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 Schedule IV of the Companies Act, 2013 and such other Rules, as may be applicable, Mrs Aparna Sahay (DIN-02251732) 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 19th Annual General Meeting of the Company to be held in the year 2019.

   "**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) and / or Company Secretary of the Company 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 Mahesh Gupta 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 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 Schedule IV of the Companies Act, 2013 and such other Rules, as may be applicable , Mr. Mahesh Gupta (DIN- 00828033) 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 19th Annual General Meeting of the Company to be held in the year 2019.

   RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) and / or Company Secretary of the Company 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."

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

Saurabh Tiwari
Company Secretary
ACS-47659

Place: Mumbai
Date : October 16, 2017

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 duly 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 is annexed hereto and forming 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, to the Company Secretary 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 2016-17 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 the Erstwhile Binani Zinc 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: Mr. Nagesh Naik
    Tel. 022- 30263000/1/2 (Extn. 3039)
    Email: nagesh@binani.net

    (ii) At Kolkata: Mr. Sauvik Nayak
    Tel- 08100326795
    Email: sauvik.nayak@binani.net
12. The Annual Report for 2016-17 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 officer of the Company during business hours on all working days. Members, who require physical copy of Annual Report,

may write to the Company Secretary or Registrar and Share Transfer Agents. Members may further note that the Annual Report will also be available on the website of Binani Industries Limited, holding company of the Company at www.binaniindustries.com for download.

13. Attention of the members is drawn to the provisions of Section 124(6) of the Act which require a company to transfer in the name of IEPF Authority all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more. In accordance with the aforesaid provision of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has not declared dividend for the financial year 2009-10 or any earlier or subsequent financial years.

14. 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.

15. 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 Central Depository Services (India) Ltd (CDSL). The Members, whose names appear in the Register of Members/List of Beneficial Owners as on Sunday, 17th December 2017, 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').

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. The Remote e-Voting period begins on Sunday, 17th December 2017 at 9.00 a.m. and ends on Tuesday, 19th December 2017 at 5.00 p.m. During this period, shareholders holding shares either in physical form or in dematerialized form, as on the cut-off date (i.e. wednesday, 13th December 2017), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on 19th December 2017.

ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

iii. Shareholders should log on to the e-voting website www.evotingindia.com

iv. Click on 'SHAREHOLDERS'

v. Now Enter your User ID

   a. For CDSL:16 digits beneficiary ID;

   b. For NSDL:8 Character DP ID followed by 8 digits Client ID;

   c. Members holding shares in physical form should enter Folio Number registered with the Company.

vi. Next enter the Image Verification as displayed and Click on 'LOGIN'.

vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

viii. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on the address slip/provided in the email sent to you.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company's records in order to login. If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank Details field as mentioned in instruction (v).

ix. After entering these details appropriately, click on "SUBMIT" tab.

x. Members holding shares in physical form will then directly reach the 'Company Selection Screen'. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that any such company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xii. Click on the EVSN for **Edayar Zinc Limited** on which you choose to vote.

xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" against which the option "YES / NO" will be available for voting. Select the option 'YES' or 'NO' as desired. The option 'YES' implies that you assent to the Resolution and option 'NO' implies that you dissent to the Resolution.

xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xv. After selecting the resolution you have decided to vote on, click "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click "OK", else to change your vote, click "CANCEL" and accordingly modify your vote.

xvi. Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.

xvii. You can also take print- out of the voting done by you by clicking "Click here to print" option on the voting page.

xviii. If Demat account holder has forgotten the password then Enter the User ID and the Image Verification Code and Click "FORGOT PASSWORD"& Enter the details as prompted by the system.

xix. Note for Non–Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register them selves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, a Compliance User ID should be created using the Admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.

  In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting Manual available at www.evotingindia.com under Help Section or write an email to helpdesk.evoting@cdslindia.com.

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. 12th December 2017, 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. 13th December 2017, may obtain the Annual Report by sending a request at nagesh@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 CDSL viz. www.evotingindia.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.

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

Saurabh Tiwari
Company Secretary

Place: Mumbai
Date : October 16, 2017

ANNEXURE TO NOTICE

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

Item No: 4

Mr. R.S. Joshi was appointed as Managing Director of the Company, in the meeting of its Board of Directors held on 29th September, 2016 for a period effective from 29th September, 2016 till 31st March, 2018 at NIL Remuneration and Perquisite. Hence the approval of the members is sought for his appointment.

Except Mr. R. S. Joshi, none of the Directors / Key Managerial Personnel of the Company/their relatives is, in anyway, concerned or interested in this Special Resolution.

The information and disclosures, as required under Section-ll 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 manufacturing and production of various types of Zinc and Alloys etc.

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

Commercial manufacturing and 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:

Rs. In Lakhs

Financial Parameters	2016-17*	2015-16*	2014-15**	2013-14**	2012-13**
Net Sales & Other Income	200.74	909.15	11,314.99	36,095.82	44,860.00
Interest & Financial Charges	1.4	3640.41	2,560.21	611.38	1,021.41
Depreciation & Amortisation	389.43	401.45	814.40	763.23	887.42
Profit/ (loss) before tax	(615.92)	(4,665.67)	(5,202.52)	(2,748.40)	(1,307.43)
Profit/ (loss) after tax	(615.92)	(4,665.67)	(5,202.52)	(2,504.40)	(1,044.43)
Other Comprehensive Income	15.47	(78.04)	-	-	-
Profit/(Loss) and other Comprehensive Income	(600.45)	(4,743.71)	(5,202.52)	(2,504.40)	(1,044.43)

* 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 during 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:

Mr. R. S. Joshi aged about 63 years holds a Master Degree in Economics. He is also an Executive M.B.A. (Financial Management). Mr. Joshi is having years of experience out of which more than 30 years is in cement manufacturing process in world class plants in India and abroad.

(2) Past remuneration:

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

Rs. In Lakh

Particulars	2016-17	2015-16	2014-15
Remuneration received	Nil	Nil	Nil

Mr. Joshi was Chief Operating Officer in Binani Cement Limited during the years 2015-16 and his remuneration was Rs. 101.16 lakhs.

Mr. Joshi was the Executive Director in Binani Cement Limited during part of the year 2016-17 and his remuneration was Rs.83.29 lakhs.

Mr. Joshi was the Executive Director in Binani Industries Limited from July 01, 2016 and his remuneration during 2016-17wasRs. 108 lakhs

(3) Recognition or awards:
NIL

(4) Job profile and his suitability:

Mr. R.S. Joshi, as Managing Director, is responsible for the day to day affairs of the Company subject to the supervision and control of the Board of Directors of the Company.

Mr. R.S. Joshi possesses expertise in Cement manufacturing Technology, consulting, Product application developments and Technical services, R&D, Q.C and business development and has a track record of successful manufacturing of Cement and its by product. His vast experience in Operations Management, leadership skills and long term association with the Company makes Mr. R.S. Joshi the most suitable person for the position.

(5) Remuneration proposed:

Mr Joshi 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

Mr. Joshi's is drawing NIL remuneration in the Company.

III. OTHER INFORMATION

1. Reason of loss or inadequate profits:

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

2. **Steps taken or proposed to be taken for improvement &. Expected increase in productivity and profits in measurable terms:**

   Lenders to the Company have initiated action under Section 13(4) of The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act 2002) for recovery of their dues and has issued notice for taking symbolic possession. Your Company filed a stay application before DRT challenging Bankers action of taking symbolic possession and court commissioner's notice for taking physical possession of the property.

   Your Company is hopeful that Creditors and Authorities will take measured stand to safeguard interest of all stakeholders by allowing the Company to revive under a suitable revival package.

   Management is planning and is taking measures to restart the plant

   Your Directors recommend the Resolution for your approval as an Special Resolution. None of the Directors is concerned or interested in this resolution.

   A copy of the Agreement referred to in the Resolution as Item No. 4 will be open for inspection by the Members of the Company 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.5:

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 was required to appoint Independent Director.

Accordingly, the Board of Directors at its meeting held on 27th January, 2017 based on the recommendation of Nomination & Remuneration Committee, appointed Mrs. Aparna Sahay as Additional Director (Independent) of the Company with effect from January 27, 2017.The brief profile of Mrs. Aparna Sahay is enclosed to this notice for perusal of members. In the opinion of Board, Mrs. Aparna Sahay fulfils the conditions specified in the Act and the rules made thereunder and she is independent of the management.

In accordance with the provisions of Section 161 of the Act read with Article 92 of the Articles of Association, Mrs. Aparna Sahay will hold office upto the date of this Annual General Meeting. In terms of the provisions of Section 149 of the Act and the Rules framed thereunder, Mrs. Aparna Sahay is eligible to be appointed as an Independent Director.

In view of the same, it has been proposed to appoint her as an Independent Director of the Company, who shall not be liable to retire by rotation. The Company has received a notice under Section 160 of the Act along with requisite deposit proposing her candidature of Mrs. Aparna Sahay as an Independent Director of the Company for a term upto the date of 19th AGM to be held in the year 2019.

Mrs Aparna Sahay aged about 63 years, has done Masters in Political Science and Business Administration. She has a very rich experience in the field of Finance, Personnel Management her appointment as Independent Director of the Company would be beneficial to the Company. Mrs. Aparna Sahay is also associated with Social Activities, as Gender Equality and sustainable Development. She has given declaration of independence in terms of Section 149(7) of the Companies Act, 2013.

A copy of the draft letter of appointment of Mrs Aparna Sahay setting out the terms and conditions and all the relevant documents pertains to her appointment are available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all working days up to the date of the Annual General Meeting. The same will also be kept for inspection at the venue of the meeting.

The Board recommends her appointment as Independent Director of the Company for a term upto the date of 19th AGM to be held in the year 2019 and as such recommends passing of resolution set-out under Item no 5 of this notice as Ordinary Resolution.

None of the Directors / Key Managerial Personnel of the Company or their relatives, except Mrs Aparna Sahay, is concerned or interested, financially or otherwise, in this Resolution.

Item No.6

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 was required to appoint Independent Director.

Accordingly, the Board of Directors at its meeting held on 23rd May, 2017 based on the recommendation of Nomination & Remuneration Committee, appointed Mr. Mahesh Gupta as Additional Director of the Company. The brief profile of Mr. Mahesh Gupta is enclosed to this notice for perusal of members. In the opinion of Board, Mr. Mahesh Gupta fulfils the conditions specified in the Act and the rules made thereunder and he is independent of the management.

In accordance with the provisions of Section 161 of the Act read with Article 92 of the Articles of Association, Mr. Mahesh Gupta will hold office upto the date of this Annual General Meeting. In view of the same, it has been proposed to appoint him as an Independent Director of the Company, who shall not be liable to retire by rotation. Company has received a notice under Section 160 of the Act along with requisite deposit proposing his candidature for being Independent Director of the Company for a term upto the date of 19th AGM to be held in the year 2019. In terms of the provisions of Section 149 of the Act and the Rules framed thereunder, Mr. Mahesh Gupta is eligible to be appointed as an Independent Director.

Mr. Mahesh Gupta aged about 57 years, holds B.A. & LLB from JNVU Jodhpur, He has more than 25 years of experience in Cement Manufacturing, C&F and Transportation. The Board feels that with his diverse knowledge and expertise, his appointment as Director of the Company would be beneficial to the Company.

Mr. Mahesh Gupta has given declaration of independence in terms of Section 149(7) of the Companies Act, 2013.

A copy of the draft letter of appointment and all the relevant documents pertaining to appointment of Mr. Mahesh Gupta will be available for inspection by the Members at the registered office of the Company between 11.00 a.m. to 1.00 p.m. on all working days up to the date of the Annual General Meeting. The same will also be kept for inspection at the venue of the meeting.

The Board recommends his appointment as Independent Director of the Company for a term upto the date of 19th AGM to be held in the year 2019 and as such recommends passing of resolution set-out under Item no 6 of this notice as Ordinary Resolution.

None of the Directors / Key Managerial Personnel of the Company or their relatives, except Mr. Mahesh Gupta, is concerned or interested, financially or otherwise, in the Resolution.

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

Saurabh Tiwari
Company Secretary
ACS-47659

Place:Mumbai
Date : October 16, 2017

A brief profile of Directors proposed to be appointed/ reappointed

Name of the Director	Mr. R.S. Joshi	Mrs. Aparna Sahay	Mr. Mahesh Gupta
Date of Birth	05.02.1955	01.10.1955	16.07.1960
Qualification	M A (Economics) and MBA.	M.A. (Political Science), MBA	BA & LLB
Expertise in Specific Functional Areas	Has been the in charge of the operations of BCL India operations.	Finance Personnel Management Governance Gender Equality Sustainability Development Goal	Cement Manufacturing C&F Transportation
Remuneration last drawn	N.A.	N.A.	N.A.
Date of first appointment on the Board	29.07.2016	27.01.2017	23.05.2017
Shareholding in the Company	Nil	Nil	Nil
Relationship with other Directors or with KMP	None	None	None
Number of meetings attended during 2016-17	2	Nil	N.A.
Other Directorships	Binani Energy Pvt. Ltd. Sunstar Apparels Pvt. Ltd. Yogmaya Dairy Products Pvt. Ltd. Swiss Merchandise Infrastructure Ltd. Merit Plaza Ltd. Binani Ready Mix Concrete Ltd. Royal vision Projects Pvt. Ltd. VisisthaTrading Pvt. Ltd. R. B. G. Minerals Industries Ltd.	Nil	Dhandeep Logistics Private Limited Manglam Landcon Private Limited Gunesh (india) Private Limited Tulip Cement Private Limited Blue Diamond Ready Mix Concrete Pvt. Ltd. Gunin Infrastructures Private Limited Brentford Construction Private Limite Alfamax Packaging Solutions Private Limited Yashobhoomi Hospitality Private Limited Gunesh Readymix Concrete Private Limited Shivam Readymix Private Limited Gunesh Infradevelopers Private Limited Shagun Concretes Private Limited Gt Realestate Private Limited
Membership/ Chairmanship of Committees of other Boards	NIL	NIL	NIL

DIRECTORS' REPORT

Dear Members,

Your Directors present the Seventeenth Annual Report along with Audited Financial Statements for the financial year ended 31st March, 2017.

Financial Performance

(₹ in crores)

Particulars	Year ended 31/03/2017	Year ended 31/03/2016
Total Revenue	**2.01**	9.09
Loss before Interest, Depreciation & Tax	**(2.26)**	(6.24)
Interest and finance charges	**0.01**	36.40
Provision for Depreciation	**3.89**	4.01
Loss before Tax	**(6.16)**	(46.66)
Provision for Tax	**-**	-
Loss after Tax	**(6.16)**	(46.66)
Other Comprehensive income	**0.15**	(0.78)
Balance carried forward	**(6.01)**	(47.44)

(Figures have been rounded off in crores)

Review of Operations

During Financial Year 2016-17 (FY 2017), the Company did not operate its plant. During FY 2017 ("the year under review"), total revenue was ₹ 2.01 crores as against ₹ 9.09 crores during corresponding previous FY 2016. The Company recorded negative EBIDTA of ₹ 2.26 crores in FY 2017 vis-à-vis negative EBITDA of ₹ 6.24 crores in the previous year.

Ministry of Finance (MoF), vide notification no S.O. 3568(E) and 3569(E), has notified 1st December, 2016 (appointed date) as the date on which the provisions of Sick Industrial Companies (Special Provisions) Repeal Act, 2003 (Repeal Act) shall come into force. The Repeal Act provides for repeal of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) and related matters with effect from 1st December, 2016. The BIFR and AIFR stands dissolved with effect from that date, and all proceedings before them stands abated. Accordingly, the reference made to Board for Industrial and Financial Reconstruction (BIFR) in terms of Section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) also got abated.

Lenders to the Company have initiated action under Section 13(4) of The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act 2002) for recovery of their dues and has issued notice for taking symbolic possession. Your Company filed a stay application before DRT challenging Bankers action of taking symbolic possession and court commissioner's notice for taking physical possession of the property.

Your Company is hopeful that Creditors and Authorities will take measured stand to safeguard interest of all stakeholders by allowing the Company to revive under a suitable revival package.

Dividend

In view of loss, no dividend is recommended.

Deposits

The Company did not accept any deposits during the year under review.

Reserves

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

Share Capital

The paid-up Equity Share Capital of the Company as on March 31, 2017 was ₹ 6761.81 lakhs and remained unchanged during the financial year under review.

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

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

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. 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 2016-17, the Company has not entered into any 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.

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 subsidiary Companies 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.

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 for want of allocation of mines. There were no material changes in the financial position of RBG during FY 2017. 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, 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 till the ensuing Annual General Meeting. Members, interested in obtaining a copy of the audited annual financial statements of RBG may write to the Company Secretary, who shall provide a copy of the same upon receipt of such request.

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 2016-17 and of the profit and loss of the Company for the Financial year ended 31st March, 2017;

(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.

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.

Board & Committee Meetings

During the year under review, the Board of Directors met 5 times on 21st April, 2016, 29th July, 2016, 29th September, 2016, 27th October, 2016 and 27th January, 2017.

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 2016-17 was as below:

Board Meetings

Name of the Director	Number of Board meetings attended
Mr. Braj Binani	1
Mr. R.S. Joshi	3
Mr. Rahul Asthana	3
Mr. V Subramanian	1
Mr. Sushil Bhatter	1
Mr. K. Roshan	2
Mr. Krishnan Sangameshwaran	3
Mrs. Bhumika Batra	1

Committee Meetings

During the year under review, the Committees of the Board held meetings as follows:

Name of the Committee	No of meetings held	Dates of meetings
Audit Committee	5	20th April 2016, 28th July 2016, 29th September 2016, 27th October 2016, 27th January 2017.
Nomination and Remuneration Committee	5	20th April 2016, 28th July 2016, 29th September 2016, 27th October 2016, 27th January 2017.
Stakeholders' Relationship Committee	8	20th April 2016, 16th May 2016, 16th June 2016, 14th July 2016, 8th August 2016, 23rd August 2016, 7th September 2016, 27th January 2017

The attendance of these Committees during 2016-17 was as below:

Name of the Director	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee
Mr. R.S. Joshi	3	3	1
Mr. Rahul Asthana	3	3	7
Mr. V Subramanian	1	1	1
Mr. Sushil Bhatter	1	1	1
Mr. K. Roshan	0	0	0
Mr. Krishnan Sangameshwaran	3	3	1
Mrs. Bhumika Batra	1	1	6

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. The meeting of Independent Directors was held on 28thJuly, 2016 & 23rd May 2017 as per the terms of requirement of Schedule IV of the Act.

Directors

Independent Director

The Board appointed Mrs Aparna Sahay as Additional Director (Independent) at its meeting held on 27th January, 2017. In terms of Section 161 of the Act read with Article 92 of the Articles of Association, she will hold office upto the date of next Annual General Meeting (AGM). The Company has received notice under Section 160 of the Act alongwith requisite deposit proposing her appointment as Independent Director for a tenure upto the conclusion of 19th AGM to be held in the year 2019.

The Board appointed Mr. Mahesh Gupta as Additional Director (Independent) at its meeting held on 23rd May, 2017. In terms of Section 161 of the Act read with Article 92 of the Articles of

Association, he will hold office upto the date of next AGM. The Company has received notice under Section 160 of the Act alongwith requisite deposit proposing his appointment as Independent Director for a tenure upto the conclusion of 19th AGM to be held in the year 2019.

Mrs Aparna Sahay and Mr Mahesh Gupta have given a declaration under Section 149(7) confirming their independence in terms of Section 149(6) of the Companies Act, 2013.

The Board recommends their appointment as Independent Director in the ensuing AGM. The profiles of the Independent Directors proposed to be appointed in the ensuing AGM is given in the AGM notice forming part of the Annual Report.

Mr. Krishnan Sangameshwaran, Non Executive Independent Director of the Company has resigned on 27th January, 2017.

Mr. Lokanathan Venkatachalam Non Executive Additional Director (Independent) of the Company has resigned on 18th April, 2017.

Executive Directors

Mr. R. S. Joshi who was appointed as Managing Director of the Company for a term with effect from 29th September, 2016 till 31st March 2018. The Board recommends for his appointment as Managing Director in the ensuing AGM. The profile of Mr R. S. Joshi is provided in the AGM notice forming part of Annual Report.

Remuneration to Directors

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

Mr. R. S. Joshi did not receive any remuneration from the Company during the year under review as per the terms of his appointment.

Audit Committee

Audit Committee comprised of the following Members as on 31st March, 2017:

1. Mr. L. Venkatachalam - Chairman
2. Mrs. Aparna Sahay - Member
3. Mr. R. S. Joshi - Member

The Committee was reconstituted on 23rd May, 2017 with following members:

1. Mrs. Aparna Sahay - Chairman
2. Mr. Mahesh Gupta - Member
3. Mr. R. S. Joshi - 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 5 times during the year under review. There were no recommendations made by the Audit Committee which were not accepted by the Board.

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.

Key Managerial Personnel (KMP):

Pursuant to the provisions of sub-section (51) of Section 2 and section 203 of the Act read with the Rules framed thereunder, Mr. Saurabh Tiwari Company Secretary of the Company was appointed on 27th October, 2016. Mr. Roshan, CEO of the Company expired on 20th April, 2017. The Board places on record its sincere appreciation and gratitude for his valuable service during his long association with the Company.

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 23rd May, 2017 reviewed the performance and independence of Statutory Auditors and after such review, it has recommended for ratification of their appointment for the year 2017-18 at the 17th AGM.

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.

The Board recommends for ratification of the appointment of M/s.Udeshi Shukla & Associates, as the Statutory Auditors of the Company for financial year 2017-18.

Auditors' Observations

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

a. 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), which can affect the going concern assumption of the company.

b. Net worth of the company has been fully eroded and it may cast significant doubt about the Company's ability to continue as a going concern

c. 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 dependant on various uncertainties over its ability to continue as a going concern, as stated therein.

d. Financial Statements have been prepared on the going concern basis as per the opinion of the Management.

e. Application for closure of plant was rejected by the Government of Kerala and rejection of review petition filed under the Industrial Disputes Act 1947 against which the company has filed a writ petition in the Kerala High Court. Based on a legal opinion the company has not provided for wages and statutory dues of non-managerial staff from September 2015.

f. Financial Statements stating that interest of Rs. 40.92 Crores for the financial year 2016-17 has not been provided in the financial statements as the Company's accounts have been declared as NPA by its bankers.

Financial Statements stating that Rs. 894.98 Lakhs till 31st March, 2017 has not been provided as a liability in the financial statements.

As explained in the Notes to the Financial Statements and discussed above, your Directors wish to state that the Company is hopeful of getting a suitable revival package. Accordingly, the financial statements have been drawn on the going-concern basis. In view of the above, the impairment of assets at this stage is not called for. As the application for closure of the factory is still pending for approval, no provision for wages and statutory dues to the non-managerial staff from July 2015 has been provided for.

for closure of the factory is still pending for approval, no provision for wages and statutory dues to the non-managerial staff from July 2015 has been provided for.

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 2016-17.

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

The Secretarial Auditors have commented on the non filing of Form CRA – 4 (Form for filing Cost Audit Report with Central Government pursuant to Section 148(6) of the Act read with Rule 6(6) of Companies (Cost Records and Audit) Rules, 2014) in respect of financial year 2015-16.

The Operations of the company were closed since November 2014 and there were no turnover in the Financial Year 2015-16 so the company has made an application to the Cost Audit Department with Ministry of Corporate Affairs to waive off the filing of said form, reply is awaited.

The Company has become sick company due to erosion of its complete networth. Its plant is not in operation. The Company has limited resource at its disposal for appointing the Chief Financial Officer.

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 2017-18.

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.

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 2017-18.

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.

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.

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, 2017, 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 2016-17 are as below:

(₹ in lakhs)

Particulars	**2016-17**	2015-16
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.
- Except as stated and explained above, no order was passed by any Regulator or Court or Tribunal impacting the going concern status and Company's operations in future.
- 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

R. S. Joshi
Managing Director
DIN 00218927

Aparna Sahay
Independent Director
DIN 02251732

Date : 23rd May, 2017
Place: Mumbai

ANNEXURE-A

The information required under Section 197 of the Companies Act 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014, a statement showing the names and other particulars of the top ten employees of the Company :

The company has retrenched all the management staff on 31st July, 2015. The company has not provided for salary & wages to the workmen for the year 2016-17. (Ref Note no. 47 of the Annual Report).

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. Saurabh Tiwari, officer of Binani Industries Limited as Company Secretary into Edayar Zinc Ltd. ("EZL") Subsidiary Company	a. Availing of Management support services b. Availing of Sub-licensing of Intellectual Property Rights such as Brand, Logo & Trade Mark etc
Duration of the contracts / arrangements/ transactions	From 27^{th} October, 2016	a. For Management Support Services continuing in nature. b. For Sub-licensing of Intellectual Property Rights – upto 31^{st} March, 2021
Salient terms of the contracts or arrangements or transactions including the value, if any	No reimbursement of Remuneration.	The aforesaid contracts were entered into prior to the implementation of Section 188 of the Companies Act, 2013 at arm's length basis, with following terms: a. For Management Support services, BIL was charging 97% of allocable expenses plus 10% Mark up over and above the cost of manpower plus administrative services b. For Sub-licensing - BIL was charging 3% of the Net Sales as Royalty. However, to support the growth and financial restructuring, BIL varied the terms not to charge any fees to the Company under both the contracts.
Justification for Variation done in contract during the year	There were no variation in the existing contract	Liquidity constraints in the Company. Hence discontinued charging under both the contracts w.e.f. December 13, 2014 till March 31, 2016 or such other date as may be mutually agreed to
Date(s) of approval by the Board	27^{th} October, 2016	7^{th} August 2014
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.	Not Applicable

For and on behalf of the Board of Directors

Date : 23^{rd} May 2017
Place : Mumbai

R. S. Joshi
Managing Director
DIN 00218927

Aparna Sahay
Independent Director
DIN 02251732

ANNEXURE-C

NOMINATION AND REMUNERATION POLICY

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 two 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 office 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.

7 **POLICY RELATING TO THE REMUNERATION FOR THE MANAGING DIRECTORS, WHOLE-TIME DIRECTOR, KMP AND SMP.**

7.1 **Remuneration to the KMP and SMP:**

7.1.1. **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.

7.1.2 **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.

7.1.3 **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.

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

7.2.1 **Remuneration:**

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

7.2.2 **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.

7.3 **General**

7.3.1 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.

7.3.2 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.

7.3.3 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.

ANNEXURE-D

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel)Rules, 2014]

To,
The Members,
EDAYAR ZINC LIMITED,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **EDAYAR ZINC LIMITED** (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 my opinion thereon.

Based on our verifications of the **EDAYAR ZINC LIMITED** Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company as given in **Annexure-I** 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, 2017 complied 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, minute books, forms and returns filed and other records maintained by **EDAYAR ZINC LIMITED** ("the Company") for the Financial Year ended on 31st March, 2017 according 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, 2015;

   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;

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

Other industry specific laws as specified in Annexure II

Note: From the above point number (ii), (iii), and (v) does not apply to the Company during the period under review.

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) Since the Company is not listed on any Exchange hence no Compliances of the Listing Agreement are applicable to the Company.

During the period of audit of the Company there are no specific events/actions occurred having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. mentioned above subject to following observations.

(i) As per 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 which is not complied during the reporting period.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, 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 notice was 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 exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

The Company has given all the details of specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc referred to above.

We further report that during the audit period:

(i) As there is no production the Company has applied to the Cost Audit Branch, Ministry of Corporate Affairs seeking exemption from filing cost Audit Report in e-form CRA-4 for Financial Year 2015-16.

For **Aabid & Co.**
Company Secretaries

F.C.S. No: 6579
C.P. No: 6625
(CS Mohammed Aabid)
Partner

Date: 23rd May, 2017
Place: Mumbai

ANNEXURE - I

List of documents verified

1. Memorandum and Articles of Association of the Company.
2. Minutes of the Meetings and Board of Directors, Audit Committee, Nomination and Remuneration Committee along with Attendance Registers.
3. Minutes of the General Body meeting held during the Year under report.
4. Statutory Registers as required under Companies Act, 2013.
5. Agenda papers submitted to all the Directors/Members of the Board Meetings and Committee Meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1) and Rule 9(1) of the Companies Act, 2013.
7. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and the attachments thereof during the Financial Year under review.

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 Profession 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. Iron Ore Mines, Manganese Ore Mines and Chrome Ore Mines Labour Welfare Fund Act, 1976
12. Explosives Act, 1884
13. Legal Metrology Act, 2009
14. The Environment (Protection) Act, 1986
15. Water (Prevention and Control of Pollution) Act, 1974
16. Air (Prevention and Control of Pollution) Act, 1981
17. Environment Protection Act, 1986
18. Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008
19. Income Tax Act, 1961
20. The Bombay Shops and Establishment Act, 1948
21. Relevant provisions of the Service Tax and Rules and Regulations thereunder.
22. The Foreign Exchange Management Act, 1999, Rules and Regulations made thereunder.

For **Aabid & Co.**
Company Secretaries

(CS Mohammed Aabid)
Partner
F.C.S. No: 6579
C.P. No: 6625

Date: 23rd May, 2017
Place: Mumbai

ANNEXURE - III

To,
The Members,
Edayar Zinc Limited,

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

(1) Maintenance of Secretarial record 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 the secretarial records. The verification was done on 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 appropriate of financial records and Books of Accounts of the Company.

(4) Wherever required we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

(5) The compliance of the provisions of Corporate and other applicable Laws, Rules ,Regulations , Standard is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.

(6) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor 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, 2017

(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 Email: mumbai@binani.net, Tel 08100326795/ 08100126796 , 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 - 2016				Shareholding at the end of the year - 2017				% 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	-	333	333	-	-	103	103	-	-
(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	6,54,117	4,889	6,59,006	0.97%	6,54,117	5,119	6,59,236	0.97%	-
(g) Insurance Companies	-	-	-	-	-	-	-	-	-

Category of Shareholders	Shareholding at the beginning of the year - 2016				Shareholding at the end of the year - 2017				% 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)	**6,55,910**	**6,264**	**6,62,174**	**0.98%**	**6,55,910**	**6,264**	**6,62,174**	**0.98%**	**-**
[2] Central Government/ State Government(s)/ President of India	-	-	-	-	-	-	-	-	-
Central Government / State Government(s)	-	20	20	-	-	20	20	0.00%	0.00%
Sub Total (B)(2)	**-**	**20**	**20**	**-**	**-**	**20**	**20**	**0.00%**	**0.00%**
[3] Non-Institutions	-	-	-	-	-	-	-	-	-
(a) Individuals	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh.	9,10,985	13,86,892	22,97,877	3.40%	9,21,695	12,84,653	22,06,348	3.26%	0.14%
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	25,211	3,20,395	3,45,606	0.51%	25,211	3,05,281	3,30,492	0.49%	0.02%
(b) NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
(c) Employee Trusts	-	-	-	-	-	-	-	-	-
(d) Overseas Depositories (holding Drs) (balancing figure)	-	-	-	-	-	-	-	-	-
(e) Any Other (Specify)	-			-			-	-	-
Trusts	23	34	57	-	23	34	57	-	-
Foreign Nationals	28	1,163	1,191	-	28	1,163	1,191	-	-
Hindu Undivided Family	17,181	12,815	29,996	0.04%	17,817	12,815	30,632	0.05%	-
Non Resident Indians (Non Repat)	12,618	15,885	28,503	0.04%	12,904	3,03,790	3,16,694	0.47%	-0.43%
Non Resident Indians (Repat)	28,458	1,70,070	1,98,528	0.29%	24,303	1,69,497	1,93,800	0.29%	-
Office Bearers	-	2,103	2,103	-	-	2,103	2,103	-	-
Overseas Bodies Corporates	576	2,793	3,369	-	576	2,006	2,582	-	-
Clearing Member	2,193	-	2,193	-	2,427	-	2,427	-	-
Bodies Corporate	48,125	32,10,202	32,58,327	4.82%	46,198	30,35,226	30,81,424	4.56%	0.26%
Sub Total (B)(3)	**10,45,398**	**51,22,352**	**61,67,750**	**9.12%**	**10,51,182**	**51,16,568**	**61,67,750**	**9.12%**	**0.00%**

Category of Shareholders	Shareholding at the beginning of the year - 2016				Shareholding at the end of the year - 2017				% 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)	**17,01,308**	**51,28,636**	**68,29,944**	**10.10%**	**17,07,092**	**51,22,852**	**68,29,944**	**10.10%**	**-**
Total (A)+(B)	**17,01,308**	**6,59,16,774**	**6,76,18,082**	**100.00%**	**17,07,092**	**6,59,10,990**	**6,76,18,082**	**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)	**17,01,308**	**6,59,16,774**	**6,76,18,082**	**100.00%**	**17,07,092**	**6,59,10,990**	**6,76,18,082**	**100.00%**	**-**

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year - 2016			Shareholding at the end of the year - 2017			% 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	6,07,88,138	89.90%	-	60788138	89.90%	-	-

iii) Change in Promoters Shareholding

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		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	6,07,88,138	89.90%			6,07,88,138	89.90%
	Transfer					6,07,88,138	89.90%
	AT THE END OF THE YEAR					6,07,88,138	89.90%

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 - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
	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	3025521	4.47			30,25,521.00	4.47
	Transfer			11 Nov 2016	23	-	
	AT THE END OF THE YEAR					30,25,544	4.47
2	LIFE INSURANCE CORPORATION OF INDIA	366794	0.54			3,66,794.00	0.54
	AT THE END OF THE YEAR					3,66,794	0.54
3	KALPANA BINANI	272791	0.40			2,72,791	0.40
	AT THE END OF THE YEAR					2,72,791	0.40
4	THE NEW INDIA ASSURANCE COMPANY LIMITED	247373	0.37			2,47,373	0.37
	AT THE END OF THE YEAR					2,47,373	0.37
5	MIRACLE SECURITIES PRIVATE LIMITED	101538	0.15			1,01,538	0.15
	AT THE END OF THE YEAR					1,01,538	0.15
6	TRITON TRADING COMPANY PRIVATE LIMITED	70077	0.10			70,077	0.10
	AT THE END OF THE YEAR					70,077	0.10
7	SUSHIL BHATTER	-	-			-	-
	Transfer			10-Mar-17	32490	32,490	0.05
	AT THE END OF THE YEAR					32,490	0.05
8	SAJJID A KHAN	25211	0.04			25,211	0.04
	AT THE END OF THE YEAR					25,211	0.04
9	LOK PRAKASHAN LTD	25136	0.04			25,136	0.04
	AT THE END OF THE YEAR	25,136	0.04			-	
10	ORIENTAL BANK OF COMMERCE	23076	0.03			23,076	0.03
	AT THE END OF THE YEAR					23,076	0.03
11	SUSHIL BHATTER & V SUBRAMANIAN	32490	0.05			32,490	0.05
	Transfer			10-Mar-17	(32,490)		-
	AT THE END OF THE YEAR	-	-			-	-

Note: 1. Paid up Share Capital of the Company (Face Value Rs. 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:**

Sl. No.	For Each of the Directors and KMP	Shareholding at the end of the year -2017		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	**BRAJ BINANI (Chairman)**				
	At the beginning of the year	12,259	**0.018**	12,259	**0.018**
	No change in holding	-	**-**	12,259	**0.018**
	At the End of the year	12,269	**0.018**	12,259	**0.018**

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	19,263.38	-	-	19,263.38
ii) Interest due but not paid	5,419.83	-	-	5,419.83
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**24,683.21**	**-**	**-**	**24,683.21**
Change in Indebtedness during the financial year				
- Addition*	-	373.60	-	373.60
- Reduction	306.37	-	-	306.37
-Adjustment	-	-	-	-
Net Change	**306.37**	**373.60**	**-**	**679.97**
Indebtedness at the end of the financial year				
i) Principal Amount	18,957.00	373.60	-	19,330.60
ii) Interest due but not paid	5,419.83	-	-	5,419.83
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	**24,376.84**	**373.60**	**-**	**24,750.44**

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 MD		Total Amount (₹)
1		Sushil Bhatter	R. S. Joshi*	
	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	Nil	Nil	Nil
	Ceiling as per the Act	-	-	

*Appointed on 29th September, 2016

Mr. Sushil Bhatter Resigned as Managing Director of the Company on 21st April, 2016

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

Sl. no.	Particulars of Remuneration	Name of Directors						Total
	Category	Braj Binani Non-Executive Chairman	V. Subramanian Non-Executive Director	Rahul Asthana Independent Director	R.S. Joshi Non Executive Director	Krishnan Sangameshwaran Independent Director	Bhumika Batra Independent Director	
1	Fee for attending board committee meetings	10,000	30,000	1,20,000	15,000	80,000	65,000	3,20,000
2	Commission		-	-				
3	Others, please specify	-	-					
4	Total (B)	10.000	30,000	1,20,000	15,000	80,000	65,000	3,20,000
5	Total Managerial Remuneration*							3,20,000
6	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 : NIL

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	CFO	
1	Gross salary			
	(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	-	-	-

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					
Punishment			**NIL**		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			**NIL**		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			**NIL**		
Compounding					

INDEPENDENT AUDITORS' REPORT

To
The Members of Edayar Zinc Limited
Kolkata

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Edayar Zinc Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us read together with the emphasis of matters given below, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matters

The transition date opening balance sheet as at 1st April 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2015 dated 30th May 2015 expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect to these matters.

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), which can affect the going concern assumption of the company.

b) Note No. 44 of the financial statements stating that the net worth of the company has been fully eroded and a reference has been made by the company to the erstwhile Board for Industrial and Financial Reconstruction, which, along with other matters as stated in the Note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

c) Note No.45 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 dependant on various uncertainties over its ability to continue as a going concern, as stated therein.

d) Note No. 21(a) & Note No. 47 of the financial statements stating that application for closure of plant was rejected by the Government of Kerala and rejection of review petition filed under the Industrial Disputes Act 1947 against which the company has filed a writ petition in the Kerala High Court. Based on a legal opinion the company has not provided for wages and statutory dues of non-managerial staff from September 2015.

e) Non-Provision for interest: Note No.17(i) (a) of the Financial Statements stating that interest of Rs.40.92 Crores for the financial year 2016-17 has not been provided in the financial statements as the Company's accounts have been declared as NPA by it's bankers.

f) Non-Provision of Electricity charges: Note No. 46 of the financial statements states that Rs 894.98 lakhs till 31/03/2017 has not been provided as a liability in the financial statements.

g) As per information and explanation provided to us, the Company has contested the recovery notices received from the company's bankers.

Our report is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. 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 Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.

   (e) In our opinion, the matters described in sub paragraphs (a) to (g), under the Emphasis of 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.

   (f) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) We have been informed that the company has discontinued its operations 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.

(h) 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 40.2, 40.3, 40.4, 43, 44, 46, 49 and 50 in the standalone Ind AS financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

iv. The Company has provided requisite disclosures in its standalone Ind AS

v. Financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 32 to the standalone Ind AS financial statements.

For Udeshi Shukla & Associates
Chartered Accountants
FRN 11886W

CA Sheel Rajendra Shukla
Partner
MRN 046775

Place: Mumbai
Date: 23th May , 2017

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 Rs 41.42 lakhs are held in the name of the company.

2. (a) 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 noticied 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.

   (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, which is repayable yearly and an amount of Rs 949.63 lakhs is outstanding towards interest as at 31st March, 2017.

   (c) According to the information and explanations given to us, the Company has taken reasonable steps for recovery of the overdue interest amounts in respect of the above inter-corporate deposits.

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, subject to matter described in sub paragraph (d), under the paragraph 'Emphasis of Matters', 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 Rs. 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, 2017 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)
	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
	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	2008-09	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	1109	4141.12
Oriental Bank of Commerce	Letter of credit	1108	4881.83
Punjab National Bank	Letter of credit	1034	4581.98
Oriental Bank of Commerce	Letter of credit	967	5,401.33
Punjab National Bank	Letter of credit	838	4,645.19
Punjab National Bank	Bank Guarantee Invoked	542	115.82
Punjab National Bank	Bank Guarantee Invoked	542	16.10
Punjab National Bank	Bank Guarantee Invoked	542	13.63
Oriental Bank of Commerce	Bank Guarantee Invoked	542	157.13
Oriental Bank of Commerce	Bank Guarantee Invoked	393	20.30
Oriental Bank of Commerce	Bank Guarantee Invoked	393	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 (xil) 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: 23th May , 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

(₹ in Lakhs)

PARTICULARS		Note No.	31st March 2017	31st March 2016	31st March, 2015
I	**ASSETS**				
	Non-current assets				
	Property, Plant and Equipment	4	**6,163.79**	6,551.66	6,951.42
	Capital work-in-progress	4	**2,752.27**	2,752.27	3,124.48
	Other Intangible assets	5	**0.60**	2.16	3.85
	Financial Assets				
	(i) Investments	6	**522.89**	522.89	522.89
	Tax Assets	7	**15.81**	178.46	176.19
	Other Non-Current Assets	8	**239.22**	239.22	264.25
	Total Non-Current Assets		**9,694.58**	10,246.66	11,043.08
	Current assets				
	Inventories	9	**2,645.73**	2,645.73	2,731.53
	Financial Assets				
	(i) Trade receivables	10	**-**	-	0.74
	(ii) Cash and cash equivalents	11	**17.76**	54.18	691.91
	(iii)Bank Balance other than (ii) above	11.1	**59.70**	190.19	176.06
	(iii) Loans	12	**3,355.17**	3,351.17	4,417.00
	(iv) Other Financial Assets	13	**2,561.35**	2,459.22	2,482.86
	Other Current Assets	14	**2,223.91**	2,267.45	2,294.21
	Total Current Assets		**10,863.62**	10,967.94	12,794.31
	Total Assets		**20,558.20**	21,214.60	23,837.39
II	**EQUITY AND LIABILITIES**				
	Equity				
	Equity Share capital	15	**6,761.81**	6,761.81	6,761.81
	Other Equity	16	**(15,154.11)**	(14,553.66)	(9,809.95)
	Total Equity		**(8,392.30)**	(7,791.85)	(3,048.14)
	LIABILITIES				
	Current liabilities				
	Financial Liabilities				
	(i) Borrowings	17	**24,376.84**	24,683.21	20,960.54
	(ii) Trade payables	18	**1,873.99**	1,906.55	3,267.71
	(iii) Other Financial Liabilities	19	**1,719.74**	1,318.60	1,686.48
	Other current liabilities	20	**476.58**	478.19	538.83
	Provisions	21	**503.35**	619.90	431.97
	Total Liabilities		**28,950.50**	29,006.45	26,885.53
	Total Equity and Liabilities		**20,558.20**	21,214.60	23,837.39
Summary of Significant Accounting Policies		**2 & 3**			
The accompanying notes are an integral part of the financial statements.					

As per our separate 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 : 23rd May, 2017

Saurabh Tiwari
Company Secretary
A - 47659

For and on behalf of the Board of Directors

R. S. Joshi
Managing Director
DIN - 00218927

Aparna Sahay
Director
DIN - 02251732

Place : Jaipur
Date : 23rd May, 2017

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

PARTICULARS	Note No.	31st March 2017	31st March, 2016
Revenue From Operations	22	-	150.74
Other Income	23	200.74	758.45
Total Income		200.74	909.19
EXPENSES			
Changes in inventories	24	-	81.71
Excise Duty		-	5.24
Employee benefits expense	25	145.36	956.20
Finance costs	26	1.40	3640.29
Depreciation and amortization expense	27	389.43	401.45
General ,administration and other expenses	28	280.47	489.97
Total expenses		816.66	5574.86
Profit/(loss) before exceptional items and tax		(615.92)	(4665.67)
Exceptional Items		-	-
Loss before tax		(615.92)	(4665.67)
Tax expense:			
(1) Current tax		-	-
(2) Short Provision of Income Tax of earlier years (Net)		-	-
(3) Deferred tax		-	-
Loss for the period from continuing operations		(615.92)	(4665.67)
Loss for the year	A	(615.92)	(4665.67)
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement of Post Employment Benefit Obligation		15.47	(78.04)
Tax Expense		-	-
Other Comprehensive Income	B	15.47	(78.04)
Total Comprehensive Income for the year (Comprising Profit (Loss) and Other Comprehensive Income for the year)	A + B	(600.45)	(4743.71)
Earnings per equity share :			
Basic & Diluted	29	(0.91)	(6.90)
Summary of Significant Accounting Policies	2 & 3		
The accompanying notes are an integral part of the financial statements.			

As per our separate 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 : 23rd May, 2017

Saurabh Tiwari
Company Secretary
A - 47659

For and on behalf of the Board of Directors

R. S. Joshi
Managing Director
DIN - 00218927

Aparna Sahay
Director
DIN - 02251732

Place : Jaipur
Date : 23rd May, 2017

STATEMENTS OF CHANGES IN EQUITY

A. Equity Share Capital (for details refer note no.15) (₹ in Lakhs)

Balance as at 1st April 2015	6,761.81
Changes in equity share capital	-
Balance as at 31st March 2016	6,761.81
Changes in equity share capital	-
Balance as at 31st March 2017	**6,761.81**

B. Other Equity (for details refer note no.16) (₹ in Lakhs)

Particulars	Attributable to the equity holders of the parent					
	Reserves and Surplus		Reserves representing unrealised gains/losses		Total	Total equity
	General Reserve	Retained Earnings	Equity instruments through Other Comprehensive Income	Remeasurements of the net defined benefit Plans		
Balance as at 1st April 2015	**-**	**(9,809.95)**	**-**	**-**	**(9,809.95)**	**(9,809.95)**
Profit for the year	-	(4,665.67)	-	-	(4,665.67)	(4,665.67)
Other Comprehensive Income for the year	-	(78.04)	-	-	(78.04)	(78.04)
Total Comprehensive Income for the year	**-**	**(4,743.71)**	**-**	**-**	**(4,743.71)**	**(4,743.71)**
Transfer to general reserve	-	-	-	-	-	-
Dividend paid on equity shares	-	-	-	-	-	-
Dividend distribution tax paid	-	-	-	-	-	-
Balance as at 31st March 2016	**-**	**(14,553.66)**	**-**	**-**	**(14,553.66)**	**(14,553.66)**
Profit for the year	-	**(615.92)**	**-**	**-**	**(615.92)**	**(615.92)**
Other Comprehensive Income for the year	-	**15.47**	**-**	**-**	**15.47**	**15.47**
Total Comprehensive Income for the year	**-**	**(600.45)**	**-**	**-**	**(600.45)**	**(600.45)**
Transfer to general reserve	-	-	-	-	-	-
Dividend paid on equity shares	-	-	-	-	-	-
Balance as at 31 March 2017	**-**	**(15,154.11)**	**-**	**-**	**(15,154.11)**	**(15,154.11)**

As per our separate 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 : 23rd May, 2017

Saurabh Tiwari
Company Secretary
A - 47659

For and on behalf of the Board of Directors

R. S. Joshi
Managing Director
DIN - 00218927

Aparna Sahay
Director
DIN - 02251732

Place : Jaipur
Date : 23rd May, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2017

(₹ in Lakhs)

PARTICULARS		31st March, 2017	31st March, 2016
A	**Cash Flow From Operating Activities**		
	Earnings before exceptional and extraordinary items and tax	**(615.92)**	(4665.67)
	Adjustments for:		
	Depreciation / Amortization /Impairment	**389.43**	401.45
	Interest and Finance Charges	**1.40**	3,636.41
	Sundry Balances written off / Liabilities no longer required written back & other income	**-**	(219.29)
	Unrealised (Gain) / Loss on Exchange Rate Fluctuation (Net)	**-**	6.62
	Gain on Acturial Valuation	**(134.28)**	(236.46)
	Interest and Dividend Income	**(43.53)**	(537.60)
	Operating Profit Before Working Capital Changes	**(402.89)**	(1614.54)
	Change in operating assets and liabilities		
	(Increase)/Decrease in Inventories	**-**	85.80
	(Increase)/Decrease in trade receivables and other assets	**12.73**	2,253.90
	(Increase)/Decrease in trade Payables and other payables	**504.47**	(1915.60)
	Cash Generated from Operations	**114.31**	(1190.44)
	Direct Taxes Paid (including TDS)	**-**	(2.27)
	Net Cash from/(used in) Operating Activities	**114.31**	(1192.71)
B	**Cash Flow from Investing Activities**		
	Purchase of Fixed Assets (including capital work - in - progress)	**-**	(5.79)
	Sale of Fixed Assets / Refund from CWIP Suppliers	**-**	37.25
	Loans and advances to subsidiaries	**4.00**	-
	Interest and Dividend Income Received	**22.56**	184.99
	Net Cash from/(used in) Investing Activities	**26.56**	216.45
C	**Cash Flow from Financing Activities**		
	Interest & Finance Charges paid	**-**	(0.07)
	Proceeds / Repayment from Short Terms Borrowings (Net)	**(307.78)**	352.73
	Net Cash from / (used in)Financing Activities	**(307.78)**	352.66
D	**Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)**	**(166.91)**	(623.60)
E	Opening Cash & Cash Equivalents	**244.37**	867.97
F	**Closing Cash & Cash Equivalents (D+E)**	**77.46**	244.37

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2017

(₹ in Lakhs)

Reconciliation of Cash Flow statements as per the cash flow statement	31st March, 2017	31st March, 2016
Cash Flow statement as per above comprises of the following		
Cash and cash equivalents	**77.46**	244.37
Bank overdrafts	**-**	-
Balances as per statement of cash flows	**77.46**	244.37

Note :Cash and Cash Equivalents at the end of the period includes ₹ 58.75 Lakhs (P Y ₹190.30 Lakhs) under lien which is not available for use.

As per our separate 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 : 23rd May, 2017

Saurabh Tiwari
Company Secretary
A - 47659

For and on behalf of the Board of Directors

R. S. Joshi
Managing Director
DIN - 00218927

Aparna Sahay
Director
DIN - 02251732

Place : Jaipur
Date : 23rd May, 2017

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note No.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 23, 2017.

Note No.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"). These are the Company's first Ind AS financial statements and Ind AS 101, 'First–time Adoption of Indian Accounting Standards' has been applied. The policies set out below have been consistently applied during the year presented.

For all periods up to and including the year ended 31 March 2016, the Company has prepared its financial statements in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ("Previous GAAP").

These financial statements for the year ended 31 March 2017 are the first financials statement of the Company prepared in accordance with Ind AS. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows including reconciliations and descriptions of the effect of the transition are provided in Note 3.

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.

Note No.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

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes and inclusive of excise duty. The Company recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met, as described below.

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

(a) The company has transferred to the buyer the significant risks and rewards of the ownership of the goods;

(b) The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

(c) The amount of revenue can be measured reliably;

(d) It is probable that the economic benefits associated with the transaction will flow to the company; and

(e) The cost incurred or to be incurred in respect of the transaction can be measured reliably.

Other Revenue is recognized as follow:

Finance Income:

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

Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate application.

Royalty Income:

Royalties is recognized on an accrual basis in accordance with the substance of the relevant agreement.

Dividend

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

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.

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.

Transfers are made to or from investment properties only when there is change in use. Transfer between investment properties, owner occupied properties and inventories do not change the carrying value of the property transferred and they do not change the cost of that property for measurement or disclosure purpose

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.

Transition to Ind AS:

On transition to Ind AS, the company has elected to continue with the carrying value of intangible assets recognized as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

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).

Transition to IND AS:

On transition to IND AS, the company has elected to continue with the carrying value of investment recognized as at April 1, 2015 as per the previous GAAP and use that carrying value as the deemed cost of Investments

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 agreements 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.

3.13 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.

(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 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 begning on or after April 01, 2017.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

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	CWIP	Total
Year ended 31 March 2016								
Gross carrying amount								
Opening Gross Block as on 1st April, 2015	274.73	1,625.32	22,950.69	204.32	146.37	25,201.43	3,124.48	28,325.91
Additions	-	-	-	-	-	-	-	-
Deductions and Adjustments * (Refer note below)	-	-	-	-	-	-	372.21	372.21
Closing gross carrying amount	**274.73**	**1,625.32**	**22,950.69**	**204.32**	**146.37**	**25,201.43**	**2,752.27**	**27,953.70**
Accumulated Depreciation as on 1ast April,2015	-	1,093.63	16,832.06	190.34	133.98	18,250.01	-	18,250.01
Depreciation charge during the year	-	48.29	341.95	4.06	5.47	399.77	-	399.77
Closing accumulated depreciation and impairment	**-**	**1,141.92**	**17,174.01**	**194.40**	**139.45**	**18,649.78**	**-**	**18,649.78**
Net carrying amount as on 31.03.2016	**274.73**	**483.40**	**5,776.68**	**9.92**	**6.92**	**6,551.66**	**2,752.27**	**9,303.92**
Year ended 31 March 2017								
Gross carrying amount								
Opening gross carrying amount	274.73	1,625.32	22,950.69	204.32	146.37	25,201.43	2,752.27	27,953.70
Additions	-	-	-	-	-	-	-	-
Closing gross carrying amount	**274.73**	**1,625.32**	**22,950.69**	**204.32**	**146.37**	**25,201.43**	**2,752.27**	**27,953.70**
Accumulated depreciation and impairment								
Opening accumulated depreciation	-	1,141.92	17,174.01	194.40	139.45	18,649.78	-	18,649.78
Depreciation charge during the year	-	41.06	341.95	2.11	2.74	387.86	-	387.86
Closing accumulated depreciation and impairment	**-**	**1,182.98**	**17,515.96**	**196.51**	**142.19**	**19,037.64**	**-**	**19,037.64**
Net carrying amount as on 31.03.2017	**274.73**	**442.34**	**5,434.73**	**7.81**	**4.18**	**6,163.79**	**2,752.27**	**8,916.06**

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

4.1 (i) (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

NOTE NO. 5 - INTANGIBLE ASSETS (₹ in Lakhs)

PARTICULARS	Computer Software	Total
Year ended 31 March 2016		
Gross carrying amount		
Opening Gross Block as on 1st April, 2015	8.41	8.41
Additions	-	-
Closing gross carrying amount	**8.41**	**8.41**
Accumulated Depreciation as on 1ast April, 2015	4.56	4.56
Depreciation charge during the year	1.68	1.68
Deductions and Adjustments *	-	-
Closing accumulated depreciation and impairment	**6.24**	**6.24**
Net carrying amount as on 31.03.2016	**2.16**	**2.16**
Year ended 31 March 2017		
Gross carrying amount		
Opening gross carrying amount	8.41	8.41
Additions	-	-
Closing gross carrying amount	**8.41**	**8.41**
Accumulated depreciation and impairment		
Opening accumulated depreciation	6.24	6.24
Depreciation charge during the year	1.57	1.57
Closing accumulated depreciation and impairment	**7.81**	**7.81**
Net carrying amount as on 31.03.2017	**0.60**	**0.60**

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 6 - NON CURRENT INVESTMENTS

PARTICULARS	Face value	31st March, 2017		31st March, 2016		1st April, 2015	
		No. of shares/Units	Rupees in lakhs	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 Rs.10/- each) in R.B.G. Minerals Industries Limited	10	**5000000**	**505.39**	5000000	505.39	5000000	505.39
Other Investments							
Investment in Equity Instruments of Other Companies, fully paid up							
1,75,000 (Previous Year 1,75,000 Shares of Rs.10/- each) in Kerala Enviro Infrastructure Limited	10	**175000**	**17.50**	175000	17.50	175000	17.50
Total			**522.89**		522.89		522.89
Total non-current investments			**522.89**		522.89		522.89
Aggregate amount of quoted investments & market value thereof			-		-		-
Aggregate amount of unquoted investments			**522.89**		522.89		522.89
Aggregate amount of impairment in the value of investments			-		-		-
@ Amount is below the rounding off norm adopted by the group							

Note NO. 7 - TAX ASSETS (NET)

(₹ in Lakhs)

PARTICULARS	31st March 2017	31st March 2016	1st April, 2015
Unsecured, Considered good			
Advance Tax/TDS	15.81	178.46	176.19
Total	**15.81**	178.46	176.19

Note NO. 8 - OTHER NON CURRENT ASSETS

(₹ in Lakhs)

PARTICULARS	31st March, 2017		31st March, 2016		1st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Capital advances	**-**	**239.22**	-	239.22	-	264.25
Total	**-**	**239.22**	-	239.22	-	264.25

NOTE NO. 9 - INVENTORIES

(₹ in Lakhs)

PARTICULARS	31st March 2017	31st March 2016	1st April, 2015
Raw Materials	**1,421.18**	1,421.18	1,421.18
Raw Materials- In Transit			
Work-In Process	**304.09**	304.09	304.09
Finished Goods	**7.92**	7.92	93.37
Stores and Spares	**912.54**	912.54	912.89
Total	**2,645.73**	2,645.73	2,731.53

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

9.1 METHOD OF VALUATION OF INVENTORIES - Refer Notes 9.4 & 9.5

9.2 BREAK - UP OF INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

PARTICULARS	31st March 2017	31st March, 2016
Zinc Ingots	**-**	-
Sulphuric Acid	**4.93**	4.93
Zinc Alloy	**2.99**	2.99
Total	**7.92**	7.92

9.3 BREAK - UP OF INVENTORIES OF WORK IN PROGRESS

(₹ in Lakhs)

PARTICULARS	31st March 2017	31st March, 2016
Calcine	**299.99**	299.99
Zinc Dust	**4.10**	4.10
Total	**304.09**	304.09

9.4 The Raw Materials and WIP has been valued at Weighted Average Cost as the management is of the opinion that the value of raw materials and work in progress does not suffer any major devaluation due to non movement due to the inherrent nature of the raw material and work in progress.

9.5 Finished Goods has been valued at Cost or Market Value which ever is less. As per the best estimate made by the management, there is no significant erosion in the equity and realisable value of the finished goods due to non movement and the present stock is expected to realise at prevailing market rates as and when sold.

NOTE NO. 10 -TRADE RECEIVABLES

(₹ in Lakhs)

PARTICULARS	31st March 2017	31st March 2016	1st April, 2015
Unsecured Considered, Considered Good			
Other Debts	-	-	0.74
Total	-	-	0.74

NOTE NO. 11 - CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

PARTICULARS	31st March 2017	31st March 2016	1st April, 2015
Balances with banks			
- in current accounts	**17.70**	53.83	46.07
- in deposits account with original maturity of less than three months	**-**	-	643.51
Cash on hand	**0.06**	0.35	2.33
Total	**17.76**	54.18	691.91

NOTE NO 11.1 - BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

PARTICULARS	31st March 2017	31st March 2016	1st April, 2015
Balances with banks in Deposit Accounts to the extent held as security against Letter of Credit facilities & Guarantees includes interest accrued on the deposits.	**59.70**	190.19	176.06
Total	**59.70**	190.19	176.06

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 12 - LOANS

(₹ in Lakhs)

PARTICULARS	31st March, 2017		31st March, 2016		1st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Unsecured, considered good						
Loans & Advances to Related Parties (Unsecured Considered Good)						
Due from Subsidiary Companies - R.B.G. Minerals Industries Ltd	**8.58**	**-**	4.58	-	1.00	-
Due from Holding Company :						
- Inter Corporate Deposits with Binani Industries Ltd	**3346.59**	**-**	3346.59	-	4,416.00	-
Total	**3,355.17**	**-**	3,351.17	-	4,417.00	-

NOTE NO. 13 - OTHER FINANCIAL ASSETS

(₹ in Lakhs)

PARTICULARS	31st March, 2017		31st March, 2016		1st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Deposits	**120.89**	**-**	120.65	-	477.12	-
Advances Recoverable in Cash	**1407.33**	**-**	1,294.85	-	1,314.63	-
Interest receivable from Binani Industries Ltd.	**949.63**	**-**	949.63	-	691.11	-
Other Interest Accrued	**83.50**	**-**	94.09	-	-	-
Total	**2,561.35**	**-**	2,459.22	-	2,482.86	-

NOTE NO. 14 - OTHER CURRENT ASSETS

(₹ in Lakhs)

PARTICULARS	31st March, 2017		31st March, 2016		1st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Balance with Customs and Excise Authorities	**2223.91**	-	2,267.45	-	2,294.21	-
Total	**2,223.91**	-	2,267.45	-	2,294.21	-

NOTE NO. 15 - EQUITY SHARE CAPITAL

(₹ in Lakhs)

PARTICULARS	31st March 2017	31st March 2016	1st April, 2015
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	7,500.00
Total	**7,500.00**	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	6,761.81
Total	**6,761.81**	6,761.81	6,761.81

15 (i) - RECONCILIATION OF NUMBER OF SHARES

(₹ in Lakhs)

PARTICULARS	31st March, 2017		31st March, 2016		1st April, 2015	
	No of Shares	Amount (Rs. In Lakhs)	No of Shares	Amount (Rs. In Lakhs)	No of Shares	Amount (Rs. In Lakhs)
Number of shares outstanding at the beginning of the year	**6,76,18,082**	**6,761.81**	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	6,76,18,082	6,761.81

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

15 (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, 2017 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.

15 (iii) - Number of shares held by Holding Company, Binani Industries Limited are given in Note 15 (iv) below:

15 (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, 2017		31st March, 2016		1st April, 2015	
	% of Holding	No of Shares	% of Holding	No of Shares	% of Holding	No of Shares
Binani Industries Limited, Holding Company	**89.90%**	**6,07,88,138**	89.90%	6,07,88,138	89.90%	6,07,88,138

NOTE NO. 16 - OTHER EQUITY

(₹ in Lakhs)

	Reserves and Surplus Profit and Loss Accounts		
PARTICULARS	**31st March, 2017**	31st March, 2016	1st April, 2015
Balance at the beginning of the reporting period	**(14,553.66)**	(9,809.95)	(4,505.32)
Changes in accounting policy or prior period errors	**-**	-	-
Restated balance at the beginning of the reporting period	**-**	-	-
Total Comprehensive Income for the year	**15.47**	(78.04)	-
Transfer to retained earnings	**(615.92)**	(4,665.67)	(5,304.63)
Balance at the end of the reporting period	**(15,154.11)**	(14,553.66)	(9,809.95)

NOTE NO. 17 - CURRENT BORROWINGS

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016	1st April, 2015
Secured			
Cash Credit from Banks	**24,376.84**	24,683.21	20,960.54
Total	**24,376.84**	24,683.21	20,960.54

17 (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 01/04/16. Total Interest amounts of Rs. 4092.18 lakhs for the period from 01/04/2016 to 31/03/2017 has not been recognised in the books of account.

17 (i) (b) As per DRT Order the company has paid Rs. 100 lakhs upfront and is also paying Rs. 25,000/- per day towards outstanding dues to banks from 19th August, 2016. till 31st March, 2017 the company has paid Rs. 156 lakhs. We have requested the banks to adjust the payments against the Principal.

17 (i) (c) Total repayment in case of Bank borrowings is adjusted against principal. Total amount paid towards principal is Rs. 306.37 lakhs form 01/04/2016 to 31/03/2017. Out of the same Rs. 156 lakhs was paid as per DRT order and the balance amount of Rs. 150.37 lakhs was repaid from Fixed deposit held as lien.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

17 (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.

17 (i) (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, 2017 (₹ in Lakhs)	Period (In months)
L/C Devolved during 2013-14 *	4,141.12	37
	4,881.83	37
L/C Devolved during 2014-15 *	4,581.98	34
	5,401.33	32
	4,645.19	28
B/G Invoked during 2015-16	115.82	18
	16.10	18
	13.63	18
	157.13	18
	20.30	13
	30.30	13

17 Cash Credit includes outstanding as on 31st March 2016 against the L/C's Devolved of ₹ 16587.21 Lakhs (P.Y ₹ 16587.21 lakhs) and ₹ 353.28 lakhs against Bank Guarantee Invoked (P Y ₹ 358.28).

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

NOTE NO. 18 - TRADE PAYABLES

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016	1st April, 2015
Trade Payables (including acceptances & Provisions)	**1,873.99**	1,906.55	3,267.71
Total	**1,873.99**	1,906.55	3,267.71

18 (a) **Amount Due to Micro and Small Enterprises**

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.

One of our customer identifying itself as MSME (Micro Small & Medium Enterprises) has filed a petition against the company and balance as per books of account is ₹ 280.8 lakhs. Also Refer Note No. 49.

NOTE NO. 19 - OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016	1st April, 2015
Security Deposit Received	**66.48**	61.88	61.88
Advances from holding company	**373.60**	-	-
Creditors for Capital Goods	**295.02**	295.19	565.51
Advance from Customers	**88.42**	93.02	152.87
Others	**631.13**	603.39	524.92
Retention Money Received	**265.10**	265.12	381.30
Total	**1,719.74**	1,318.60	1,686.48

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 20 - OTHER CURRENT LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016	1st April, 2015
Other Liabilities (Refer note below -20(a))	**476.58**	478.19	538.83
Total	**476.58**	478.19	538.83

20(a) - OTHER LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016	1st April, 2015
Customs Duty on Zinc Concentrate	**474.88**	474.88	474.88
Other Statutory Dues	**1.70**	3.31	63.95
Total	**476.58**	478.19	538.83

NOTE NO. 21 - PROVISIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016	1st April, 2015
Provision for Employee Benefits			
For Leave Encashment	**29.64**	146.86	68.22
For Gratuity	**255.00**	254.32	95.90
For Loyalty	**218.71**	218.72	47.81
Provision for Disputed Electricity Demands	**-**	-	220.04
Total	**503.35**	619.90	431.97

21 (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.

NOTE NO. 22 - REVENUE FROM OPERATIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
Sale of Products		
Zinc Ingots	**-**	75.09
Zinc Alloy:		
Zamak 3	**-**	32.76
Sulphuric Acid	**-**	35.68
	-	143.53
Other Operating Revenue		
Industrial Waste Sales/Scrap Sales	**-**	7.21
Income from Risk Management Transactions (Net)	**-**	7.21
Total	**-**	150.74

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 23 - OTHER INCOME

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
Interest Income From FDR	**12.21**	537.60
Other Non Operating Income	**-**	0.82
Liabilities No Longer Required Written Back	**0.09**	220.03
Misc Income	**22.85**	-
Gain on Acturial Valuation	**134.28**	-
Interest on Income Tax Refund	**31.31**	-
Total	**200.74**	758.45

NOTE NO. 24 - CHANGES IN INVENTORIES OF RAW MATERIALS, WORK-IN PROCESS, FINISHED GOODS & STORE & SPARE PARTS (Refer Note No 9)

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
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	**7.92**	93.37
Store & Spare Parts	**912.54**	912.54
Total	**2,645.73**	2,731.18
Inventories as at the end of the year		
Raw Materials	**1,421.18**	1,421.18
Work -In Process	**304.09**	304.09
Finished Goods	**7.92**	7.92
Store & Spare Parts	**912.54**	912.54
Total	**2,645.73**	2,645.73
Changes in Inventories		
Raw Materials	**-**	-
Work -In Process	**-**	-
Finished Goods	**-**	85.45
Store & Spare Parts	**-**	-
Excise Duty on Stock Adjustments	**-**	(3.74)
Total	**-**	81.71

NOTE NO. 25 - EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
Salaries and Wages	**112.15**	654.79
Retrenchment Compensation	**-**	107.48
Contribution to Provident and Other Funds	**33.21**	193.05
Workmen and Staff Welfare Expenses	**-**	0.88
Total	**145.36**	956.20

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 26 - FINANCE COST

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
Interest Expenses	**0.01**	3,636.41
Bank Charges	**1.39**	3.88
Total	**1.40**	3,640.29

NOTE NO. 27 - DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
Depreciation on Tangible Assets	**387.86**	399.77
Depreciation on Intangible Assets	**1.57**	1.68
Total	**389.43**	401.45

NOTE NO. 28 - GENERAL, ADMINISTRATION AND OTHER EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
Power and Fuel	**42.91**	205.28
Consumption of Stores and Spares	**-**	10.53
Repaires & Maintenance - Others	**11.79**	1.91
Repaires & Maintenance - Plant & Mach	**0.69**	4.16
Service Charges	**25.36**	-
Other Operating Expenses	**-**	0.92
Freight and Transport	**-**	4.25
Advertisement Exp.	**0.29**	-
Insurance Expenses	**16.67**	17.57
Postage & Courier Charges	**0.51**	-
Printing & Stationary Expenses	**0.91**	-
Internet Expenses	**0.32**	-
Rates and Taxes	**0.89**	6.55
Director's Sitting Fees	**3.20**	5.45
Exchange Rate Difference (Net)	**-**	6.62
Rent	**-**	1.40
Security Expenses	**17.28**	29.08
Secretarial Charges	**2.92**	-
Professional Fees	**84.03**	95.88
Legal Fees	**47.52**	29.65
Water Charges	**8.71**	-
Filing and Registration Fees	**1.41**	-
Telephone Expenses	**0.63**	-
Travelling and Conveyance Expenses	**9.87**	11.32
Other Miscelleneous Expenses	**3.52**	58.27
A	**279.42**	488.84

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 28(i) - AUDITOR'S REMUNERATION

(₹ in Lakhs)

Particulars	31st March, 2017	31st March, 2016
Payment to auditors		
Statutory Auditors		
a) Audit Fees	**1.00**	1.13
b) Other Matters	**0.05**	-
c) Out of pocket expenses	**-**	-
B	**1.05**	1.13
Total (A + B)	**280.47**	489.97

28 (ii) In the financial year 2015-16 the Management has decided to write back provision created for KSEB dues to the extent of 2.20 crores (50 ps case) (Refer Note No. 23) which is carried over from previous years. As per books of accounts, the provision pertains to 50 ps case & August, 2001 tariff revision. In respect of 50 ps a settlement was reached involving GOK & KSEB. Reference documents are GO(Rt) No. 1555/2010/1D dtd 6th November, 2010, BO(FB) No. 106/2011/HTB-7/701/201/2010 dtd 7th January, 2011. The settlement as per above documents was incorporated in KSEB letter No HTB-7/701/7862 dtd 16th March, 2011. As per this settlement order an amount of ₹ 84,86,381 was payable monthly. The said payments were completed by October 2013. Hence, there is no further dues/liability to KSEB on this account. Hence written back.

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

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

Particulars	31st March, 2017	31st March, 2016
Loss for the year as per Statement of Profit and Loss (Rs.Lakhs)	**(615.92)**	(4,665.67)
Weighted Average number of Equity Shares of Rs.10/- each (fully paid) (In Numbers)	**6,76,18,082**	6,76,18,082
Earnings Per Share (Basic/Diluted)(Rs)	**(0.91)**	(6.90)

NOTE NO. 30 - ASSETS PLEDGED AS SECURITY

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

(₹ in Lakhs)

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
Current (First charge/ Second charge/ Exclusive Charge)			
Financial Assets			
First Charges			
Trade receivables	-	-	0.74
Cash and cash equivalents	17.76	54.18	691.91
Other Bank balances	59.70	190.19	176.06
Loans	3,355.17	3,351.17	4,417.00
Other financial assets	2,561.35	2,459.22	2,482.86
Other current assets	2,223.91	2,267.45	2,294.21
Non Financial Assets			
Inventories	2,645.73	2,645.73	2,731.53
Total current assets pledged as security	**10,863.62**	**10,967.94**	**12,794.31**
Non-Current (First charge/ Second charge/ Exclusive Charge)			
First Charges			
Factory Land (108.59 Acres)	29.70	29.70	29.70
Buildings, Plant & Equipments & Furnitures *	5,884.88	6,270.00	6,664.30
Total non-current assets pledged as security	**5,914.58**	**6,299.70**	**6,694.00**
Total assets pledged as security	**16,778.20**	**17,267.64**	**19,488.31**

* The company has given charge on Fixed Assets in favour of EXIM Bank of India who is lender to Binani Industries Limited (holding company) for their loan of ₹ 31,751.64 lakhs.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

Note No. 31 - RELATED PARTY DISCLOSURE AS PER AS 18 ISSUED UNDER ACCOUNTING STANDARD RULES 2006 (AS AMENDED) (₹ in Lakhs)

Particulars	Subsidiaries / Fellow Subsidiaries	Holding Company	Key Management Personel / Enterprises where KMPs have got significant influence	Total
A. TRANSACTIONS				
Interest Income (Interest on ICD)				
- Binani Industries Ltd		-		-
		(468.52)		(468.52)
Directors Sitting Fees				
- Mr. Braj Binani			**0.10**	**0.10**
			(0.90)	(0.90)
Service Charges Expenses				
- Triton Trading Company Private Limited			**0.70**	**0.70**
			(0.35)	(0.35)
- Nirbhay Management Services Private Limited ***	**25.92**			**25.92**
	(14.56)			(14.56)
Advertisement Expenses				
- Media Magix - Division of Binani Industries Limited ***		**0.19**		**0.19**
		(7.12)		(7.12)
Car Hire Charges				
- Triton Trading Company Private Limited			**0.75**	**0.75**
			(0.40)	(0.40)
Loans & Advances Received				
- Binani Industries Ltd		**373.60**		**373.60**
		(-)		(-)
Loans & Advances Paid				
- R B G Minerals Industries Ltd		**4.00**		**4.00**
		(3.58)		(3.58)
Inter Corporate Deposit Received Bk				
- Binani Industries Ltd **		-		-
		(1,069.41)		(1,069.41)
B. BALANCES AS ON 31.03.2017				
Assets:				
Investment in Equity				
- R B G Minerals Industries Ltd	**505.39**			**505.39**
	(505.39)			(505.39)
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)

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

Note No. 31 - RELATED PARTY DISCLOSURE AS PER AS 18 ISSUED UNDER ACCOUNTING STANDARD RULES 2006 (AS AMENDED) (₹ in Lakhs)

Particulars	Basis/ Details	Subsidiaries / Fellow Subsidiaries	Holding Company	Key Management Personel / Enterprises where KMPs have got significant influence	Total
Short Term Loans & Advances Given					
R B G Minerals Industries Ltd					
- Loan & Advances		**8.58**			**8.58**
		(4.58)			(4.58)
Liabilities:					
Trade Payables		-			-
		(4.62)			(4.62)
Corporate Guarantees Given					
- Binani Industries Ltd			**55,044.73**		**55,044.73**
			(51,141.00)		(51,141.00)
- Other Fellow Subsidaries		**1,64,332.96**			**1,64,332.96**
		(1,69,661.00)			(1,69,661.00)
Corporate Guarantees Received					
- Binani Industries Ltd			**24,531.84**		**24,531.84**
			(24,838.00)		(24,838.00)

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

** Trade payable of Rs. 1069.41 is adjusted against Inter Corporate Deposit receivable from Binani Industries Limited.

*** 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 and Narsingh Management Services Private Limited became fellow subsidiaries of the Company.

1 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.

2 Management service fee paid to Binani Industries Limited, the holding company is towards providing corporate support services relating to Corporate Strategy, Project Management, Forex/Commodity Risk Management, Purchases, Finance/Treasury, Media Services, Taxation etc. As per decision taken by the Holding Company, in the Board Meeting dated 7th August 2014 Management service fee has not been charged from 01.04.2014.

Names of related parties and description of relationship:

a Holding Company: Binani Industries Limited

b Fellow Subsidiary (including step down subsidiaries): Binani Cement Limited, Goa Glass Fibre Limited, BIL Infratech Limited, 3B Binani Glassfibre Sarl, 3B Fibreglass Norway AS, Nirbhay Management Services Private Limited and Narshing 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) Mr. Braj Binani and Triton Trading Company Private Limited.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 32 - DISCLOSURE OF SPECIFIED BANK NOTES (SBN)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	Other denomination notes	Total (In Rupees)
Closing cash in hand as on 08.11.2016	27,500.00	6,019.00	33,519.00
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	27,500.00	-	27,500.00
Closing cash in hand as on 30.12.2016	-	6,019.00	6,019.00

Explanation: For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8th November, 2016".

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 account.

NOT NO. 33 - FIRST TIME ADOPTION OF IND AS

Transition to Ind AS

These are the Company's first standalone financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. These financial statements for the year ended 31st March, 2017 are the first the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2016, the Company prepared its financial statements in accordance with the previously applicable Indian GAAP (previous GAAP).

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended 31st March, 2017, together with the comparative information as at and for the year ended 31st March, 2016. The Company's opening Ind AS Balance Sheet has been prepared as at 1st April, 2015, the date of transition to Ind AS.

In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act. An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its previous GAAP financial statements, including the Balance Sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31st March, 2016.

A.1 Ind AS optional exemptions

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous previous GAAP to Ind AS.

A.1.1 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

covered by Ind AS 38 "Intangible Assets" and investment property covered by Ind AS 40 "Investment Properties".

Further, Ind AS 101 permits a first-time adopter to measure an item of property, plant and equipment at the date of transition to Ind ASs at its fair value and use that fair value as its deemed cost at that date.

Accordingly, the Company has elected to measure all of its intangible assets and property, plant and equipment (PPE) except freehold land at their previous GAAP carrying value. Freehold land has been measured at fair value and used that as its deemed cost at the date of transition.

A.2 Ind AS mandatory exceptions

The company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

The presentation requirements under previous GAAP differs from Ind AS and hence the previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived based on the audited financial statements of the Company for the year ended 31 March 2015 and 31 March 2016.

Reconciliation of equity as at date of transition (1 April 2015)

(₹ in Lakhs)

Particulars	Notes to first-time adoption	Regrouped previous GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		6,951.42	-	6,951.42
Capital work-in-progress		3,124.48	-	3,124.48
Other intangible assets		3.85	-	3.85
Financial assets			-	
i. Investments		522.89		522.89
Tax assets (net)		176.19	-	176.19
Other Non Current Assets		264.25	-	264.25
Total non-current assets		**11,043.08**	**-**	**11,043.08**
Current assets				**-**
Inventories		2,731.53	-	2,731.53
Financial assets				
i Trade receivables		0.74	-	0.74
ii. Cash and cash equivalents		691.91	-	691.91
iii. Bank balances other than (iii) above		176.06	-	176.06
iv. Loans		4,417.00	-	4,417.00
v. Other financial assets		2,482.86	-	2,482.86
Other Current Assets		2,294.21	-	2,294.21
Total current assets		**12,794.31**	**-**	**12,794.31**
Total assets		**23,837.39**	**-**	**23,837.39**

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Notes to first-time adoption	Regrouped previous GAAP*	Adjustments	Ind AS
EQUITY AND LIABILITIES				
Equity				
Equity share capital		6,761.81	-	6,761.81
Other equity		(9,809.95)	-	(9,809.95)
Total equity		**(3,048.14)**	**-**	**(3,048.14)**
LIABILITIES				
Current liabilities				
Financial liabilities				
i Borrowings		20,960.54	-	20,960.54
ii. Trade payables		3,267.71	-	3,267.71
iii. Other financial liabilities		1,686.48	-	1,686.48
Provisions		431.97	-	431.97
Other current liabilities		538.83	-	538.83
Total current liabilities		**26,885.53**	-	**26,885.53**
Total liabilities		**26,885.53**	-	**26,885.53**
TOTAL		**23,837.39**	**-**	**23,837.39**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of equity as at 31 March 2016

(₹ in Lakhs)

Particulars	Notes to first-time adoption	Regrouped previous GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment	-	6,551.65	-	6,551.65
Capital work-in-progress		2,752.27	-	2,752.27
Other intangible assets		2.17	-	2.17
Financial assets				
i. Investments		522.89	-	522.89
Tax assets (net)		178.46	-	178.46
Other non current assets		239.22	-	239.22
Total non-current assets		**10,246.66**	**-**	**10,246.66**
Current assets				
Inventories		2,645.73	-	2,645.73
Financial assets				
i. Trade Receivables				
ii. Cash and cash equivalents		54.18	-	54.18
iii. Bank balances other than (iii) above		190.19	-	190.19
iv. Loans		3,351.17	-	3,351.17
iv. Other financial assets		2,459.22	-	2,459.22
Other Current Assets		2,267.45	-	2,267.45
Total current assets		**10,967.94**	**-**	**10,967.94**
Total assets		**21,214.60**	**-**	**21,214.60**

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Notes to first-time adoption	Regrouped previous GAAP*	Adjustments	Ind AS
EQUITY AND LIABILITIES				
Equity				
Equity share capital		6,761.81	-	6,761.81
Other equity		(14,553.66)	-	(14,553.66)
Total equity		**(7,791.85)**	**-**	**(7,791.85)**
LIABILITIES				
Current liabilities				
Financial liabilities				
I Borrowings		24,683.21	-	24,683.21
ii. Trade payables		1,906.55	-	1,906.55
iii. Other financial liabilities		1,318.60	-	1,318.60
Other current liabilities		478.19	-	478.19
Provisions		619.90	-	619.90
Total current liabilities		**29,006.45**	**-**	**29,006.45**
Total liabilities		**29,006.45**	**-**	**29,006.45**
TOTAL		**21,214.60**	**-**	**21,214.60**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

C. Reconciliation of total comprehensive income for the year ended 31 March 2016

(₹ in Lakhs)

Particulars	Notes to first-time adoption	Regrouped previous GAAP*	Adjustments	Ind AS
Revenue from operations		150.74	-	150.74
Other income		758.45	-	758.45
Total Income		**909.19**	**-**	**909.19**
Expenses				
Purchases of Stock-in-Trade				
Cost of Material Consumed		-	-	-
Changes in inventories of finished goods,		81.71	-	81.71
Excise Duty		5.24	-	5.24
Employee benefits expense	**1**	1,034.24	78.04	956.20
Finance costs		3,640.29	-	3,640.29
Depreciation and amortization expense		401.45	-	401.45
General ,administration and other expenses		489.97	-	489.97
Total expenses		**5,652.90**	**78.04**	**5,574.86**
Profit before exceptional items and tax		**(4,743.71)**	**(78.04)**	**(4,665.67)**
Exceptional items		-	-	-
Profit before tax		**(4,743.71)**	**(78.04)**	**(4,665.67)**
Income tax expense				
-Current tax		-	-	-
-Deferred tax		-	-	-
Total tax expense		**-**	**-**	**-**
Profit for the Year		**(4,743.71)**	**(78.04)**	**(4,665.67)**
Other comprehensive income	**2**	**-**	**78.04**	**(78.04)**
Total comprehensive income for the year		**(4,743.71)**	**-**	**(4,743.71)**

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

Reconciliation of total equity as at 31 March 2016 and 1 April 2015 (₹ in Lakhs)

Particulars	**Notes to first time adoption**	31 March 2016	1 April 2015
Total equity (shareholder's funds) as per previous GAAP		(7,791.85)	(3,048.14)
Adjustments		-	-
Total adjustments		-	-
Totral equity as per Ind AS		(7,791.85)	(3,048.14)

d: Notes to first-time adoption:

Note 1 : Employee Benefit

As required by IND AS 19 Employee Benefits the impact of remeasurement in the Net Defined Liability (Assets) is recognised in other Comprehensive income on date of transition. Remeasurement in the Net Defined Liability (Asset) comprises Acturial gain or loss, return on plan asset (excluding interest on net asset / liability) and any change in effect of asset ceiling. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2016 decreased by Rs. 78.04 lakhs. There is no impact on the total equity as at 31st March, 2016.

Note 2 : Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes Remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

Note 3 : Retained earnings

Retained earnings as at 1 April 2015 has been adjusted consequent to the above Ind AS transition adjustments.

Note 4 : Cash Flow

There were no significant reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind AS.

Note 5 : Deferred tax

Under previous GAAP, deferred taxes are recognised for the tax effects of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are required to be recognised using the balance sheet approach for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. Further, deferred tax asset shall be recognised for the carryforward of unused tax losses and credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and credits can be utilised as against virtual certainty for future taxable profit as reuired by previous GAAP.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 34 - FAIR VALUE MEASUREMENTS

Financial instruments by category

(₹ in Lakhs)

Particulars	31 March 2017			31 March 2016			1 April 2015		
	FVPL	**FVOCI**	**Amortised cost**	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets									
Investments									
- Equity instruments	-	-	**522.89**	-	-	522.89	-	-	522.89
Loans	-	-	**3,355.17**	-	-	3,351.17	-	-	4,417.00
Trade receivables	-	-	**-**	-	-	-	-	-	0.74
Cash and cash equivalents	-	-	**17.76**	-	-	54.18	-	-	691.91
Other bank balances	-	-	**59.70**	-	-	190.19	-	-	176.06
Other financial assets	-	-	**2,561.35**	-	-	2,459.22	-	-	2,482.86
Total financial assets	-	-	**6,516.87**	-	-	6,577.65	-	-	8,291.46
Financial liabilities									
Borrowings	-	-	**24,376.84**	-	-	24,683.21	-	-	20,960.54
Trade payables	-	-	**1,873.99**	-	-	1,906.55	-	-	3,267.71
Other financial liabilities	-	-	**1,719.74**	-	-	1,318.60	-	-	1,686.48
Total financial liabilities	-	-	**27,970.57**	-	-	27,908.36	-	-	25,914.73

NOTE NO. 35 - EMPLOYEE BENEFIT OBLIGATIONS:

Balance sheet amount (Gratuity Plan)

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1st April 2015	552.15	456.25	95.90
Current service cost	22.53	-	22.53
Interest expense/(income)	45.55	37.64	7.91
Total amount recognised in profit and loss	**68.09**	**37.64**	**30.45**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	(31.80)	31.80
(Gain)/loss from change in demographic assumptions	(7.63)	-	(7.63)
(Gain)/loss from change in financial assumptions	6.00	-	6.00
Experience (gains)/losses	47.86	-	47.86
Total amount recognised in other comprehensive income	**46.24**	**(31.80)**	**78.04**
Employer contributions	-	-	-
Benefit payments	(379.87)	(379.87)	-
31st March 2016	**286.60**	**82.21**	**204.39**

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

Balance sheet amount (Gratuity Plan)

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
31st March 2016	**286.60**	**82.21**	**204.39**
Current service cost	16.94	-	16.94
Interest expense/(income)	22.81	6.54	3.00
Total amount recognised in profit and loss	**39.76**	**6.54**	**19.94**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	1.21	(1.21)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	11.35	-	11.35
Experience (gains)/losses	(25.62)	-	(25.62)
Total amount recognised in other comprehensive income	(14.26)	1.21	(15.47)
Employer contributions (Ast. Trf. In)		17.06	(17.06)
Benefit payments	(27.21)	(27.21)	-
31st March 2017	**284.88**	**79.81**	**205.07**

The net liability disclosed above relates to funded and unfunded plans are as follows:

(₹ in Lakhs)

Particulars	31 March 2017	31 March 2016	1 April 2015
Present value of funded obligations	**284.88**	286.60	552.15
Fair value of plan assets	**79.81**	82.21	456.25
Deficit of funded plan	**205.07**	204.39	95.90
Unfunded plans	**-**	-	-
Deficit of gratuity plan	**205.07**	204.39	95.90

Significant estimates: Actuarial assumptions

The significant actuarial assumptions were as follows:

(₹ in Lakhs)

Particulars	31 March 2017	31 March 2016	1 April 2015
Discount rate	**7.39%**	7.96%	NA
Rate of increase in compensation levels	**4.00%**	4.00%	NA
Rate of return on plan assets	**7.39%**	7.96%	NA
Expected average remaining working lives of employees in years			

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lakhs)

	Impact on defined benefit obligation					
	Change in assumptions		Increase in assumptions		decrease in assumptions	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Discount rate	**1%**	1%	(19.38)		**22.13**	
Rate of increase in compensation levels	**1%**	1%	22.67		**(20.15)**	
Rate of return on plan assets	**1%**	1%	19.38		**22.13**	
Expected average remaining working lives of employees in years	**1%**	1%	5.89		**(6.52)**	

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

The Company has not operated the plant since November - 2014 and yet had been paying salaries to the workers and management staff. 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 in High Court of Kerala seeking directive to refer the matter for adjudication. The Company has paid full salaries to the workers till August, 2015. All the management staffs were retrenched w.e.f. 31st July, 2015. Based on a legal opinion the Company is of the view that refusal of the permission for closure would not result in the closure of the undertaking being deemed illegal within the meaning of sub-section (6) of section 25-O of the Industrial Disputes Act, 1947. As a consequence thereof, pending final adjudication of the matter, the fact of closure of the plant would not ipso facto entitle the workmen to benefits under any law for the time being in force as if the undertaking had not been closed down. The actuarial liability has been worked out accordingly.The above disclosures are based on information certified by the independent actuary and relied upon by the auditors.

NOTE NO. 36 - 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.

(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.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

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

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Not due			
0-180 Days	-	-	-
181-360 Days	-	-	-
1 years to 2 years	-	-	0.74
More than 2 years	-	-	-
Total	**-**	-	0.74

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

NOTE NO. 37 - 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 had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in Lakhs)

Particulars	31 March 2017	31 March 2016	1 April 2015
Floating rate			
Expiring within one year (bank overdraft and other facilities)			
Expiring beyond one year (bank loans)	**24,376.84**	24,683.21	20,960.54
	24,376.84	24,683.21	20,960.54

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR and have an average maturity of 1 years (2016 – 1 years, 2015 - 1 years).

(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.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Contractual maturities of financial liabilities 31 March 2017	**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**	**Total**
Non-derivatives						
Borrowings	-	-	-	-	24,377	**24,377**
Trade payables	-	-	-	-	1,874	**1,874**
Advance from Holding Company	-	-	-	-	374	**374**
Security and other deposits	-	-	-	-	66	**66**
Retention money payable	-	-	-	-	265	**265**
Creditors for capital expenditure	-	-	-	-	295	**295**
Advance from Customers	-	-	-	-	88	**88**
Creditors for supplies and services	-	-	-	-	-	**-**
Employees dues payable	-	-	-	-	-	**-**
Others	-	-	-	-	631	**631**
Total non-derivative liabilities	**-**	**-**	**-**	**-**	**27,971**	**27,971**

(₹ in Lakhs)

Contractual maturities of financial liabilities 31 March 2016	**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**	**Total**
Non-derivatives						
Borrowings	-	-	-	-	24,683	**24,683**
Trade payables	-	-	-	-	1,907	**1,907**
Security and other deposits	-	-	-	-	62	**62**
Retention money payable	-	-	-	-	265	**265**
Creditors for capital expenditure	-	-	-	-	295	**295**
Advance from Customers	-	-	-	-	93	**93**
Creditors for supplies and services	-	-	-	-	-	**-**
Employees dues payable	-	-	-	-	-	**-**
Others	-	-	-	-	603	**603**
Total non-derivative liabilities	**-**	**-**	**-**	**-**	**27,908**	**27,908**

(₹ in Lakhs)

Contractual maturities of financial liabilities 1 April 2015	**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**	**Total**
Non-derivatives						
Borrowings	-	-	-	-	20,961	**20,961**
Trade payables	-	-	-	-	3,268	**3,268**
Security and other deposits	-	-	-	-	62	**62**
Retention money payable	-	-	-	-	381	**381**
Creditors for capital expenditure	-	-	-	-	566	**566**
Advance from Customers	-	-	-	-	153	**153**
Creditors for supplies and services	-	-	-	-	-	**-**
Employees dues payable	-	-	-	-	-	**-**
Others	-	-	-	-	525	**525**
Total non-derivative liabilities	**-**	**-**	**-**	**-**	**25,915**	**25,915**

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(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. 38

A. Equity Share Capital (for details refer note no.15) (₹ in Lakhs)

Balance as at 1st April 2015	6,761.81
Changes in equity share capital	-
Balance as at 31st March 2016	6,761.81
Changes in equity share capital	-
Balance as at 31st March 2017	**6,761.81**

B. Other Equity (for details refer note no.16) (₹ in Lakhs)

Particulars	Attributable to the equity holders of the parent					
	Reserves and Surplus		Reserves representing unrealised gains/losses		Total	Total equity
	General Reserve	Retained Earnings	Equity instruments through Other Comprehensive Income	Remeasurements of the net defined benefit Plans		
Balance as at 1st April 2015	**-**	**(9,809.95)**	**-**	**-**	**(9,809.95)**	**(9,809.95)**
Profit for the year	-	(4,665.67)	-	-	(4,665.67)	(4,665.67)
Other Comprehensive Income for the year	-	(78.04)	-	-	(78.04)	(78.04)
Total Comprehensive Income for the year	**-**	**(4,743.71)**	**-**	**-**	**(4,743.71)**	**(4,743.71)**
Transfer to general reserve	-	-	-	-	-	-
Dividend paid on equity shares	-	-	-	-	-	-
Dividend distribution tax paid	-	-	-	-	-	-
Balance as at 31st March 2016	**-**	**(14,553.66)**	**-**	**-**	**(14,553.66)**	**(14,553.66)**
Profit for the year	-	**(615.92)**	**-**	**-**	**(615.92)**	**(615.92)**
Other Comprehensive Income for the year	-	**15.47**	**-**	**-**	**15.47**	**15.47**
Total Comprehensive Income for the year	**-**	**(600.45)**	**-**	**-**	**(600.45)**	**(600.45)**
Transfer to general reserve	-	-	-	-	-	-
Dividend paid on equity shares	-	-	-	-	-	-
Balance as at 31 March 2017	**-**	**(15,154.11)**	**-**	**-**	**(15,154.11)**	**(15,154.11)**

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 39 - 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 2017	31 March 2016	1 April 2015
Borrowings	**24,376.84**	24,683.21	20,960.54
Provisions	**503.35**	619.90	431.97
Trade Payables	**1,873.99**	1,906.55	3,267.71
Other Payables	**476.58**	478.19	538.83
Other financial liabilities	**1,719.74**	1,318.60	1,686.48
Less Cash and Cash Equivalents	**(77.46)**	(244.37)	(867.97)
Trade receivables	**-**	-	(0.74)
Other Financial Assets	**2,561.35**	2,459.22	2,482.86
Other Non-Current Assets	**239.22**	239.22	264.25
Net Debt	**31,434.39**	31,221.30	28,499.68
Equity Share Capital	**6,761.81**	6,761.81	6,761.81
	(15,154.11)	(14,553.66)	(9,809.95)
Total Equity	**(8,392.30)**	(7,791.85)	(3,048.14)
Net debt to equity ratio	**(3.75)**	(4.01)	(9.35)

NOTE NO. 40 - CONTINGENT LIABILITIES AND COMMITMENTS

(Rs. in Lakhs)

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
Contingent Liabilities:			
Claims against the company not acknowledged as debt (Disputed Tax/duty and other demands)	**4,481.40**	3,508.47	1,524.53
Guarantees (Refer Note 40.1)	**219,377.69**	220,975.63	206,862.79
Commitments:			
*Estimated amount of Contracts remaining to be executed on capital account and not provided for	-	-	2,126.96
Other commitments	**965.02**	817.81	693.06
Total	**2,24,824.11**	225,301.91	211,207.34

* The project is on hold and hence unable to estimate.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

40.1 - Details of Guarantees (Rs. in Lakhs)

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
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 Rs. 1,64,333 lakhs [P.Y Rs. 1,69,661 lakhs] jointly and severally by BIL, BCL, & GGFL for 105% of the outstanding amount.)	**219,222.19***	220,820.13*	206,354.00*
Other Guarantees	**155.50**	155.50	508.79
Total	**219,377.69**	220,975.63	206,862.79

40.2 In the year 2004 KSEB had imposed penalty of Rs.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.

40.3 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 Rs. 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 Rs.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.

40.4 In respect of capital goods imported at concessional rate of duty under the Export Promotion Capital Goods Scheme, the Company has received notice no. DRI/BZL/CHN/SCN-08/2016 from DRI dated 29/11/2016 for an export obligation of Rs. 965.02 lakhs (Previous Year Rs. 817.81 lakhs), which is required to be met at different dates, before November 2019. In the event of non fulfillment of the export obligation, the Company will be liable to refund the availment of concessional customs duties and penalties as applicable.

NOTE NO. 41 - SEGMENT REPORTING

The Company operates in a single segment i.e. 'Production and Sales of Zinc in India'. The company's entire Zinc sales are in India. Hence no additional disclosures under Indian Accounting Standard 108 "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 2016-17, 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 March, 2017 stood at Rs. Nil (Previous Year Rs. Nil), which is not recognised in the accounts.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

42.3 Particulars of foreign currency exposures as at 31st March, 2017 not hedged by Derivative instruments or otherwise are given below:

40.1 - Details of Guarantees

Particulars	Amount in Foreign Currency (in lakhs)	Currency	Exchange Rate	Amount (Rs. In lakhs)
Receivables	**0.27**	**USD**	**65.30**	**17.63**
	(0.27)	USD	(66.77)	(18.11)
Trade Payables	**2.06**	**USD**	**65.30**	**138.33**
	(2.06)	USD	(66.77)	(137.67)

(Figures in brackets pertain to previous year)

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 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.

On 12th August 2016 DRT directed Company to deposit Rs. 1 crores with the PNB within a period of one week from the date of order i.e. 12th August 2016 and thereafter Rs. 25,000/- per day effective from 20th August 2016. As mentioned in the order the Company has paid Rs. 1 crore with PNB (with intimation to other members banks) and is regularly depositing Rs. 25,000 per day with PNB (with intimation to other member banks).

The last date of hearing was 30th September 2016. Our Counsel attended the case and DRT has directed to maintain its earlier order dated 12.08.2016 and has given us time to explore the possibility of settlement by the next date and has asked the lenders to give us sufficient notice in case they decide to proceed under section 14. Bankers have filed their reply to our Legal Consultant.

The Company filed an amendment application for amendment challenging banker's action of taking symbolic possession and court commissioner's notice dated 16/12/2016 for taking physical possession of the property. Said application came up for hearing on 2/01/2017 wherein tribunal directed to hear the application with interim application.

Matter came up for hearing on 10/01/2016 wherein tribunal directed bankers to file their reply to the amendment applications filed by the Company. Matter was posted for further hearing on 17/01/2017. DRT vide its order dated 21st January 2017 allowed the amendment application filed by the Company contesting legality of action initiated under SARFESI Act. The next date of hearing was fixed on17th March 2017.

On 6th February 2017 PNB moved an application for urgent hearing of the matter on 10th February 2017 seeking certain clarifications to the order dated 21st January 2017, the same application was rejected by the tribunal. Now matter is fixed for hearing on on17th March 2017. Subsequently matter was further posted to 20th April 2017 for hearing. EXIM bank filed their appearance on 20th April 2017. Next date of hearing is 28th June 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.

NOTE NO. 44

On account of the operational losses and the consequent negative net worth, the company has referred the matter under the Sick Industrial Companies (Special Provisions) Act, 1985 to the Board for Industrial and Financial Reconstruction (BIFR) in Nov 2014, which is registered as BIFR Case No.67/2014 and was pending adjudication as to the sickness of the company.

During the pendency of the above reference before the Hon'ble Board, the Company has filed several applications. Applications viz MA No. 54/2015, MA N4o.73/2015, MA No. 239/2015, MA No.337/2015 seeking protection U/S 22 of the SICA Act'1985 from various unsecured creditors.

BIFR and AAIFR have been abolished and the Sick Industrial Companies (Special Provisions) Act 1985 (SICA) is repealed. Pursuant to the same, all proceedings or appeals of whatever nature pending before BIFR/ AAIFR have been abated w.e.f. 01.12.2016.

NOTE NO. 45

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. 46 - ELECTRICITY CHARGES

Kerala State Electricity Board have been raising electricity bills based on minimum payable of contract demand (75% of 18mva) even though the Plant has been shut since Nov 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 had appointed a Committee to study the matter which has recommended refixation of CD as 300 kva. Company therefore submitted fresh application in December 2015. Since the Company has been effecting payments based on 300 kva cd, KSEB has given written confirmation that bills will be reworked as soon as they complete their internal procedures. After considering the payments/provisions made by the Company, an amount of Rs. 894.98 lakhs (Previous Year Rs. 335.8 lakhs) till 31/03/2017 has not been recorded as liability in the Financial Statements nor has been disclosed as contingent liability.

NOTE NO. 47 - LIABILITY FOR SALARIES & WAGES POST RETRENCHMENT

Non Management Staff

Company has given stay-at-home notice to all employees as on 01 May, 2015. Further, closure application was submitted and thereafter review petition to Government of Kerala has been rejected. A writ of mandamus has been field in the High Court by the Company. For Non - Managerial staff, arrears in LTS till 31st May, 2015 has been provided for in the books of accounts. Wages of Non managerial Staff has been provided and paid till August, 2015. Based on the legal opinion obtained by the company, estimated wage bill including statutory dues of non-managerial staff from September, 2015 till March, 2017 amounting to Rs. 1496.61 Lakhs has not been recognized in the financial statements pending disposal of writ petition which the management is confident of favorable outcome.

Management Staff

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

NOTE NO. 48 - BONUS LIABILITY AS PER AMENDED BONUS ACT

The amendment to the Payment of Bonus Act was notified on January – 2016 with retrospective effect from 1st April, 2014 thereby increasing the eligibility limit and amount of bonus. The Company has provided for Bonus for the year 2014-15 as per the provisions of old "Payment of Bonus Act, 1965. The estimated additional payment on account of bonus payment in respect of 2014-15 would be Rs.11.66 lakhs. The Hon'ble High Court of Kerala and certain other High Courts have stayed operation of amendment with retrospective effect. As such, based on the legal advice received by the Company, management has not paid the additional payment of Bonus. However the same has been provided in the financials.

NOTE NO. 49

M/s Chemical process Equipment identifying themselves as MSME have filed a petition before Micro small and medium Enterprises Facilitation Council, Konkan Division under section 18 (1) of Micro, Small and Medium Enterprises Development Act 2006 on 10th December 2015 claiming outstanding amount of Rs. 280.8 Lakhs (as per books of account) 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.

Office of the joint director of Industries vide their letter dated 30th March 2017 scheduled hearing for conciliation under section 18(2) of MSMED Act on 7th April 2017 and directed both the parties to explore the possibilities to arrive at mutual settlement. We submitted our reply before the Micro and small Enterprises Facilitation Council stating inter alia pendency of SARFAESI proceedings before DRT –Mumbai.

NOTE NO. 50 - 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.

As per our separate 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 : 23rd May, 2017

Saurabh Tiwari
Company Secretary
A - 47659

For and on behalf of the Board of Directors

R. S. Joshi
Managing Director
DIN - 00218927

Aparna Sahay
Director
DIN - 02251732

Place : Jaipur
Date : 23rd May, 2017

INDEPENDENT AUDITORS' REPORT

To
The Members of Edayar Zinc Limited, Kolkata

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Edayar Zinc Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which comprise the consolidated balance sheet as at 31 March 2017, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group, as at 31 March 2017 and its consolidated financial performance including other comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year then ended .

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

a) Note No. 47 of 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), which can affect the going concern assumption of the company.

b) Note No. 48 of the financial statements stating that the net worth of the company has been fully eroded and a reference has been made by the company to the erstwhile Board for Industrial and Financial Reconstruction, which, along with other matters as stated in the Note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

c) Note No. 49 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 dependant on various uncertainties over its ability to continue as a going concern, as stated therein.

d) Note No. 22(a) & 51 of the financial statements stating that application for closure of plant was rejected by the Government of Kerala and rejection of review petition filed under the Industrial Disputes Act 1947 against which the company has filed a writ petition in the Kerala High Court. Based on a legal opinion the company has not provided for wages and statutory dues of non-managerial staff from September 2015.

e) Non-Provision of interest: Note No. 18 (i)(a) of the Financial Statements stating that interest of Rs.40.92 Crores for the financial year 2016-17 has not been provided in the financial statements as the Company's accounts have been declared NPA by it's bankers.

f) Non-Provision of Electricity charges: Note No. 46 of the financial statements states that Rs 894.98 lakhs till 31/03/2017 has not been provided as a liability in the financial statements.

g) As per information and explanation provided to us, the holding Company has contested the recovery notices received from the holding company's bankers.

Our report is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as applicable.

   (e) In our opinion, the matters described in sub paragraphs (a) to (d), under the Emphasis of Matters paragraph above regarding the ability of the Holding 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 Holding Company.

   (f) On the basis of the written representations received from the directors of the Group companies as on 31st March, 2017 and taken on record by the Board of Directors of the respective Group companies, none of the directors of the Group companies is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

   (g) We have been informed that the Holding company has discontinued its operations 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.

   (h) 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 Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 44.2, Note 44.3, Note 44.4, Note 47, Note 48, Note 50, Note 51, Note 52, Note 53 and Note 54 to the consolidated financial statements.

      ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

      iv. Financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 35 to the consolidated Ind AS financial statements.

For **Udeshi Shukla & Associates**
Chartered Accountants
FRN 11886W

CA Sheel Rajendra Shukla
Partner
MRN 046775
Place: Mumbai
Date: May 23, 2017

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH,2017

(₹ in Lakhs)

	Particulars	Note No.	31st March 2017	31st March 2016	31st March, 2015
I	**ASSETS**				
	Non-current assets				
	Property, Plant and Equipment	4	**6,329.41**	6,717.29	7,117.17
	Capital work-in-progress	4	**3,219.41**	3,215.77	3,581.81
	Goodwill	5	**5.39**	5.39	5.39
	Other Intangible assets	5	**0.60**	2.16	3.85
	Financial Assets				
	(i) Investments	6	**17.50**	17.50	17.50
	(ii) Other Financial Assets	7	**3.25**	3.25	3.25
	Other Non-Current Assets	8	**244.32**	244.32	269.47
	Tax Assets	9	**16.11**	178.78	176.63
	Total Non-Current Assets		**9,835.99**	10,384.46	11,175.07
	Current assets				
	Inventories	10	**2,645.73**	2,645.73	2,731.53
	Financial Assets				
	(i) Trade receivables	11	**-**	-	0.74
	(ii) Cash and cash equivalents	12	**17.81**	54.24	694.71
	(iii)Bank Balance other than (ii) above	12.1	**59.70**	190.19	176.06
	(iv) Loans	13	**3,346.59**	3,346.59	4,416.00
	(v) Other Financial Assets	14	**2,561.94**	2,459.50	2,482.89
	Other Current Assets	15	**2,223.91**	2,267.45	2,294.21
	Total Current Assets		**10,855.68**	10,963.70	12,796.14
	Total Assets		**20,691.67**	21,348.16	23,971.21
II	**EQUITY AND LIABILITIES**				
	Equity				
	Equity Share capital	16	**6,761.81**	6,761.81	6,761.81
	Other Equity	17	**(15,048.81)**	(14,448.50)	(9,704.94)
	Total Equity		**(8,287.00)**	(7,686.69)	(2,943.13)
	LIABILITIES				
	Non Current Liabilities				
	Deffered Tax Liabilities		**27.70**	28.11	28.64
	Current liabilities				
	Financial Liabilities				
	(i) Borrowings	18	**24,376.84**	24,683.21	20,960.54
	(ii) Trade payables	19	**1,873.99**	1,906.55	3,267.71
	(iii) Other Financial Liabilities	20	**1,719.70**	1,318.62	1,686.48
	Other current liabilities	21	**476.58**	478.19	538.83
	Provisions	22	**503.86**	620.17	432.14
	Total Liabilities		**28,978.67**	29,034.85	26,914.34
	Total Equity and Liabilities		**20,691.67**	21,348.16	23,971.21
	Summary of Significant Accounting Policies	1			

The accompanying notes are an integral part of the financial statements.

As per our separate 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

Saurabh Tiwari
Company Secretary
A - 47659

For and on behalf of the Board of Directors
R. S. Joshi
Managing Director
DIN - 00218927

Aparna Sahay
Director
DIN - 02251732
Place : Jaipur
Date : 23rd May, 2017

CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

Particulars	Note No.	31st March 2017	31st March, 2016
Revenue From Operations	23	-	150.74
Other Income	24	200.74	758.45
Total Income		200.74	909.19
EXPENSES			
Changes in inventories	25	-	81.71
Excise Duty		-	5.24
Employee benefits expense	26	145.36	956.20
Finance costs	27	1.40	3640.29
Depreciation and amortization expense	28	389.43	401.45
General ,administration and other expenses	29	280.64	490.12
Total expenses		816.83	5575.01
Loss before exceptional items and tax		(616.09)	(4665.82)
Exceptional Items		-	-
Loss before tax		(616.09)	(4665.82)
Tax expense:			
(1) Current tax		0.10	0.14
(2) Short Provision of Income Tax of earlier years (Net)		-	0.09
(3) Deferred tax		(0.41)	(0.53)
Loss for the period from continuing operations		(615.78)	(4665.52)
Loss for the year	A	(615.78)	(4665.52)
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement of Post Employment Benefit Obligation		15.47	(78.04)
Tax Expense		-	-
Total Comprehensive Income	B	15.47	(78.04)
Total Comprehensive Income for the year (Comprising Profit (Loss) and Other Comprehensive Income for the year)	A + B	(600.31)	(4743.56)
Earnings per equity share :			
Basic & Diluted	30	(0.91)	(6.90)
Summary of Significant Accounting Policies	1		
The accompanying notes are an integral part of the financial statements.			

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

R. S. Joshi
Managing Director
DIN - 00218927

CA Sheel Rajendra Shukla
Partner
Membership No : 046775

Saurabh Tiwari
Company Secretary
A - 47659

Aparna Sahay
Director
DIN - 02251732

Place : Mumbai
Date : 23rd May, 2017

Place : Jaipur
Date : 23rd May, 2017

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

A. Equity Share Capital (for details refer note no.16)

(₹ in Lakhs)

Balance as at 1st April 2015	6,761.81
Changes in equity share capital	-
Balance as at 31st March 2016	6,761.81
Changes in equity share capital	-
Balance as at 31st March 2017	**6,761.81**

B. Other Equity (for details refer note no.17)

(₹ 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 1st April 2015	-	(9,704.94)	-	-	(9,704.94)	-	(9,704.94)
Profit for the year	-	(4,665.52)	-	-	(4,665.52)	-	(4,665.52)
Other Comprehensive Income for the year	-	(78.04)			(78.04)	-	(78.04)
Total Comprehensive Income for the year	-	(4,743.56)	-	-	(4,743.56)	-	(4,743.56)
Transfer to general reserve	-	-	-	-	-	-	-
Dividend paid on equity shares	-	-	-	-	-	-	-
Dividend distribution tax paid	-	-	-	-	-	-	-
Balance as at 31st March 2016	-	(14,448.50)	-	-	(14,448.50)	-	(14,448.50)
Profit for the year	-	(615.78)		-	(615.78)	-	(615.78)
Other Comprehensive Income for the year	-	15.47	-	-	15.47	-	15.47
Total Comprehensive Income for the year	-	(600.31)	–	-	(600.31)	-	(600.31)
Transfer to general reserve	-	-	-	-	-	-	-
Dividend paid on equity shares	-	-	-	-	-	-	-
Dividend distribution tax paid	-	-	-	-	-	-	-
Balance as at 31st March 2017	-	(15,048.81)	-	-	(15,048.81)	-	(15,048.81)

The accompanying notes are an integral part of these financial statements

As per our separate 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 : 23rd May, 2017

For and on behalf of the Board of Directors

R. S. Joshi
Managing Director
DIN - 00218927

Saurabh Tiwari
Company Secretary
A - 47659

Aparna Sahay
Director
DIN - 02251732

Place : Jaipur
Date : 23rd May, 2017

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2017

(₹ in Lakhs)

	Particulars	31st March, 2017	31st March, 2016
A	**Cash Flow From Operating Activities**		
	Earnings before exceptional and extraordinary items and tax	**(616.09)**	(4665.82)
	Adjustments for:		
	Depreciation / Amortization /Impairment	**389.43**	401.45
	Interest and Finance Charges	**1.40**	3,636.41
	Sundry Balances written off / Liabilities no longer required written back & other income	**-**	(219.29)
	Unrealised (Gain) / Loss on Exchange Rate Fluctuation (Net)	**-**	6.62
	Gain on Acturial Valuation	**(134.28)**	0.00
	Interest and Dividend Income	**(43.53)**	(537.60)
	Operating Profit Before Working Capital Changes	**(403.06)**	(1378.23)
	Change in operating assets and liabilities		
	(Inventories)/Decrease in Inventories	**-**	85.80
	(Inventories)/Decrease in trade receivables and other assets	**12.39**	2,254.00
	(Inventories)/Decrease in trade Payables and other payables	**504.65**	(1965.53)
	Cash Generated from Operations	**113.97**	(1003.96)
	Extra-ordinary Item	**-**	-
	Direct Taxes Paid (including TDS)	**-**	(2.34)
	Net Cash from/(used in) Operating Activities	**113.97**	(1006.30)
B	**Cash Flow from Investing Activities**		
	Purchase of Fixed Assets (including capital work - in - progress)	**(3.67)**	(11.84)
	Sale of Fixed Assets / Refund from CWIP Suppliers	**-**	37.25
	Loans and advances to subsidiaries	**8.00**	-
	Interest and Dividend Income Received	**22.56**	184.99
	Net Cash from/(used in) Investing Activities	**26.89**	210.40
C	**Cash Flow from Financing Activities**		
	Interest & Finance Charges paid	**-**	(0.07)
	Proceeds / Repayment from Short Terms Borrowings (Net)	**(307.78)**	352.73
	Net Cash from / (used in)Financing Activities	**(307.78)**	352.66
D	**Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)**	**(166.92)**	(443.24)
E	Opening Cash & Cash Equivalents	**244.43**	874.05
F	**Closing Cash & Cash Equivalents (D+E)**	**77.51**	244.43

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2017

(₹ in Lakhs)

Reconciliation of Cash Flow statements as per the cash flow statement	**31st March, 2017**	31st March, 2016
Cash Flow statement as per above comprises of the following		
Cash and cash equivalents	**77.51**	244.43
Bank overdrafts	**-**	-
Balances as per statement of cash flows	**77.51**	244.43

Note :Cash and Cash Equivalents at the end of the period includes ₹ 58.75 Lakhs (P Y ₹190.30 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

R. S. Joshi
Managing Director
DIN - 00218927

CA Sheel Rajendra Shukla
Partner
Membership No : 046775

Saurabh Tiwari
Company Secretary
A - 47659

Aparna Sahay
Director
DIN - 02251732

Place : Mumbai
Date : 23rd May, 2017

Place : Jaipur
Date : 23rd May, 2017

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

Note No. 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 23, 2017.

Note No.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"). These are the Company's first Ind AS financial statements and Ind AS 101, 'First–time Adoption of Indian Accounting Standards' has been applied. The policies set out below have been consistently applied during the year presented.

For all periods up to and including the year ended 31 March 2016, the Company has prepared its financial statements in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ("Previous GAAP").

These financial statements for the year ended 31 March 2017 are the first financials statement of the Company prepared in accordance with Ind AS. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows including reconciliations and descriptions of the effect of the transition are provided in Note 3.

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.

Note No. 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

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes and inclusive of excise duty. The Company recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met, as described below.

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

(a) The company has transferred to the buyer the significant risks and rewards of the ownership of the goods;

(b) The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

(c) The amount of revenue can be measured reliably;

(d) It is probable that the economic benefits associated with the transaction will flow to the company; and

(e) The cost incurred or to be incurred in respect of the transaction can be measured reliably.

Other Revenue is recognized as follow:

Finance Income:

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

Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate application.

Royalty Income:

Royalty is recognized on an accrual basis in accordance with the substance of the relevant agreement.

Dividend

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

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.

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.

Transfers are made to or from investment properties only when there is change in use. Transfer between investment properties, owner occupied properties and inventories do not change the carrying value of the property transferred and they do not change the cost of that property for measurement or disclosure purpose

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.

Transition to IND AS:

On transition to Ind AS, the company has elected to continue with the carrying value of intangible assets recognized as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

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).

Transition to Ind AS:

On transition to Ind AS, the company has elected to continue with the carrying value of investment recognized as at April 1, 2015 as per the previous GAAP and use that carrying value as the deemed cost of Investments

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 agreements 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.

3.13 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 17th 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 1st 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 begning on or after April 01, 2017.

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

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

(₹ in Lakhs)

Particulars	Leasehold Land	Freehold Land	Buildings	Maps & Periodicals	Survey Instrument	Plant and Machinery	Furniture and Fixtures	Motor Vehicle	Total PPE	CWIP	Total
Year ended 31 March 2016											
Gross carrying amount											
Opening Gross Block as on 1st April, 2015	31.85	408.34	1,625.32	0.23	0.06	22,950.70	204.32	146.37	25,367.19	3,581.81	28,949.00
Additions	-	-	-	-	-	-	-	-	-	6.17	6.17
Deductions and Adjustments * (Refer note below)	-	-	-	-	-	-	-	-	-	372.21	372.21
Closing gross carrying amount	**31.85**	**408.34**	**1,625.32**	**0.23**	**0.06**	**22,950.70**	**204.32**	**146.37**	**25,367.19**	**3,215.77**	**28,582.96**
Accumulated Depreciation as on 1st April, 2015	-	-	1,093.63	-	0.02	16,832.05	190.34	133.98	18,250.02	-	18,250.02
Depreciation charge during the year	-	-	48.29	-	-	342.06	4.06	5.47	399.88	-	399.88
Closing accumulated depreciation and impairment	**-**	**-**	**1,141.92**	**-**	**0.02**	**17,174.11**	**194.40**	**139.45**	**18,649.90**	**-**	**18,649.90**
Net carrying amount as on 31.03.16	**31.85**	**408.34**	**483.40**	**0.23**	**0.04**	**5,776.59**	**9.92**	**6.92**	**6,717.29**	**3,215.77**	**9,933.06**
Year ended 31 March 2017											
Gross carrying amount											
Opening gross carrying amount	31.85	408.34	1,625.32	0.23	0.06	22,950.70	204.32	146.37	25,367.19	3,215.77	28,582.96
Additions	-	-	-	-	-	-	-	-	-	3.64	3.64
Closing gross carrying amount	**31.85**	**408.34**	**1,625.32**	**0.23**	**0.06**	**22,950.70**	**204.32**	**146.37**	**25,367.19**	**3,219.41**	**28,586.60**
Accumulated depreciation & impairment											
Opening accumulated depreciation	-	-	1,141.92	-	0.02	17,174.11	194.40	139.45	18,649.92	-	18,649.92
Depreciation charge during the year	-	-	41.06	-	-	341.95	2.11	2.74	387.86	-	387.86
Closing accumulated depreciation and impairment	**-**	**-**	**1,182.98**	**-**	**0.02**	**17,516.06**	**196.51**	**142.19**	**19,037.78**	**-**	**19,037.78**
Net carrying amount as on 31.03.2017	**31.85**	**408.34**	**442.34**	**0.23**	**0.04**	**5,434.64**	**7.81**	**4.18**	**6,329.41**	**3,219.41**	**9,548.82**

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

4.1 (i) (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 no unusual deterioration in the condition of the assets due to non operation.

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 5 - INTANGIBLE ASSETS

(₹ in Lakhs)

PARTICULARS	Computer Software	Total	Goodwill
Year ended 31 March 2016			
Gross carrying amount			
Opening Gross Block as on 1st April, 2015	8.41	8.41	5.39
Additions	-	-	-
Closing gross carrying amount	**8.41**	**8.41**	**5.39**
Accumulated Depreciation as on 1ast April, 2015	4.56	4.56	-
Depreciation charge during the year	1.68	1.68	-
Deductions and Adjustments	-	-	-
Closing accumulated depreciation and impairment	**6.24**	**6.24**	**-**
Net carrying amount as on 31.03.16	**2.16**	**2.16**	**5.39**
Year ended 31 March 2017			
Gross carrying amount			
Opening gross carrying amount	8.41	8.41	5.39
Additions	-	-	-
Closing gross carrying amount	**8.41**	**8.41**	**5.39**
Accumulated depreciation and impairment			
Opening accumulated depreciation	6.24	6.24	-
Depreciation charge during the year	1.57	1.57	-
Closing accumulated depreciation and impairment	**7.81**	**7.81**	**-**
Net carrying amount as on 31.03.2017	**0.60**	**0.60**	**5.39**

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 6 - NON CURRENT INVESTMENTS

(₹ in Lakhs)

PARTICULARS	Face value	31st March, 2017		31st March, 2016		1st April, 2015	
		No. of shares/Units	Rupees in lakhs	No. of shares/Units	Rupees in lakhs	No. of shares/Units	Rupees in lakhs
Investment in equity instruments (fully paid-up)							
Unquoted							
Other Investments							
Investment in Equity Instruments of Other Companies, fully paid up							
1,75,000 (Previous Year 1,75,000 Shares of Rs.10/- each) in Kerala Enviro Infrastructure Limited	**10**	**175000**	**17.50**	175000	17.50	175000	17.50
Total			**17.50**		17.50		17.50
The value is taken at cost not on Market value.							

Note NO. 7 - OTHER FINANCIAL ASSETS

(₹ in Lakhs)

PARTICULARS	31st March, 2017		31st March, 2016		1st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Fixed Deposits with more than twelve months maturity	**-**	**3.25**	-	3.25	-	3.25
Total	**-**	**3.25**	-	3.25	-	3.25

Note NO. 8 - OTHER NON CURRENT ASSETS

(₹ in Lakhs)

PARTICULARS	31st March, 2017		31st March, 2016		1st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Capital advances	**-**	**239.22**	-	239.22	-	264.25
Balance with Statutory Authorities	**-**	**5.10**	-	5.10	-	5.10
TCS Dead Rent	**-**	**-**	-	-	-	0.12
Total	**-**	**244.32**	-	244.32	-	269.47

Note NO. 9 - TAX ASSETS (NET)

(₹ in Lakhs)

PARTICULARS	31st March,2017	31st March,2016	1st April, 2015
Unsecured, Considered good			
Advance Tax/TDS	**16.11**	178.78	176.63
Total	**16.11**	178.78	176.63

NOTE NO. 10 - INVENTORIES

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016	1st April, 2015
Raw Materials	**1,421.18**	1,421.18	1,421.18
Raw Materials- In Transit	**-**	-	-
Work-In Process	**304.09**	304.09	304.09
Finished Goods	**7.92**	7.92	93.37
Stores and Spares	**912.54**	912.54	912.89
Total	**2,645.73**	2,645.73	2,731.53

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

10.1 METHOD OF VALUATION OF INVENTORIES - Refer Notes 10.4 & 10.5

10.2 BREAK - UP OF INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

PARTICULARS	31st March 2017	31st March 2016	1st April, 2015
Zinc Ingots	**-**	-	0.04
Sulphuric Acid	**4.93**	4.93	32.54
Zinc Alloy	**2.99**	2.99	60.79
Total	**7.92**	7.92	93.37

10.3 BREAK - UP OF INVENTORIES OF WORK IN PROGRESS

PARTICULARS	31st March 2017	31st March 2016	1st April, 2015
Calcine	**299.99**	299.99	299.99
Zinc Dust	**4.10**	4.10	4.10
Total	**304.09**	304.09	304.09

10.4 The Raw Materials and WIP has been valued at Weighted Average Cost as the management is of the opinion that the value of raw materials and work in progress does not suffer any major devaluation due to non movement due to the inherrent nature of the raw material and work in progress.

10.5 Finished Goods has been valued at Cost or Market Value which ever is less. As per the best estimate made by the management, there is no significant erosion in the equity and realisable value of the finished goods due to non movement and the present stock is expected to realise prevailing market rates as and when sold.

NOTE NO. 11 -TRADE RECEIVABLES

(₹ in Lakhs)

PARTICULARS	31st March 2017	31st March 2016	1st April, 2015
Unsecured Considered, Considered Good			
Other Debts	**-**	-	0.74
Total	**-**	-	0.74

NOTE NO. 12 - CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

PARTICULARS	31st March 2017	31st March 2016	1st April, 2015
Balances with banks			
- in current accounts	**17.75**	53.89	48.81
- in deposits account with original maturity of less than three months	**-**	-	643.51
Cash on hand	**0.06**	0.35	2.39
Total	**17.81**	54.24	694.71

NOTE NO 12.1 - BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

PARTICULARS	31st March 2017	31st March 2016	1st April, 2015
Balances with banks in Deposit Accounts to the extent held as security against Letter of Credit facilities & Guarantees includes interest accrued on the deposits.	**59.70**	190.19	176.06
Total	**59.70**	190.19	176.06

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 13 - LOANS

(₹ in Lakhs)

Particulars	31st March, 2017		31st March, 2016		1st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Unsecured, considered good						
Loans & Advances to Related Parties (Unsecured Considered Good)						
Due from Holding Company :						
- Inter Corporate Deposits with Binani Industries Ltd	**3346.59**	**-**	3346.59	-	4,416.00	-
Total	**3,346.59**	**-**	3,346.59	-	4,416.00	-

NOTE NO. 14 - OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	31st March, 2017		31st March, 2016		1st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Deposits	**120.89**	**-**	120.65	-	477.12	-
Advances Recoverable in Cash	**1407.33**	**-**	1,294.85	-	1,314.63	-
Interest Receivable from Binani Industries Limited	**949.63**	**-**	949.63	-	691.11	-
Other Interest Accrued	**84.09**	**-**	94.37	-	0.03	-
Total	**2,561.94**	**-**	2,459.50	-	2,482.89	-

NOTE NO. 15 - OTHER CURRENT ASSETS

(₹ in Lakhs)

PARTICULARS	31st March, 2017		31st March, 2016		1st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Balance with Customs and Excise Authorities	**2223.91**	**-**	2,267.45	-	2,294.21	-
Total	**2,223.91**	**-**	2,267.45	-	2,294.21	**-**

NOTE NO. 16 - EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	31st March 2017	31st March 2016	1st April, 2015
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	7,500.00
Total	**7,500.00**	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	6,761.81
Total	**6,761.81**	6,761.81	6,761.81

16 (i) RECONCILIATION OF NUMBER OF SHARES

(₹ in Lakhs)

Particulars	31st March, 2017		31st March, 2016		1st April, 2015	
	No of Shares	Amount (Rs. In Lakhs)	No of Shares	Amount (Rs. In Lakhs)	No of Shares	Amount (Rs. In Lakhs)
Number of shares outstanding at the beginning of the year	**6,76,18,082**	**6,761.81**	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	6,76,18,082	6,761.81

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

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, 2017 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.

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:

(₹ in Lakhs)

NAME OF SHAREHOLDER	**31st March, 2017**		31st March, 2016		1st April, 2015	
	% of Holding	**No of Shares**	% of Holding	No of Shares	% of Holding	No of Shares
Binani Industries Limited, Holding Company	**89.90%**	**6,07,88,138**	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, 2017**	31st March, 2016	1st April, 2015
Balance at the beginning of the reporting period	**(14448.50)**	(9704.94)	(4505.32)
Changes in accounting policy or prior period errors	**-**	-	-
Restated balance at the beginning of the reporting period	**-**	-	-
Total Comprehensive Income for the year	**15.47**	(78.04)	-
Transfer to retained earnings	**(615.78)**	(4665.52)	(5199.62)
Balance at the end of the reporting period	**(15048.81)**	(14448.50)	(9704.94)

NOTE NO. 18 - CURRENT BORROWINGS

(₹ in Lakhs)

PARTICULARS	**31st March, 2017**	31st March, 2016	1st April, 2015
Secured			
Cash Credit from Banks	**24,376.84**	24,683.21	20,960.54
Total	**24,376.84**	24,683.21	20,960.54

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 01/04/16. Total Interest amounts of Rs. 4092.18 lakhs for the period from 01/04/2016 to 31/03/2017 has not been recognised in the books of account.

18 (i) (b) As per DRT Order the company has paid Rs. 100 lakhs upfront and is also paying Rs. 25,000/- per day towards outstanding dues to banks from 19th August, 2016 till 31st March, 2017 the company has paid Rs. 156 lakhs. The company has requested banks to adjust the payments against the Principal.

18 (i) (c) Total repayment in case of Bank borrowings is adjusted against principal. Total amount paid towards principal is Rs. 306.37 lakhs form 01/04/2016 to 31/03/2017. Out of the same Rs. 156/- lakhs was paid as per DRT order and the balance amount of Rs. 150.37 lakhs was repaid from fixed deposit held as lien.

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

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.

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 invoked:(excluding interest)

PARTICULARS	31st March, 2017 (₹ in Lakhs)	Period (In months)
L/C Devolved during 2013-14 *	4,141.12	37
	4,881.83	37
L/C Devolved during 2014-15 *	4,581.98	34
	5,401.33	32
	4,645.19	28
B/G Invoked during 2015-16	115.82	18
	16.10	18
	13.63	18
	157.13	18
	20.30	13
	30.30	13

Cash Credit includes outstanding as on 31st March 2016 against the L/C's Devolved of ₹ 16587.21 Lakhs (P.Y ₹ 16587.21 lakhs) and ₹ 353.28 lakhs against Bank Guarantee Invoked (P Y ₹ 358.28 lakhs).

* 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	31st March, 2017	31st March, 2016	1st April, 2015
Trade Payables (including acceptances & Provisions)	**1,873.99**	1,906.55	3,267.71
Total	**1,873.99**	1,906.55	3,267.71

19 (a) **Amount Due to Micro and Small Enterprises**

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.

One of our customer identifying itself as MSME (Micro Small & Medium Enterprises) has filed a petition against the company and balance as per books of account is Rs. 280.8 lakhs. Also Refer Note No. 53.

NOTE NO. 20 - OTHER FINANCIAL LIABILITIES (₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016	1st April, 2015
Security Deposit Received	**66.48**	61.88	61.88
Advances from holding company	**373.60**	-	-
Creditors for Capital Goods	**295.02**	295.19	565.51
Advance from Customers	**88.42**	93.02	152.87
Others	**631.09**	603.41	524.92
Retention Money Received	**265.10**	265.12	381.30
Total	**1,719.70**	1,318.62	1,686.48

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 21 - OTHER CURRENT LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016	1st April, 2015
Customs Duty on Zinc Concentrate	**474.88**	474.88	474.88
Other Statutory Dues	**1.70**	3.31	63.95
Total	**476.58**	478.19	538.83

NOTE NO. 22 - PROVISIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016	1st April, 2015
Provision for Employee Benefits			
For Leave Encashment	**29.64**	146.86	68.22
For Gratuity	**255.00**	254.32	95.90
For Loyalty	**218.71**	218.72	47.81
Provision for Bonus	**0.12**	0.12	-
Other Provisions	**0.39**	0.15	0.17
Provision for Disputed Electricity Demands	**-**	-	220.04
Total	**503.86**	620.17	432.14

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.

NOTE NO. 23 - REVENUE FROM OPERATIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
Sale of Products		
Zinc Ingots	**-**	75.09
Zinc Alloy:		
Zamak 3	**-**	32.76
Sulphuric Acid	**-**	35.68
Total	**-**	143.53
Other Operating Revenue		
Industrial Waste Sales/Scrap Sales	**-**	7.21
Income from Risk Management Transactions (Net)	**-**	-
	-	7.21
Total	**-**	150.74

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 24 - OTHER INCOME

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
Interest Income FROM FDR	**12.21**	537.60
Other Non Operating Income	**-**	0.82
Liabilities No Longer Required Written Back	**0.09**	220.03
Misc Income	**22.85**	-
Gain on Acturial Valuation	**134.28**	-
Interest on Income Tax Refund	**31.31**	-
Total	**200.74**	758.45

NOTE NO. 25 - CHANGES IN INVENTORIES OF RAW MATERIALS, WORK-IN PROCESS, FINISHED GOODS & STORE & SPARE PARTS (Refer Note No. 10)

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
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	**7.92**	93.37
Store & Spare Parts	**912.54**	912.54
Total	**2,645.73**	2,731.18
Inventories as at the end of the year		
Raw Materials	**1,421.18**	1,421.18
Work -In Process	**304.09**	304.09
Finished Goods	**7.92**	7.92
Store & Spare Parts	**912.54**	912.54
Total	**2,645.73**	2,645.73
Changes in Inventories		
Raw Materials	**-**	-
Work -In Process	**-**	-
Finished Goods	**-**	85.45
Store & Spare Parts	**-**	-
Excise Duty on Stock Adjustments	**-**	(3.74)
Total	**-**	81.71

NOTE NO. 26 - EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
Salaries and Wages	**112.15**	654.79
Retrenchment Compensation	**-**	107.48
Contribution to Provident and Other Funds	**33.21**	193.05
Workmen and Staff Welfare Expenses	**-**	0.88
Total	**145.36**	956.20

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 27 - FINANCE COST

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
Interest Expenses	**0.01**	3,636.41
Bank Charges	**1.39**	3.88
Total	**1.40**	3,640.29

NOTE NO. 28 - DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
Depreciation on Tangible Assets	**387.86**	399.77
Depreciation on Intangible Assets	**1.57**	1.68
Total	**389.43**	401.45

NOTE NO. 29 - GENERAL, ADMINISTRATION AND OTHER EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
Power and Fuel	**42.91**	205.28
Consumption of Stores and Spares	**-**	10.53
Repaires & Maintenance - Others	**11.79**	1.91
Repaires & Maintenance - Plant & Mach	**0.69**	4.16
Service Charges	**25.36**	-
Other Operating Expenses	**-**	0.92
Freight and Transport	**-**	4.25
Advertisement Exp.	**0.29**	-
Insurance Expenses	**16.67**	17.57
Postage & Courier Charges	**0.51**	-
Printing & Stationary Expenses	**0.91**	-
Internet Expenses	**0.32**	-
Rates and Taxes	**0.89**	6.55
Director's Sitting Fees	**3.20**	5.45
Exchange Rate Difference (Net)	**-**	6.62
Rent	**-**	1.40
Security Expenses	**17.28**	29.08
Secretarial Charges	**2.92**	-
Professional Fees	**84.03**	95.88
Legal Fees	**47.52**	29.65
Water Charges	**8.71**	-
Filing and Registration Fees	**1.41**	-
Telephone Expenses	**0.63**	-
Travelling and Conveyance Expenses	**9.87**	11.32
Other Miscelleneous Expenses	**3.52**	58.27
A	**279.42**	488.84

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 29(i) - AUDITOR'S REMUNERATION

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
Payment to auditors		
Statutory Auditors		
a) Audit Fees	**1.17**	1.28
b) Other Matters	**0.05**	-
c) Out of pocket expenses	**-**	-
B	**1.22**	1.28
Total (A + B)	**280.64**	490.12

29 (ii) In the financial year 2015-16 the Management has decided to write back provision created for KSEB dues to the extent of 2.20 crores (50 ps case (refer note no. 24) which is carried over from previous years. As per books of accounts, the provision pertains to 50 ps case & August, 2001 tariff revision. In respect of 50 ps a settlement was reached involving GOK & KSEB. Reference documents are GO(Rt) No. 1555/2010/1D dtd 6th November, 2010, BO(FB) No. 106/2011/HTB-7/701/201/2010 dtd 7th January, 2011. The settlement as per above documents was incorporated in KSEB letter No HTB-7/701/7862 dtd 16th March, 2011. As per this settlement order an amount of ₹ 84,86,381 was payable monthly. The said payments were completed by October 2013. Hence, there is no further dues/liability to KSEB on this account. Hence written back.

NOTE NO. 30 - EARNINGS PER SHARE (BASIC/DILUTED)

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

PARTICULARS	31st March, 2017	31st March, 2016
Loss for the year as per Statement of Profit and Loss (Rs.Lakhs)	**(615.78)**	(4,665.52)
Weighted Average number of Equity Shares of Rs.10/- each (fully paid) (In Numbers)	**6,76,18,082**	6,76,18,082
Earnings Per Share (Basic/Diluted)(Rs)	**(0.91)**	(6.90)

NOTE NO. 31 - 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, 2017.

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'16 - March'17

ii **Additional information as required by Paragraph 2 of the General Instructions for preparation of Consolidated financial statements to Schedule III to the Companies Act, 2013**

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		Net Assets i.e. total assets minus total liabilities	
	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)	As % of consolidated net assets	Amount (₹in Lakhs)
1	2	3	4	5	2	3	4	5	2	3
Binani Zinc Limited	107.30%	(8,892.37)	99.98%	(600.18)	107.87%	(8,291.83)	99.99%	(4,743.40)	120.56%	(3,548.11)
R.B.G. Minerals Industries Ltd	(7.30%)	605.27	0.02%	0.13	(7.87%)	605.14	0.01%	0.16	(20.56%)	604.98
TOTAL	**100.00%**	**(8,287.00)**	**100.00%**	**(600.31)**	**100.00%**	**(7,686.69)**	**100.00%**	**(4,743.56)**	**100.00%**	**(2,943.13)**

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 32 - CONSOLIDATED STATEMENT OF NET ASSETS AND PROFIT OR LOSS FOR YEAR ENDED 31ST MARCH, 2017

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	4	5
Parent				
Edayar Zinc Limited	107.77%	(8,392.30)	100.02%	(615.92)
Subsidiaries				
Indian				
1 R.B,G, Minerals Industries Limited	(7.77%)	605.27	(0.02%)	0.13
	107.77%	**(7,787.03)**	**100.02%**	**(615.79)**
Elimination/ Consolidation Adjustments	-	(500.00)	-	-
Non-controlling interest in subsidiary		-		-
TOTAL		**(8,287.03)**		**(615.79)**

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, 2017	31st March, 2016	1st April, 2015
Current (First charge/ Second charge/ Exclusive Charge)			
Financial Assets			
First Charges			
Trade receivables	**-**	-	0.74
Cash and cash equivalents	**17.76**	54.18	691.91
Other Bank balances	**59.70**	190.19	176.06
Loans	**3,355.17**	3,351.17	4,417.00
Other financial assets	**2,561.35**	2,459.22	2,482.86
Other current assets	**2,223.91**	2,267.45	2,294.21
Non Financial Assets			
Inventories	**2,645.73**	2,645.73	2,731.53
Total current assets pledged as security	**10,863.62**	10,967.94	12,794.31
Non-Current (First charge/ Second charge/ Exclusive Charge)			
First Charges			
Factory Land (108.59 Acres)	**29.70**	29.70	29.70
Buildings, Plant & Equipments & Furnitures *	**5,884.88**	6,270.00	6,664.30
Total non-current assets pledged as security	**5,914.58**	6,299.70	6,694.00
Total assets pledged as security	**16,778.20**	17,267.64	19,488.31

* The company has given charge on Fixed Assets in favour of EXIM Bank of India who is lender to Binani Industries Limited (holding company) for their loan of ₹31,751.64 lakhs.

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT SHOWING RELATED PARTY DISCLOSURE AS PER AS 18 ISSUED UNDER ACCOUNTING STANDARD RULES 2006 (AS AMENDED)

NOTE NO. 34 - RELATED PARTY TRANSACTIONS FOR THE YEAR ENDED ENDED 31ST MARCH, 2017

(₹ in Lakhs)

Particulars	Subsidiaries / Fellow Subsidiaries	Holding Company	Key Management Personel / Enterprises where KMPs have got significant influence	Total
A. TRANSACTIONS				
Interest Income (Interest on ICD)				
- Binani Industries Ltd		-		-
		(468.52)		(468.52)
Directors Sitting Fees				
- Mr. Braj Binani			**0.10**	**0.10**
			(0.90)	(0.90)
Service Charges Expenses				
- Triton Trading Company Private Limited			**0.70**	**0.70**
			(0.35)	(0.35)
- Nirbhay Management Services Private Limited***	**25.92**			**25.92**
	(14.56)			(14.56)
Advertisement Expenses				
- Media Magix - Division of Binani Industries Limited ***		**0.19**		**0.19**
		(7.12)		(7.12)
Car Hire Charges				
- Triton Trading Company Private Limited			**0.75**	**0.75**
			(0.40)	(0.40)
Loans & Advances Received				
- Binani Industries Ltd		**373.60**		**373.60**
		(-)		(-)
Inter Corporate Deposit Received Back				
- Binani Industries Ltd **		-		-
		(1,069.41)		(1,069.41)
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:				
Trade Payables	-			-
	(4.62)			(4.62)

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

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

(₹ in Lakhs)

Particulars	Basis/ Details	Subsidiaries / Fellow Subsidiaries	Holding Company	Key Management Personel / Enterprises where KMPs have got significant influence	Total
Corporate Guarantees Given					
- Binani Industries Ltd			**55,044.73**		**55,044.73**
			(51,141.00)		(51,141.00)
- Other Fellow Subsidaries		**1,64,332.96**			**1,64,332.96**
		(1,69,661.00)			(1,69,661.00)
Corporate Guarantees Received					
- Binani Industries Ltd			**24,531.84**		**24,531.84**
			(24,838.00)		(24,838.00)

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

** Trade payable of Rs. 1069.41 is adjusted against Inter Corporate Deposit receivable from Binani Industries Limited.

*** 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 and Narsingh Management Services Private Limited became fellow subsidiaries of the Company.

1 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.

2 Management service fee paid to Binani Industries Limited, the holding company is towards providing corporate support services relating to Corporate Strategy, Project Management, Forex/Commodity Risk Management, Purchases, Finance/Treasury, Media Services, Taxation etc. As per decision taken by the Holding Company, in the Board Meeting dated 7th August 2014 Management service fee has not been charged from 01.04.2014.

Names of related parties and description of relationship:

a Holding Company: Binani Industries Limited

b Fellow Subsidiary (including step down subsidiaries): Binani Cement Limited, Goa Glass Fibre Limited, BIL Infratech Limited, 3B Binani Glassfibre Sarl, 3B Fibreglass Norway AS, Nirbhay Management Services Private Limited and Narshing 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) Mr. Braj Binani and Triton Trading Company Private Limited.

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 35 - DISCLOSURE OF SPECIFIED BANK NOTES (SBN)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	Other denomination notes	Total (In Rupees)
Closing cash in hand as on 08.11.2016	27,500.00	6,019.00	33,519.00
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	27,500.00	-	27,500.00
Closing cash in hand as on 30.12.2016	-	6,019.00	6,019.00

Explanation: For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8th November, 2016".

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 account.

NOTE NO. 36 - FIRST TIME ADOPTION OF IND AS

Transition to Ind AS

These are the Company's first consolidated financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. These financial statements for the year ended 31st March, 2017 are the first the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2016 , the Company prepared its financial statements in accordance with the previously applicable Indian GAAP (previous GAAP).

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended 31st March, 2017, together with the comparative information as at and for the year ended 31st March, 2016. The Company's opening Ind AS Balance Sheet has been prepared as at 1st April, 2015, the date of transition to Ind AS.

In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act. An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its previous GAAP financial statements, including the Balance Sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31st March, 2016.

A.1. Ind AS optional exemptions

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous previous GAAP to Ind AS.

A.1.1 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 "Intangible Assets" and investment property covered by Ind AS 40 "Investment Properties".

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

Further, Ind AS 101 permits a first-time adopter to measure an item of property, plant and equipment at the date of transition to Ind ASs at its fair value and use that fair value as its deemed cost at that date.

Accordingly, the Company has elected to measure all of its intangible assets and property, plant and equipment (PPE) except freehold land at their previous GAAP carrying value. Freehold land has been measured at fair value and used that as its deemed cost at the date of transition.

A.2 Ind AS mandatory exceptions

The company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

The presentation requirements under previous GAAP differs from Ind AS and hence the previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived based on the audited financial statements of the Company for the year ended 31st March 2015 and 31st March 2016.

Reconciliation of equity as at date of transition (1 April 2015)

(₹ in Lakhs)

Particulars	Notes to first-time adoption	Regrouped previous GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		6,983.38	(133.79)	7,117.17
Capital work-in-progress		3,581.81	-	3,581.81
Good Will		5.39	-	5.39
Other intangible assets		3.85	-	3.85
Financial assets				
i. Investments		17.50	-	17.50
ii. Other Financial Asset		3.25	-	3.25
Other Non Current Assets		269.47	-	269.47
Tax assets (net)		176.63	-	176.63
Total non-current assets		**11,041.28**	**(133.79)**	**11,175.07**
Current assets				**-**
Inventories		2,731.53	-	2,731.53
Financial assets				
i. Trade receivables		0.74	-	0.74
ii. Cash and cash equivalents		694.71	-	694.71
iii. Bank balances other than (iii) above		176.06	-	176.06
iv. Loans		4,416.00	-	4,416.00
v. Other financial assets		2,482.89	-	2,482.89
Other Current Assets		2,294.21	-	2,294.21
Total current assets		**12,796.14**	**-**	**12,796.14**
Total assets		**23,837.42**	**(133.79)**	**23,971.21**

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Notes to first-time adoption	Regrouped previous GAAP*	Adjustments	Ind AS
EQUITY AND LIABILITIES				
Equity				
Equity share capital		6,761.81	-	6,761.81
Other equity		(9,810.09)	(105.15)	(9,704.94)
Total equity		**(3,048.28)**	**(105.15)**	**(2,943.13)**
LIABILITIES				
Non Current Liabilities				
Deferred Tax Liabilities Credit		-	(28.64)	28.64
Current liabilities				
Financial liabilities				
i. Borrowings		20,960.54	-	20,960.54
ii. Trade payables		3,267.71	-	3,267.71
iii. Other financial liabilities		1,686.48	-	1,686.48
Provisions		432.14	-	432.14
Other current liabilities		538.83	-	538.83
Total current liabilities		**26,885.70**	**(28.64)**	**26,914.34**
TOTAL equity and Liabilities		**23,837.42**	**(133.79)**	**23,971.21**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of equity as at 31 March 2016

(₹ in Lakhs)

Particulars	Notes to first-time adoption	Regrouped previous GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		6,583.49	(133.80)	6,717.29
Capital work-in-progress		3,215.77	-	3,215.77
Goodwill		5.39	-	5.39
Other intangible assets		2.17	0.01	2.16
Financial assets				
i. Investments		17.50	-	17.50
ii. Other Financial Asset		3.25	-	3.25
Other non current assets		244.32	-	244.32
Tax assets (net)		178.78	-	178.78
Total non-current assets		**10,250.67**	**(133.79)**	**10,384.46**
Current assets				
Inventories		2,645.73	-	2,645.73
Financial assets				
i. Trade receivables				
ii. Cash and cash equivalents		54.24	-	54.24
iii. Bank balances other than (iii) above		190.19	-	190.19
iv. Loans		3,346.59	-	3,346.59
v. Other financial assets		2,459.50	-	2,459.50
Other Current Assets		2,267.45	-	2,267.45
Total current assets		**10,963.70**	**-**	**10,963.70**
Total assets		**21,214.37**	**(133.79)**	**21,348.16**

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Notes to first-time adoption	Regrouped previous GAAP*	Adjustments	Ind AS
EQUITY AND LIABILITIES				
Equity				
Equity share capital		6,761.81	-	6,761.81
Other equity		(14,554.20)	(105.70)	(14,448.50)
Total equity		**(7,792.39)**	**(105.70)**	**(7,686.69)**
LIABILITIES				
Non Current Liabilities				
Deferred Tax Liabilities Credit		-	(28.11)	28.11
Current liabilities				
Financial liabilities				
I Borrowings		24,683.21	-	24,683.21
ii. Trade payables		1,906.55	-	1,906.55
iii. Other financial liabilities		1,318.62	-	1,318.62
Provisions		620.17	-	620.17
Other current liabilities		478.19	-	478.19
Total current liabilities		**29,006.74**	**(28.11)**	**29,034.85**
Total liabilities		**21,214.35**	**(133.81)**	**21,348.16**
TOTAL		**42,428.72**	**(267.60)**	**42,696.32**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

C. Reconciliation of total comprehensive income for the year ended 31 March 2016

(₹ in Lakhs)

Particulars	Notes to first-time adoption	Regrouped previous GAAP*	Adjustments	Ind AS
Revenue from operations		150.74	-	150.74
Other income		758.45	-	758.45
Total Income		**909.19**	**-**	**909.19**
Expenses				
Purchases of Stock-in-Trade				
Cost of Material Consumed			-	-
Changes in inventories of finished goods,		81.71	-	81.71
Excise Duty		5.24	-	5.24
Employee benefits expense	2	1,034.24	78.04	956.20
Finance costs		3,640.29	-	3,640.29
Depreciation and amortization expense		401.45	-	401.45
General, administration and other expenses		490.12	-	490.12
Total expenses		**5,653.05**	**78.04**	**5,575.01**
Profit before exceptional items and tax		**(4,743.86)**	**(78.04)**	**(4,665.82)**
Exceptional items				
Profit before tax		**(4,743.86)**	**(78.04)**	**(4,665.82)**
Income tax expense				
-Earlier Year Tax		0.14	-	0.14
-Current tax		0.09	-	0.09
-Deferred tax	6	(0.53)	-	(0.53)
Total tax expense		**(0.30)**	**-**	**(0.30)**
Profit for the Year		**(4,743.56)**	**(78.04)**	**(4,665.52)**
Other comprehensive income	3	**-**	**78.04**	**(78.04)**
Total comprehensive income for the year		**(4,743.56)**	**-**	**(4,743.56)**

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

Reconciliation of total equity as at 31st March 2016 and 1st April 2015

Particulars	Notes to first time adoption	31 March 2016	1 April 2015
Total equity (shareholder's funds) as per previous GAAP		**7,792.39**	**3,048.28**
Adjustments		-	-
Fair Value of Freehold Land	1	(133.80)	(133.79)
Deferred Tax	2	28.11	28.64
Total adjustments		-	-
Total equity as per Ind AS		**7,686.70**	**2,943.13**

D. Notes to First time adoption

Note 1 : Fair valuation of freehold land and certain items of PPE

As on transition date, the subsidiary company, R.B.G. Minerals Industries Limited has decided to fair value freehold land and used that as deemed cost as at that date. Details of fair values and adjsutment to the carrying amount are as under:

Particulars	Fair value Amount	Adjustment to carrying amount as reporting under IGAAP
Freehold land	133.61	31.21
Leasehold land	31.85	0.46
Total	**165.46**	**31.67**

Note 2 : Employee Benefit

As required by IND AS 19 Employee Benefits the impact of remeasurement in the Net Defined Liability (Assets) is recognised in other Comprehensive income on date of transition. Remeasurement in the Net Defined Liability (Asset) comprises Acturial gain or loss, return on plan asset (excluding interest on net asset / liability) and any change in effect of asset ceiling. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2016 decreased by Rs. 78.04 lakhs. There is no impact on the total equity as at 31st March, 2016.

Note 3 : Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes Remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

Note 4 : Retained earnings

Retained earnings as at 1 April 2015 has been adjusted consequent to the above Ind AS transition adjustments.

Note 5 : Cash Flow

There were no significant reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind AS.

Note 6 : Deferred tax

Under previous GAAP, deferred taxes are recognised for the tax effects of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are required to be recognised using the balance sheet approach for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. Further, deferred tax asset shall be recognised for the carryforward of unused tax losses and credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and credits can be utilised as against virtual certainty for future taxable profit as reuired by previous GAAP.

Deferred tax has been recognised on the adjustments made on transition to Ind AS for the purpose of consolidated financial statements.

Consequent to above adjsutments, the total equity as at 31 March 2016 has been decreased by INR 105.70 lakhs (1 April 2015 - INR 105.17 lakhs and profit for the year ended 31 March 2016 decreased by INR 0.53 lakhs.

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 37- 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

(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.

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

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.

(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. 38 - FAIR VALUE MEASUREMENTS

Financial instruments by category

Particulars	31 March 2017			31 March 2016			1 April 2015		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets									
Investments									
- Equity instruments	-	-	**522.89**	-	-	522.89	-	-	522.89
Loans	-	-	**7,280.93**	-	-	7,222.74	-	-	8,360.49
Trade receivables	-	-	-	-	-	-	-	-	0.74
Cash and cash equivalents	-	-	**17.76**	-	-	54.18	-	-	691.91
Other bank balances	-	-	**59.70**	-	-	190.19	-	-	176.06
Other financial assets	-	-	**1,083.73**	-	-	1,094.32	-	-	1,097.83
Total financial assets	-	-	**8,965.01**	-	-	9,084.32	-	-	10,849.92
Financial liabilities									
Borrowings	-	-	**24,376.84**	-	-	24,683.21	-	-	20,960.54
Trade payables	-	-	**1,873.99**	-	-	1,906.55	-	-	-
Other financial liabilities	-	-	**331.58**	-	-	327.00	-	-	3,267.71
Total financial liabilities	-	-	**26,582.41**	-	-	26,916.76	-	-	24,228.25

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 39 - EMPLOYEE BENEFIT OBLIGATIONS

(ii) Movements in provisions

Movements in each class of provision during the financial year, are set out below:

Particulars	Provision for employee benefits
As at 1st April 2015	
Charged/(credited) to profit or loss	
- additional provisions recognised	
- utilised	
Amounts used during the year	
As at 31st March 2016	**-**
Charged/(credited) to profit or loss	
- additional provisions recognised	
- utilised amounts reversed	
Amounts used during the year	
As at 31st March 2017	**-**

Balance sheet amount (Gratuity Plan)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1st April 2015	552.15	456.25	95.90
Current service cost	22.53	-	22.53
Interest expense/(income)	45.55	37.64	7.91
Total amount recognised in profit and loss	68.09	37.64	30.45
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)		(31.80)	31.80
(Gain)/loss from change in demographic assumptions	(7.63)	-	(7.63)
(Gain)/loss from change in financial assumptions	6.00	-	6.00
Experience (gains)/losses	47.86	-	47.86
Total amount recognised in other comprehensive income	46.24	(31.80)	78.04
Employer contributions	-	-	-
Benefit payments	(379.87)	(379.87)	-
31st March 2016	**286.60**	**82.21**	**204.39**

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

Particulars	Present value of obligation	Fair value of plan assets	Net amount
31st March 2016	**286.60**	**82.21**	**204.39**
Current service cost	16.94	-	16.94
Interest expense/(income)	22.81	6.54	3.00
Total amount recognised in profit and loss	**39.76**	**6.54**	**19.94**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	1.21	(1.21)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	11.35	-	11.35
Experience (gains)/losses	(25.62)		(25.62)
Total amount recognised in other comprehensive income	**(14.26)**	**1.21**	**(15.47)**
Employer contributions (Ast. Trf. in)		17.06	(17.06)
Benefit payments	(27.21)	(27.21)	-
31st March 2017	**284.88**	**79.81**	**205.07**

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	31 March 2017	31 March 2016	1 April 2015
Present value of funded obligations	284.88	286.60	552.15
Fair value of plan assets	79.81	82.21	456.25
Deficit of funded plan	**205.07**	204.39	95.90
Unfunded plans	-	-	-
Deficit of gratuity plan	**205.07**	204.39	95.90

Significant estimates: Actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31 March 2017	31 March 2016	1 April 2015
Discount rate	7.39%	7.96%	NA
Rate of increase in compensation levels	4.00%	4.00%	NA
Rate of return on plan assets	7.39%	7.96%	NA
Expected average remaining working lives of employees in years			

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation					
	Change in assumptions		Increase in assumptions		decrease in assumptions	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Discount rate	1%	1%	(19.38)		22.13	
Rate of increase in compensation levels	1%	1%	22.67		(20.15)	
Rate of return on plan assets	1%	1%	19.38		22.13	
Expected average remaining working lives of employees in years	1%	1%	5.89		(6.52)	

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 40 - 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.

(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 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 2017	As at 31st March 2016	As at 1st April 2015
Not due			
0-180 Days	-	-	-
181-360 Days	-	-	-
1 years to 2 years	-	-	0.74
More than 2 years	-	-	-
Total	-	-	0.74

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

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 41

(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.

(i) Financing arrangements

The group had access to the following undrawn borrowing facilities at the end of the reporting period:

Floating rate	31 March 2017	31 March 2016	1 April 2015
Expiring within one year (bank overdraft and other facilities)			
Expiring beyond one year (bank loans)	**24,376.84**	24,683.21	20,960.54
	24,376.84	24,683.21	20,960.54

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR and have an average maturity of 1 years (2016 – 1 years, 2015 - 1 years).

(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 2017	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	Total
Non-derivatives						
Borrowings	-	-	-	-	24,377	**24,377**
Trade payables	-	-	-	-	1,874	**1,874**
Advance from Holding Company	-	-	-	-	374	**374**
Security and other deposits	-	-	-	-	66	**66**
Retention money payable	-	-	-	-	265	**265**
Creditors for capital expenditure	-	-	-	-	295	**295**
Advance from Customers	-	-	-	-	88	**88**
Creditors for supplies and services	-	-	-	-	-	**-**
Employees dues payable	-	-	-	-	-	**-**
Others	-	-	-	-	631	**631**
Total non-derivative liabilities					**27,971**	**27,971**

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

Contractual maturities of financial liabilities 31 March 2016	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 year and 5 years	Total
Non-derivatives						
Borrowings	-	-	-	-	24,683	**24,683**
Trade payables	-	-	-	-	1,907	**1,907**
Security and other deposits	-	-	-	-	62	**62**
Retention money payable	-	-	-	-	265	**265**
Creditors for capital expenditure	-	-	-	-	295	**295**
Advance from Customers	-	-	-	-	93	**93**
Creditors for supplies and services	-	-	-	-	-	**-**
Employees dues payable	-	-	-	-	-	**-**
Others	–	-	–	-	603	**603**
Total non-derivative liabilities	**-**	**-**	**-**	**-**	**27,908**	**27,908**

Contractual maturities of financial liabilities 1 April 2015	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 year and 5 years	Total
Non-derivatives						
Borrowings	-	-	-	-	20,961	**20,961**
Trade payables	-	-	-	-	3,268	**3,268**
Security and other deposits	-	-	-	-	62	**62**
Retention money payable	-	-	-	-	381	**381**
Creditors for capital expenditure	-	-	-	-	566	**566**
Advance from Customers	-	-	-	-	153	**153**
Creditors for supplies and services	-	-	-	-	-	**-**
Employees dues payable	-	-	-	-	-	**-**
Others	-	-	-	-	525	**525**
Total non-derivative liabilities	-	-	-	-	**25,915**	**25,915**

(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.

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 42

A. Equity Share Capital (for details refer note no.16)

(₹ in Lakhs)

Balance as at 1st April 2015	6,761.81
Changes in equity share capital	-
Balance as at 31st March 2016	6,761.81
Changes in equity share capital	-
Balance as at 31st March 2017	**6,761.81**

B. Other Equity (for details refer note no.17)

(₹ 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 1st April 2015	-	(9,704.94)	-	-	(9,704.94)	-	(9,704.94)
Profit for the year	-	(4,665.52)	-	-	(4,665.52)	-	(4,665.52)
Other Comprehensive Income for the year	-	(78.04)			(78.04)	-	(78.04)
Total Comprehensive Income for the year	-	(4,743.56)	-	-	(4,743.56)	-	(4,743.56)
Transfer to general reserve	-	-	-	-	-	-	-
Dividend paid on equity shares	-	-	-	-	-	-	-
Dividend distribution tax paid	-	-	-	-	-	-	-
Balance as at 31st March 2016	-	(14,448.50)	-	-	(14,448.50)	-	(14,448.50)
Profit for the year	-	(615.78)		-	(615.78)	-	(615.78)
Other Comprehensive Income for the year	-	15.47	-	-	15.47	-	15.47
Total Comprehensive Income for the year	-	(600.31)	–	-	(600.31)	-	(600.31)
Transfer to general reserve	-	-	-	-	-	-	-
Dividend paid on equity shares	-	-	-	-	-	-	-
Dividend distribution tax paid	-	-	-	-	-	-	-
Balance as at 31st March 2017	-	(15,048.81)	-	-	(15,048.81)	-	(15,048.81)

The accompanying notes are an integral part of these financial statements

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 43 - 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.

(Rs. in Lakhs)

Particulars	31 March 2017	31 March 2016	1 April 2015
Borrowings	**24,376.84**	24,683.21	20,960.54
Provisions	**453.42**	620.17	432.14
Trade Payables	**1,873.99**	1,906.55	3,267.71
Other Payables	**476.58**	478.19	538.83
Other financial liabilities	**1,719.74**	1,318.62	1,686.48
Less Cash and Cash Equivalents	**(77.46)**	(244.43)	(870.77)
Trade receivables	**-**	-	(0.74)
Other Financial Assets	**1,154.02**	2,459.50	2,482.89
Other Non-Current Assets	**239.22**	244.32	269.47
Net Debt	**29,977.13**	31,221.81	28,497.08
Equity Share Capital	**6,761.81**	6,761.81	6,761.81
Other Equity	**(15,048.81)**	(14,448.50)	(9,704.94)
Total Equity	**(8,287.00)**	(7,686.69)	(2,943.13)
Net debt to equity ratio	**(3.62)**	(4.06)	(9.68)

Note No. 44 - CONTINGENT LIABILITIES AND COMMITMENTS

(Rs. in Lakhs)

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
Contingent Liabilities:			
Claims against the company not acknowledged as debt (Disputed Tax/duty and other demands)	**4481.40**	3,508.47	1,524.53
Guarantees (Refer Note No. 44.1)	**219,377.69**	220,975.63	206,862.79
Commitments:			
*Estimated amount of Contracts remaining to be executed on capital account and not provided for	**-**	-	2,126.96
Other commitments	**965.02**	817.81	693.06
Total	**2,24,824.11**	225,301.91	211,207.34

* The project is on hold and hence unable to estimate.

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

44.1 - Details of Guarantees (Rs. in Lakhs)

Particulars	**31st March, 2017**	31st March, 2016	1st April, 2015
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 Rs. 1,64,333 lakhs [P.Y Rs. 1,69,661 lakhs] jointly and severally by BIL, BCL, & GGFL for 105% of the outstanding amount.)	**219,222.19***	220,820.13*	206,354.00*
Other Guarantees	**155.50**	155.50	508.79
Total	**219,377.69**	220,975.63	206,862.79

44.2 In the year 2004 KSEB had imposed penalty of Rs.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.

44.3 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 Rs. 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 Rs.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.

44.4 In respect of capital goods imported at concessional rate of duty under the Export Promotion Capital Goods Scheme, the Company has received notice no. DRI/BZL/CHN/SCN-08/2016 from DRI dated 29/11/2016 for an export obligation of Rs. 965.02 lakhs (Previous Year Rs. 817.81 lakhs), which is required to be met at different dates, before November 2019. In the event of non fulfillment of the export obligation, the Company will be liable to refund the availment of concessional customs duties and penalties as applicable.

Note No. 45 - SEGMENT REPORTING

The Company operates in a single segment i.e. 'Production and Sales of Zinc in India'. The company's entire Zinc sales are in India. Hence no additional disclosures under Indian Accounting Standard 108 "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 2016-17, 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 31st March, 2017 stood at Rs. Nil (Previous Year Rs. Nil), which is not recognised in the accounts.

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

46.3 Particulars of foreign currency exposures as at 31st March, 2017 not hedged by derivative instruments or otherwise are given below:

Particulars	Amount in Foreign Currency (in lakhs)	Currency	Exchange Rate	Amount (Rs. In lakhs)
Receivables	**0.27**	**USD**	**65.30**	**17.63**
	(0.27)	USD	(66.77)	(18.11)
Trade Payables	**2.06**	**USD**	**65.30**	**138.33**
	(2.06)	USD	(66.77)	(137.67)

(Figures in brackets pertain to previous year)

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.

On 12th August 2016, DRT directed Company to deposit Rs. 1 crores with the PNB within a period of one week from the date of order i.e. 12th August 2016 and thereafter Rs. 25,000/- per day effective from 20th August 2016. As mentioned in the order the Company has paid Rs. 1 crore with PNB (with intimation to other members banks) and is regularly depositing Rs. 25,000 per day with PNB (with intimation to other member banks).

The last date of hearing was 30th September 2016. Our Counsel attended the case and DRT has directed to maintain its earlier order dated 12.08.2016 and has given us time to explore the possibility of settlement by the next date and has asked the lenders to give us sufficient notice in case they decide to proceed under section 14. Bankers have filed their reply to our Legal Consultant.

The Company filed an amendment application for amendment challenging banker's action of taking symbolic possession and court commissioner's notice dated 16/12/2016 for taking physical possession of the property. Said application came up for hearing on 2/01/2017 wherein tribunal directed to hear the application with interim application.

Matter came up for hearing on 10/01/2016 wherein tribunal directed bankers to file their reply to the amendment applications filed by the Company. Matter was posted for further hearing on 17/01/2017. DRT vide its order dated 21st January 2017 allowed the amendment application filed by the Company contesting legality of action initiated under SARFESI Act. The next date of hearing was fixed on17th March 2017.

On 6th February 2017 PNB moved an application for urgent hearing of the matter on 10th February 2017 seeking certain clarifications to the order dated 21st January 2017, the same application was rejected by the tribunal. Now matter is fixed for hearing on on17th March 2017. Subsequently matter was further posted to 20th April 2017 for hearing. EXIM bank filed their appearance on 20th April 2017. Next date of hearing is 28th June 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.

NOTE NO. 48

On account of the operational losses and the consequent negative net worth, the company has referred the matter under the Sick Industrial Companies (Special Provisions) Act, 1985 to the Board for Industrial and Financial Reconstruction (BIFR) in Nov 2014, which is registered as BIRF Case No.67/2014 and was pending adjudication as to the sickness of the company.

During the pendency of the above reference before the Hon'ble Board, the Company has filed several applications. Applications viz MA No. 54/2015, MA N4o.73/2015, MA No. 239/2015, MA No.337/2015 seeking protection U/S 22 of the SICA Act'1985 from various unsecured creditors.

BIFR and AAIFR have been abolished and the Sick Industrial Companies (Special Provisions) Act 1985 (SICA) is repealed. Pursuant to the same, all proceedings or appeals of whatever nature pending before BIFR/ AAIFR have been abated w.e.f. 01.12.2016.

NOTE NO. 49

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.

CONSOLIDATED NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 50 - ELECTRICITY CHARGES

Kerala State Electricity Board have been raising electricity bills based on minimum payable of contract demand (75% of 18mva) even though the Plant has been shut since Nov 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 had appointed a Committee to study the matter which has recommended refixation of CD as 300 kva. Company therefore submitted fresh application in December 2015. Since the Company has been effecting payments based on 300 kva cd, KSEB has given written confirmation that bills will be reworked as soon as they complete their internal procedures. After considering the payments/provisions made by the Company, an amount of Rs. 894.98 lakhs (Previous Year Rs. 335.8 lakhs) till 31/03/2017 has not been recorded as liability in the Financial Statements nor has been disclosed as contingent liability.

NOTE NO. 51 - LIABILITY FOR SALARIES & WAGES POST RETRENCHMENT

Non Management Staff

Company has given stay-at-home notice to all employees as on 01 May, 2015. Further, closure application was submitted and thereafter review petition to Government of Kerala has been rejected. A writ of mandamus has been field in the High Court by the Company. For Non - Managerial staff, arrears in LTS till 31st May, 2015 has been provided for in the books of accounts. Wages of Non managerial Staff has been provided and paid till August, 2015. Based on the legal opinion obtained by the company, estimated wage bill including statutory dues of non-managerial staff from September, 2015 till March, 2017 amounting to Rs. 1496.61 Lakhs has not been recognized in the financial statements pending disposal of writ petition which the management is confident of favorable outcome.

Management Staff

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

NOTE NO. 52 - BONUS LIABILITY AS PER AMENDED BONUS ACT

The amendment to the Payment of Bonus Act was notified on January – 2016 with retrospective effect from 1st April, 2014 thereby increasing the eligibility limit and amount of bonus. The Company has provided for Bonus for the year 2014-15 as per the provisions of old "Payment of Bonus Act, 1965. The estimated additional payment on account of bonus payment in respect of 2014-15 would be Rs.11.66 lakhs. The Hon'ble High Court of Kerala and certain other High Courts have stayed operation of amendment with retrospective effect. As such, based on the legal advice received by the Company, management has not paid the additional payment of Bonus. However the same has been provided in the financials.

NOTE NO. 53

M/s Chemical process Equipment identifying themselves as MSME have filed a petition before Micro small and medium Enterprises Facilitation Council, Konkan Division under section 18 (1) of Micro, Small and Medium Enterprises Development Act 2006 on 10th December 2015 claiming outstanding amount of Rs. 280.8 lakhs (as per books of account) 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.

Office of the joint director of Industries vide their letter dated 30th March 2017 scheduled hearing for conciliation under section 18(2) of MSMED Act on 7th April 2017 and directed both the parties to explore the possibilities to arrive at mutual settlement. We submitted our reply before the Micro and small Enterprises Facilitation Council stating inter alia pendency of SARFAESI proceedings before DRT –Mumbai.

NOTE NO. 54 - 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.

As per our separate 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 : 23rd May, 2017

For and on behalf of the Board of Directors

R. S. Joshi
Managing Director
DIN - 00218927

Saurabh Tiwari
Company Secretary
A - 47659

Aparna Sahay
Director
DIN - 02251732
Place : Jaipur
Date : 23rd May, 2017

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	105.27	642.07	36.80	NIL	NIL	(0.17)	(0.31)	0.14	NIL	100

Part B: The Company does not have any associate company or joint venture.

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

R. S. Joshi
Managing Director
DIN - 00218927

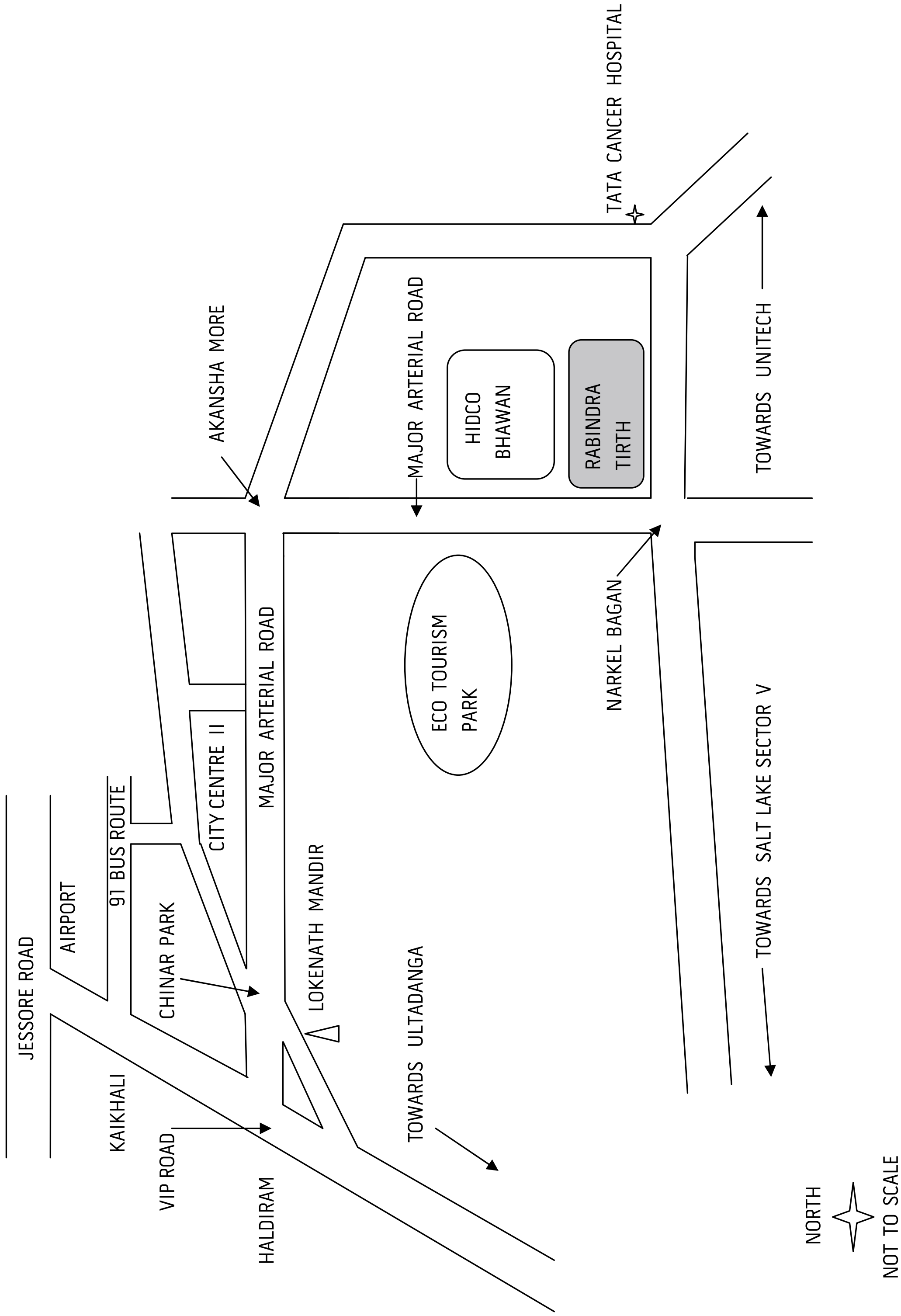
CA Sheel Rajendra Shukla
Partner
Membership No : 046775
Place : Mumbai
Date : 23rd May, 2017

Saurabh Tiwari
Company Secretary
A - 47659

Aparna Sahay
Director
DIN - 02251732
Place : Jaipur
Date : 23rd May, 2017

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

LOCATION MAP



RABINDRA TIRTHA, 33-1111, MAJOR ARTERIAL ROAD, 3RD ROTARY, NEW TOWN, KOLKATA - 70015

Binani
BRAJ BINANI GROUP

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
E-mail: mumbai@binani.net Tel:08100326795 Fax : 033-40088802

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 **17th Annual General Meeting** of the Company to be held on Wednesday, **20th December, 2017 at 1.30 P.M. IST** at Rabindra Thirtha Premises No. 35-1111, Major Arterial Road, 3rd Rotary, New Town, Kolkata-700 156.
*Applicable for investors holding shares in electronic form.

Signature of Shareholder / Proxy

Binani
BRAJ BINANI GROUP

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
E-mail: mumbai@binani.net Tel:08100326795 Fax : 033-40088802

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 **17th Annual General Meeting** of the Company to be held on Wednesday, **20th December, 2017 at 1.30 P.M. IST** at Rabindra Thirtha Premises No. 35-1111, Major Arterial Road, 3rd Rotary, New Town, Kolkata-700 156, West Bengal, 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 financial year ended 31st March, 2017 together with Reports of the Board of Directors and the Auditors thereon.		
2	Ratification of appointment of M/s. Udeshi Shukla & Associates, Chartered Accountants, as Statutory Auditors of the Company		
3	Appointment of Mr. R. S. Joshi as Managing Director		
4	Appointment of Mrs. Aparna Sahay as Independent Director		
5	Appointment of Mr Mahesh Gupta as Independent Director		

Signed this __________________________ day of ___________________ 2017.

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 and deposited at the Registered Office of the Company 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 only optional. Please put a '√' in the appropriate column against the resolutions 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 as 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 authorised in writing, or in case of a corporate Member, should be under its seal or should be signed by an officer or attorney authorised by such Member. In case of joint holders, the signature of any one holder will be sufficient, but 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.

S V Enterprises - 9869487933