

RCL CEMENTS LIMITED
ANNUAL REPORT
2023-24

RCL CEMENTS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Ganesh Wamanrao Jirkuntwar
Shri Rajiv Kumar Choubey
Smt. Rachna Gorla

REGISTERED OFFICE

3rd & 4th Floor, Anil Plaza II, ABC, G.S. Road,
Guwahati - 781005, Assam
Phone: 91 361 2132 569/91 361 7156 700
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Email: corp.sec@dalmiabharat.com
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CIN: U26941AS1997PLC005279

STATUTORY AUDITORS

Walker Chandiok & Co LLP
L 41, Connaught Circus
New Delhi - 110001, Delhi, India

RCL CEMENTS LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 25th report on the operations and business performance of your Company along with the audited financial statements for the financial year ("FY") 2023-24.

FINANCIAL HIGHLIGHTS

Amount (₹ in Lakhs)

Particulars	FY 2023-24	FY 2022-23
Revenue from operation	0.00	1.32
Loss before interest, depreciation and tax	(7.20)	(9.80)
Add: Finance and other Income	58.89	354.81
Less: Finance Cost	0.00	1.32
Profit/(Loss) before depreciation and tax and Exceptional Items	51.68	343.69
Less: Depreciation	1.65	1.65
Less: Exceptional Items	-	-
Profit/(Loss) before tax	50.03	342.05
Provision for current tax	-	-
Provision for deferred tax	-	-
Tax adjustments on account of change in tax rate/ relating to earlier years	-	-
Profit/(Loss) after tax	50.03	342.05
Total comprehensive income/(loss) for the year	50.03	342.05
Add: Balance of profit for earlier years		
Balance carried forward to the Balance Sheet		

OPERATIONS AND BUSINESS PERFORMANCE

There were no operations in the Company during the year under review.

There has been no material change in the nature of business of the Company.

DIVIDEND

Your Directors have not recommended any dividend for the FY 2023-24 in view of losses.

TRANSFER TO GENERAL RESERVE

Your Directors have not proposed transfer of any amount to the General Reserve for the year under review.

NUMBER OF BOARD MEETINGS

The Board meetings were convened on a quarterly basis and as and when required. During the year under review, the Board of Directors of the Company met Five times on April 22, 2023, July 17, 2023, October 12, 2023, December 12, 2023 and January 19, 2024. The Board meetings were conducted in due compliance with; and following the procedures prescribed in the Companies Act, 2013 and applicable Secretarial Standards.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

As on March 31, 2024, the Board of Directors comprises of three Directors, all of them being Non-Executive Directors.

Shri Dharmender Tuteja (DIN: 02684569), Non-Executive Director, has resigned from the Board with effect from April 22, 2024. The Board places on record its appreciation for the valuable advice and guidance provided by him during his tenure on the Board. Ms. Rachna Gorla (DIN - 07148351) has been appointed as Additional Director in the Non-Executive Director category with effect from April 22, 2024.

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Pursuant to the provisions of Section 152(6)(c) of the Companies Act, 2013, Mr. Ganesh Wamanrao Jirkuntwar (DIN: 07479080) is liable to retire by rotation at the forthcoming Annual General Meeting and has offered himself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of section 134(3)(c) of the Companies Act, 2013, your Directors do hereby confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from the same;
- ii. 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 financial year and of the profit and loss of the Company for that period;
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual accounts on a going concern basis; and
- v. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

There were no contracts or arrangements or transactions entered into with the related parties during the year under review.

INVESTMENTS, LOANS AND GUARANTEES

The Company has made no investments for the financial year ended March 31, 2024. No loan has been made and no guarantee has been given by the Company during the financial year under review.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal control systems commensurate with the size of its operations. The Company has requisite policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

The internal control systems are subjected to regular reviews by the Audit Cum Governance Committee, self-assessments and audits and based on such reviews, it is believed that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

RISK MANAGEMENT

Your Company has developed and implemented a Risk Management Framework to monitor and review the risk management plan/process of the Company. The Company has adequate risk management procedures in place that oversees the risk management processes with respect to all probable risks that the organization could face such as strategic, financial, liquidity, security including cyber security, regulatory, legal, reputational and other risks. The major risks are assessed through a systematic procedure of risk identification and classification. Risks are prioritised according to significance and likelihood. The risk assessment is not limited to threat analysis, but also identifies potential opportunities.

SHARE CAPITAL

During the year under review, there has been no change in the Issued, Subscribed and Paid up equity share capital of the Company and it remained at ₹ 3.63 Crore consisting of 36,33,200 equity shares of ₹ 10/- each.

ANNUAL RETURN

As required under Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company has been placed at www.dalmiacement.com.

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STATUTORY AUDITORS AND THEIR REPORT

During the year under review, M/s Deloitte Haskins & Sells, Chartered Accountants (Firm Regn. No. 015125N) have resigned as the Statutory Auditors of the Company with effect from November 16, 2023. The casual vacancy caused thereof has been filled by the shareholders by appointing M/s Walker Chandiook & Co. LLP (Firm Regn. No. 001076N/N500013) as the Statutory Auditors of the Company with effect from January 16, 2024 by passing resolution through postal ballot. M/s Walker Chandiook & Co. LLP shall hold office as such till the conclusion of forthcoming Annual General Meeting of the Company.

M/s Walker Chandiook & Co. LLP is proposed to be appointed as the Statutory Auditors of the Company for a term of five consecutive years from the conclusion of the forthcoming Annual General Meeting till the conclusion of 30th Annual General Meeting to be held in 2029.

There is no qualification, reservation or adverse remark in Statutory Audit report on Financial Statements.

The Auditors have not reported any matter under Section 143 (12) of the Act during the year under review.

SECRETARIAL AUDIT

The Company is not required to annex Secretarial Audit Report in terms of Section 204 of the Companies Act, 2013.

SECRETARIAL STANDARDS

The Company has complied with all the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India from time to time and approved by the Central Government.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE TRANSACTIONS

As there are no operations in the Company during the year under review, there are no reportable details of conservation of energy, technology absorption undertaken by the Company and the foreign exchange earnings and outgo, in accordance with the provisions of section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and Company's operations in future

DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is committed to ensuring that all are treated with dignity and respect. In line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, an Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. During the FY 2023-24, no complaint was received by ICC.

HEALTH, SAFETY AND ENVIRONMENT

Health and safety of employees and clean environment receive utmost priority at your Company.

INDUSTRIAL RELATIONS

The industrial relations during the year under review remained harmonious and cordial.

OTHER DISCLOSURES

During the year under review:

- Maintenance of cost records under section 148 of the Companies Act, 2013 is not required by the Company.
- The Company has not accepted any deposits as per Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

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- There is no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There is no one time settlement entered into with the Banks or Financial Institutions.

ACKNOWLEDGEMENT

Your Directors express their sincere appreciation for the assistance and co-operation extended by the Government authorities, banks and members during the year under review. Your Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's employees.

**For and on behalf of the Board of
Directors of RCL Cements Limited**

Place: New Delhi
Date: April 22, 2024

Ganesh Wamanrao Jirkuntwar
Director
DIN 07479080

Rajiv Kumar Choubey
Director
DIN 08211030

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INDEPENDENT AUDITOR'S REPORT

To the Members of RCL Cements Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **RCL Cements Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. Other information does

not include the standalone financial statements and our auditor's report thereon.

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

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

The Directors report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease

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operations, or has no realistic alternative but to do so.

7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of

accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

11. The financial statements of the Company for the year ended 31 March 2023 were audited by the predecessor auditor, Deloitte Haskins & Sells, Chartered Accountant, who have expressed an unmodified opinion on those financial statements vide their audit report dated 22 April 2023.

Report on Other Legal and Regulatory Requirements

12. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
13. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were

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- necessary for the purpose of our audit of the accompanying financial statements;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- c) The financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
- f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 14(b) above on reporting under section 143(3)(b) of the Act and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed an unmodified opinion; and
- 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company, as detailed in note 21(a) to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
- iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 31(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 31(vi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

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- v. The Company has not declared or paid any dividend during the year ended 31 March 2024.
- vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2023, have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for the accounting software used for maintaining books of accounts as described in note 32 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Kartik Gogia
Partner
Membership No.: 512371
UDIN: 24512371BKFEUE8870

Place: New Delhi
Date: 22 April 2024

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Annexure I referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of RCL Cements Limited on the financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right of use assets.
- (B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company
- (b) The property, plant and equipment and relevant details of right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 31(viii) to the financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year. Further, the Company does not hold any intangible assets.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

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Name of the statute	Nature of dues	Gross Amount (Rs. In Lakhs)	Amount paid under Protest (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Dima Hasao District (Taxes on entry of goods into market) Regulation, 1965	Entry Tax	4.45	-	April 2010-Oct 2010	Executive Committee, Dima Hasao District, Autonomous council	
Finance Act, 1994	Service Tax	4.42	0.44	April 2014-March 2015	Appellate Authority	

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) (a) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
- (b) Based on the information and explanations given to us and as represented by the

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management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has three CICs as part of the Group.

xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

xviii) There has been resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response received by us pursuant to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of

the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Kartik Gogia

Partner

Membership No.: 512371

UDIN: 24512371BKFEUE8870

Place: New Delhi

Date: 22 April 2024

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of RCL Cements Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI') (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may

RCL CEMENTS LIMITED

occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

established by the Company considering the essential components of internal control stated in the Guidance Note.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria

Kartik Gogia
Partner
Membership No.: 512371
UDIN: 24512371BKFEUE8870

Place: New Delhi
Date: 22 April 2024

RCL CEMENTS LIMITED

RCL Cements Limited

CIN: U26941AS1997PLC005279

Balance Sheet as at March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	2(i)	0.34	0.34
Right-of-use-asset	2(ii)	31.85	33.50
Financial assets			
Investments	3	3,106.84	3,106.84
Other financial assets	4	-	74.32
Income tax assets (net)	5	24.33	22.99
Other non-current assets	5(i)	0.44	-
		<u>3,163.80</u>	<u>3,237.99</u>
Current assets			
Financial assets			
Investments	6(i)	307.15	-
Cash and cash equivalents	6(ii)	7.52	18.95
Bank balances other than cash and cash equivalents above	6(iii)	73.00	279.00
Other financial assets	6(iv)	25.03	23.41
Other current assets	7	0.43	0.34
		<u>413.13</u>	<u>321.70</u>
Assets classified as held for sale	2(iii)	-	0.33
Total assets		<u>3,576.93</u>	<u>3,560.02</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	363.32	363.32
Other equity	9	3,188.28	3,138.25
		<u>3,551.60</u>	<u>3,501.57</u>
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	10		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		1.70	4.86
Other financial liabilities	11	23.48	23.48
Other current liabilities	12	0.15	30.11
		<u>25.33</u>	<u>58.45</u>
Total equity and liabilities		<u>3,576.93</u>	<u>3,560.02</u>
Summary of material accounting policies	1		

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

As per our report of even date.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

For and on behalf of the Board of Directors of
RCL Cements Limited

Kartik Gogia
Partner
Membership No.: 512371

Rajiv Kumar Choubey
Director
DIN: 08211030

Ganesh Wamanrao Jirkuntwar
Director
DIN: 07479080

Place: New Delhi
Date: April 22, 2024

Place: New Delhi
Date: April 22, 2024

Place: New Delhi
Date: April 22, 2024

RCL CEMENTS LIMITED

RCL Cements Limited

CIN: U26941AS1997PLC005279

Statement of Profit and Loss for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from operations	13	-	1.32
Other income	14	58.89	354.82
		58.89	356.14
Expenses			
Employee benefits expense	15	0.01	0.01
Finance costs	16	-	1.32
Depreciation and amortization expense	17	1.65	1.65
Other expenses	18	7.20	11.11
		8.86	14.09
Profit before tax		50.03	342.05
Tax expense			
Current tax	5	-	-
Total tax expense		-	-
Profit after tax (I)		50.03	342.05
Other comprehensive income			
(i) Items that will not be reclassified to statement of profit or (loss)			
Re- measurement gain/(loss) on defined benefit plans		-	-
(ii) Income tax relating to above items		-	-
Other comprehensive income for the year (II)		-	-
Total comprehensive income for the year (I+II)		50.03	342.05
Earnings per share (Face value of Rs. 10 each)			
Basic and diluted earnings per share (in Rs.)	19	1.38	9.41
Summary of material accounting policies	1		

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

As per our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

For and on behalf of the Board of Directors of
RCL Cements Limited

Kartik Gogia
Partner
Membership No.: 512371

Rajiv Kumar Choubey
Director
DIN: 08211030

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RCL CEMENTS LIMITED

RCL Cements Limited

CIN: U26941AS1997PLC005279

Statement of Cash Flows for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flow from operating activities		
Profit before tax	50.03	342.05
Adjustment to reconcile loss before tax to net cash flows:		
Depreciation and amortization expense	1.65	1.65
Profit on sale of assets held for sale	(32.98)	(348.32)
Liabilities no longer required written back	(0.02)	-
Interest income	(19.74)	(6.50)
Finance costs	-	1.32
Operating loss before working capital changes	(1.06)	(9.80)
Working capital adjustments:		
(Increase)/Decrease in Financial and other assets	(0.53)	(0.13)
(Decrease)/Increase in trade and other payables	(33.09)	24.32
Net cash flows from/(used in) operations	(34.68)	14.39
Direct taxes refund (net of payment)	(1.34)	1.36
Net cash flow (used in)/from operating activities	(36.02)	15.75
B. Cash flows from investing activities		
Proceeds from sale of assets held for sale	33.31	352.22
Fixed deposits (placed)/ matured (having original maturity of more than three months) (net)	279.00	(352.00)
Purchase of of current investments	(307.15)	-
Interest received	19.43	1.11
Net cash flows from investing activities	24.59	1.33
C. Cash flows from financing activities		
Interest paid	-	(0.98)
Net cash used in financing activities	-	(0.98)
D. Net increase / (decrease) in cash and cash equivalents (A+B+C)	(11.43)	16.10
Cash and cash equivalents at the beginning of the year	18.95	2.85
Cash and cash equivalents at the end of the year (refer note 6(ii))	7.52	18.95

Note: The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS 7) 'Statement of Cash Flows'.

As per our report of even date.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No. 001076N/N500013

For and on behalf of the Board of Directors of

RCL Cements Limited

Kartik Gogia

Partner

Membership No.: 512371

Rajiv Kumar Choubey

Director

DIN: 08211030

Ganesh Wamanrao Jirkuntwar

Director

DIN: 07479080

Place: New Delhi

Date: April 22, 2024

Place: New Delhi

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Place: New Delhi

Date: April 22, 2024

RCL CEMENTS LIMITED

RCL Cements Limited

CIN: U26941AS1997PLC005279

Statement of changes in equity for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

a. Equity Share Capital:

Reconciliation of equity share capital outstanding at the end of period as at March 31, 2023 and March 31, 2024

Particulars	Number of shares	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid		
As at April 1, 2022	36,33,200	363.32
Change during the year	-	-
As at March 31, 2023	36,33,200	363.32
Change during the year	-	-
As at March 31, 2024	36,33,200	363.32

b. Other Equity:

Other equity attributable to owners of the Company as at March 31, 2023 and March 31, 2024

Particulars	General reserve	Deemed capital contribution	Retained earnings	Total
Balance as at April 1, 2022	293.33	2,917.29	(414.42)	2,796.20
Profit for the year			342.05	342.05
Balance as at March 31, 2023	293.33	2,917.29	(72.37)	3,138.25
Profit for the year	-	-	50.03	50.03
Balance as at March 31, 2024	293.33	2,917.29	(22.34)	3,188.28

As per our report of even date.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No. 001076N/N500013

For and on behalf of the Board of Directors of

RCL Cements Limited

Kartik Gogia

Partner

Membership No.: 512371

Rajiv Kumar Choubey

Director

DIN: 08211030

Ganesh Wamanrao Jirkuntwar

Director

DIN: 07479080

Place: New Delhi

Date: April 22, 2024

Place: New Delhi

Date: April 22, 2024

Place: New Delhi

Date: April 22, 2024

RCL CEMENTS LIMITED

RCL Cements Limited

Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

NOTE 1

A. Corporate Information

RCL Cements Limited (“the Company”) is a public Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 3rd & 4th Floor, Anil Plaza-II, ABC, G.S. Road, Guwahati.

The Company is engaged in the manufacturing and selling of cement having its manufacturing facility at Umrangshu, Assam. Information on the Company’s related party relationships are provided in Note 29.

The Ind AS financial statements of the Company for the year ended March 31, 2024 were approved in accordance with a resolution passed in the meeting of the Board of Directors held on April 22, 2024.

B. Material accounting policies

(i) Basis of preparation

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 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets which have been measured at fair value:

- Certain financial assets measured at fair value [refer accounting policy regarding financial instruments]; and

The financial statements are presented in Indian Rupee (Rs.) and all the values are rounded off to the nearest Lakhs, except number of shares, face value of share, earning per share or wherever otherwise indicated.

(ii) Summary of material accounting policies

a. 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.

RCL CEMENTS LIMITED

RCL Cements Limited

Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

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.

b. Fair value measurement

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 principal or the most advantageous market must be accessible by the Company.

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.

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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is 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.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as investments (other than investment in subsidiaries) measured at fair value.

External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

RCL CEMENTS LIMITED

RCL Cements Limited

Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 20)
- Quantitative disclosures of fair value measurement hierarchy (note 24)
- Financial instruments (including those carried at amortised cost) (note 23)

c. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods and services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue is measured at the fair value of the consideration received or receivable taking into account the contractually defined terms of payment and net of taxes collected on behalf of the government such as goods and service tax, etc. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

Revenue from services

Revenue from management services are recognised at the point in time i.e. as and when services are rendered.

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

d. Income taxes

Tax expense comprises current income tax and deferred tax.

Current income tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date and includes any adjustment to tax payable in respect of previous years.

Current income tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss {either in other comprehensive income (OCI) or in equity}. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

RCL CEMENTS LIMITED

RCL Cements Limited

Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

e. Property, plant and equipment

PPE are stated at cost, net of accumulated depreciation and accumulated impairment losses. Cost comprises the purchase price, including import duties and non-refundable purchase taxes, and any directly attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Subsequent expenditure related to an item of PPE is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company.

Depreciation charge

Depreciation on property, plant and equipment is provided on a straight-line basis based on the estimated useful lives of an asset as prescribed under Schedule II to the Companies Act, 2013.

An item of property, plant and equipment and any significant part initially recognised is derecognised 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

RCL CEMENTS LIMITED

RCL Cements Limited

Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Right-of-use assets	Lease term(in years)
Leasehold lands	10 to 99 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (l) Impairment of non-financial assets.

g. Provisions and contingent liabilities

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

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 recognised as a finance cost.

Contingent liabilities

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also

RCL CEMENTS LIMITED

RCL Cements Limited

Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

h. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in below mentioned categories:

- Financial assets at amortised cost
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss. This category generally applies to trade and other receivables.

Financial assets designated at fair value through OCI (equity instruments)

On initial recognition of an equity instrument that is not held for trading, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading are classified as at FVTPL.

RCL CEMENTS LIMITED

RCL Cements Limited

Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

Subsequently, these financial assets are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income. Gains and losses on these financial assets are never recycled from other comprehensive income to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Dividends on these investments are recognised as 'other income' in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company elected to classify irrevocably its listed equity investments under this category.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

Investment in equity instruments are classified at FVTPL, which the Company had not irrevocably elected to classify at fair value through OCI.

Debt instruments, which do not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated investment in mutual funds, bonds and other venture capital fund as at FVTPL.

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and bank balance.
 - b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.
- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
 - Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, payables.

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

The Company's financial liabilities include trade and other payables.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

De-recognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

C. Standards notified but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the financial statements.

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

2(i) Property, plant & equipment

Particulars	Buildings	Total
Cost or valuation		
As at April 1, 2022	36.36	36.36
Additions during the year	-	-
Deletions during the year	-	-
As at March 31, 2023	36.36	36.36
Additions during the year	-	-
Deletions during the year	-	-
As at March 31, 2024	36.36	36.36
Accumulated depreciation		
As at April 1, 2022	36.02	36.02
Charge for the year	-	-
Deletions during the year	-	-
As at March 31, 2023	36.02	36.02
Charge for the year	-	-
Deletions during the year	-	-
As at March 31, 2024	36.02	36.02
Net book value		
As at March 31, 2024	0.34	0.34
As at March 31, 2023	0.34	0.34

Note:

- All the title deeds of immovable property are held in the name of the Company.
- The Company has not revalued its property, plant and equipments during the year.
- The Company has not pledged any assets during the year.

2(ii) Right-of-use assets

The Company has lease contract for Leasehold land. Lease term is expiring on March 31,2040. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

The carrying amounts of right-of-use assets recognized and the movements during the year:

Particulars	Leasehold land
Cost or Valuation	
As at April 1, 2022	40.37
Addition	-
Deletion	-
As at March 31, 2023	40.37
Addition	-
Deletion	-
As at March 31, 2024	40.37

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

Particulars	Leasehold land
Accumulated depreciation	
As at April 1, 2022	5.22
Charge for the year (refer note -17)	1.65
As at March 31, 2023	6.87
Charge for the year (refer note -17)	1.65
As at March 31, 2024	8.52
Net carrying value	
As at March 31, 2024	31.85
As at March 31, 2023	33.50

Particulars	As at March 31, 2024	As at March 31, 2023
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2(iii) Assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each balance sheet date, the management reviews the appropriateness of such classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Property, plant and equipment once classified as held for sale are not depreciated or amortized.

During the current year, the Company has sold assets having carrying amount of Rs 0.33 (Previous year: Rs.3.91). Profit of Rs 32.98 (Previous year: Rs. 348.32) has been recognised on the sale. Refer note 14.

Assets held for sale	-	0.33
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3. NON-CURRENT INVESTMENTS

Unquoted equity shares - (carried at cost)

31,068,400 (March 31, 2021 31,068,400) shares of Rs. 10 each fully paid up in Dalmia Cement (North East) Limited, (Intermediate Parent Company) *	3,106.84	3,106.84
	3,106.84	3,106.84

Aggregate book value of unquoted investment	3,106.84	3,106.84
Aggregate amount of impairment in value of investment	-	-

*Note -The fair value of above investment is higher than the carrying value. However, the Company is carrying this investment at cost. The above shares are not entitled to voting rights as per the shareholder's agreement entered by the shareholders of Dalmia Cement (North East) Limited dated November 30, 2012. Also, these shares are non-transferrable as per the terms of the said agreement.

4. OTHER FINANCIAL ASSETS (UNSECURED AND CONSIDERED GOOD)

Deposits with banks having remaining maturity of more than 12 months	-	73.00
Interest receivable	-	1.32
	-	74.32

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
5. INCOME TAX ASSETS (NET)		
Tax deducted at source receivable	24.33	22.99
	<u>24.33</u>	<u>22.99</u>

a) The major components of income tax expense for the year ended March 31, 2024 and March 31, 2023:

Profit or loss section

Current income tax:

Current income tax charge	-	-
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Income tax expense reported in the statement of profit or loss	<u>-</u>	<u>-</u>
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Profit before income tax expenses	50.03	342.05
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Tax using the Company 's domestic rate	25.17%	25.17%
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Computed expected tax expenses	12.59	86.09
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Tax effect of:

Deferred tax not created on carry forward losses and deductible temporary difference in excess of deferred tax liability on other component	(12.36)	(86.09)
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Other items	(0.23)	-
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Tax expenses reported in the Statement of Profit and Loss	<u>-</u>	<u>-</u>
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b) Deferred tax:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gross Amount	Unrecognised tax effect	Gross Amount	Unrecognised tax effect
Property, plant and equipment	(47.31)	(11.91)	(49.86)	(12.55)
Market-to-market gain on investment	6.15	1.55	-	-
Provision for doubtful debts (Impairment Allowance)	(37.24)	(9.37)	(37.24)	(9.37)
Tax losses and unabsorbed depreciation	(198.85)	(50.05)	(247.97)	(62.41)
	<u>(277.25)</u>	<u>(69.78)</u>	<u>(335.07)</u>	<u>(84.33)</u>

As at 31 March 2024 and 31 March 2023, the Company has significant unabsorbed depreciation and other temporary differences. Therefore, in absence of convincing evidences that sufficient taxable profits will be available against which such deferred tax asset shall be utilised, the Company has only recognised deferred tax asset to the extent of deferred tax liabilities as at respective reporting dates.

5(i) Other non-current assets

(Unsecured and considered good unless otherwise stated)

Deposits and balances with government authorities	0.44	-
	<u>0.44</u>	<u>-</u>

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
6. FINANCIAL ASSETS (UNSECURED AND CONSIDERED GOOD, UNLESS OTHERWISE STATED)		
(i) Investments (At fair value through profit and loss(FVTPL))*		
Units of debt schemes of various mutual funds (unquoted)	307.15	-
	<u>307.15</u>	<u>-</u>
Aggregate amount of unquoted investments	307.15	-
Aggregate amount of impairment in value of investment	-	-
(ii) Cash and cash equivalents		
Balances with banks:		
- In current accounts	7.52	3.95
- In deposit accounts with original maturity of less than three months*	-	15.00
	<u>7.52</u>	<u>18.95</u>
(iii) Bank balances other than (i) above		
- In deposit accounts with remaining maturity of less than 12 months*	73.00	279.00
	<u>73.00</u>	<u>279.00</u>
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:		
Balances with banks:		
- In current accounts	7.52	3.95
- In deposit accounts with original maturity of less than three months*	-	15.00
	<u>7.52</u>	<u>18.95</u>
(iv) Other financial assets (Considered good and unsecured unless otherwise stated)		
Interest receivable	25.03	23.41
	<u>25.03</u>	<u>23.41</u>
7. OTHER CURRENT ASSETS (UNSECURED AND CONSIDERED GOOD UNLESS OTHERWISE STATED)		
Advances other than capital advances	0.23	-
Deposit and balances with government authorities		
Unsecured, considered good	0.20	0.34
Unsecured, considered doubtful	37.24	37.24
	<u>37.44</u>	<u>37.58</u>
Less: Impairment allowance	(37.24)	(37.24)
	<u>0.20</u>	<u>0.34</u>
	<u>0.43</u>	<u>0.34</u>

*Short-term deposits are made for varying periods of between one day and twelve months, depending on the immediate cash requirements of the Company and on interest at the respective short-term deposit rates ranging from 6.00% -7.00%.

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

8. EQUITY SHARE CAPITAL

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Rs.	No. of shares	Rs.
Authorized:				
Equity shares of Rs.10 each	40,00,000	400.00	40,00,000	400.00
	40,00,000	400.00	40,00,000	400.00
Issued, Subscribed and Fully Paid Up :				
Equity shares of Rs. 10 each fully paid up	36,33,200	363.32	36,33,200	363.32
	36,33,200	363.32	36,33,200	363.32

a. Reconciliation of issued, subscribed and fully paid up equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Rs.	No. of shares	Rs.
At the beginning of the year	36,33,200	363.32	36,33,200	363.32
Shares issued during the year	-	-	-	-
At the end of the year	36,33,200	363.32	36,33,200	363.32

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Equity shares held by holding company

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Rs.	No. of shares	Rs.
Equity shares of Rs. 10 each fully paid up				
Vinay Cement Limited (including its nominees)	36,33,200	363.32	36,33,200	363.32

d. Details of shareholders holding more than 5% shares in the company

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding

Equity shares of Rs. 10 each fully paid up

Vinay Cement Limited(including its nominees)	36,33,200	100	36,33,200	100
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As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest. The above shareholding represent both legal and beneficial ownership of shares, unless stated otherwise.

e. List of promoter holding share as at March 31, 2024 and as at March 31, 2023

Shares held by promoter at the end of the year				% Change during the year
S. No.	Promoter Name	No. of Shares	% of total shares	
1	Vinay Cement Limited	36,32,600	99.98%	-

f. In previous five years the Company has not issued any bonus shares nor are there any shares bought back and issued for consideration other than cash.

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
9. OTHER EQUITY		
General reserve	293.33	293.33
Deemed capital contribution	2,917.29	2,917.29
Retained earnings	(22.34)	(72.37)
Total other equity	<u>3,188.28</u>	<u>3,138.25</u>

*For movement during the year, refer Statement of Changes in Equity

Description of nature and purpose of each reserve

General reserve – The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Deemed capital contribution - The Intermediate Parent Company has waived the borrowings including interest accrued thereon in financial year 2021-22, which has been disclosed as deemed capital contribution.

Retained earnings – Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Company.

10. FINANCIAL LIABILITIES

(i) Trade payables (at amortised cost)*

Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	1.70	4.86
	<u>1.70</u>	<u>4.86</u>

*Trade payables are non-interest bearing and are normally settled on 30-60-day terms.

Trade payables ageing schedule as at March 31, 2024 and as at March 31, 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME (refer note 28)	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
(ii) Others	1.25	-	0.32	0.12	-	-	1.70
	1.51	3.35	-	-	-	-	4.86
Total as on March 31, 2024	1.25	-	0.32	0.12	-	-	1.70
Total as on March 31, 2023	1.51	3.35	-	-	-	-	4.86

Note: There are no disputed dues as on March 31, 2024 and March 31, 2023.

11. OTHER FINANCIAL LIABILITIES

Interest payable on income tax	23.48	23.48
	<u>23.48</u>	<u>23.48</u>

For explanations on the companies credit risk management processes (refer to note 25)

12. OTHER CURRENT LIABILITIES

Advance from customers	-	29.63
Statutory dues	0.15	0.48
	<u>0.15</u>	<u>30.11</u>

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
13. REVENUE FROM OPERATIONS		
Other operating revenue		
Scrap sales	-	1.32
	<u>-</u>	<u>1.32</u>
14. OTHER INCOME		
Liabilities/provisions no longer required- written back	0.02	-
Profit on sale of assets held for sale (Refer note 2 (iii))	32.98	348.32
Fair valuation gain on current investments	6.15	-
Interest income on income tax refund	0.03	0.11
Interest income on bank deposits	19.71	6.39
	<u>58.89</u>	<u>354.82</u>
15. EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	-	-
Contribution to provident and other funds	0.01	0.01
	<u>0.01</u>	<u>0.01</u>
16. FINANCE COST		
Interest expense on :		
- On income tax balances	-	0.32
- Others	-	1.00
	<u>-</u>	<u>1.32</u>
17. DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation on right-of- use assets (refer note- 2(ii))	1.65	1.65
	<u>1.65</u>	<u>1.65</u>
18. OTHER EXPENSES		
Rates and taxes	0.28	2.83
Legal and professional charges	1.58	3.72
Director sitting fees (refer note 29)	-	0.18
Payments to auditors(refer note (a) below)	1.34	1.55
Meeting expenses	3.91	2.73
Miscellaneous expenses	0.09	0.10
	<u>7.20</u>	<u>11.11</u>
(a) Payments to auditors (excluding goods and service tax)		
As auditor:		
Statutory audit fee	1.25	1.50
Reimbursement of expenses	0.09	0.05
	<u>1.34</u>	<u>1.55</u>

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
19. EARNINGS PER SHARE (EPS)		
Net profit for calculation of basic and diluted EPS(Rs.)	50.03	342.05
Total number of equity shares outstanding at the end of the year	36,33,200	36,33,200
Weighted average number of equity shares in calculating basic and diluted EPS	36,33,200	36,33,200
Basic and Diluted EPS (Rs.)	1.38	9.41

20. DISCLOSURE OF SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements, estimates and assumptions

The judgements and key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its judgements, assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

As at 31 March 2024 and 31 March 2023, the Company has significant unabsorbed depreciation and other temporary differences. Therefore, in absence of convincing evidences that sufficient taxable profits will be available against which such deferred tax asset shall be utilised, the Company has only recognised deferred tax asset to the extent of deferred tax liabilities as at respective reporting dates.

(b) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values at each reporting date. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 27 and 28 for further disclosures.

(c) Property, plant and equipment

The Company measures property, plant and equipment at fair values as deemed cost with changes in fair value being recognized in retained earnings as on transition date and use it as its deemed cost as at the date of transition. The Company engaged an independent valuation specialist to assess fair value at April 1, 2015 for revalued property, plant and equipment. Property, plant and equipment were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined based on Schedule II rates as specified in note 1(h) by the

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

management at the time the asset is acquired and reviewed periodically, including at each financial year end.

(d) Litigations and contingencies

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. A provision is recognised when the Company has a present obligation as a result of past events and it is probable that the Company will be required to settle that obligation.

Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements. When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of specific applicable law, and the likelihood of settlement. Management uses in-house and external legal professionals to make informed decision.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability. These are set out in note 21.

21. CONTINGENT LIABILITIES

(a) Litigations

S. No.	Particulars	As at March 31, 2024	As at March 31,2023
a)	Claims by supplier and third parties, not acknowledged as debts	80.06	80.06
b)	Service tax demand	4.42	4.21
c)	Entry tax demand	4.45	-

(b) Guarantees

S. No.	Particulars	As at March 31, 2024	As at March 31,2023
a)	Corporate guarantees issued to lenders against term loan of Intermediate Parent Company	-	4,977.71

Note: The Company is fully confident basis evaluation that there will be no liability on the Company and hence, no provision is considered in these financial statements.

(c) The Company does not have any long term contracts including derivative contracts for which there will be any material foreseeable losses.

(d) There are no amount due for payment to the Investor Education and Protection Fund under Section 125(1) of the Companies Act, 2013

22. SEGMENT INFORMATION

The Company is exclusively engaged in the business of "Cement and cement related products" primarily in India. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the Company.

Information about major customers

There are no revenues from transactions with a single external customer amounting to 10 per cent or more of an entity's revenues during the current and previous year.

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

23. FINANCIAL INSTRUMENT BY CATEGORY

below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Note	Carrying Value		Fair Value	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Financial assets at amortized cost					
Investment in equity shares	3	3106.84	3106.84	3106.84	3106.84
Cash and cash equivalents	6(ii)	7.52	18.95	7.52	18.95
Bank balances other than above	6(iii)	73.00	279.00	73.00	279.00
Others	6(iv) & 4	25.03	97.73	25.03	97.73
Financial assets carried at FVTPL					
Investment in mutual funds	6(i)	307.15	-	307.15	-
Financial liabilities at amortized cost					
Trade payables	10	1.70	4.86	1.70	4.86
Other financial liabilities	11	23.48	23.48	23.48	23.48

The Company assessed that cash and cash equivalents, bank deposits, interest receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

24. FAIR VALUE HIERARCHY

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques

Level 1: quoted (unadjusted) price in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs that have a significant effects on the recorded fair value are absolute, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2024:

Particulars	Amount	Fair value measuring using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value				
Investment in mutual funds	307.15	-	307.15	-
Assets for which fair values are disclosed (Note 23)				
Cash and cash equivalents	7.52	-	-	7.52
Bank balances other than above	73.00	-	-	73.00
Others	25.03	-	-	25.03
Liabilities for which fair values are disclosed (Note 23)				
Trade payables	1.70	-	-	1.70
Other financial liabilities	23.48	-	-	23.48

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2023:

Particulars	Fair value measuring using			
	Amount	Quoted prices in active markets(Level 1)	Significant observable inputs(Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value				
Investment in mutual funds	-	-	-	-
Assets for which fair values are disclosed (Note 23)				
Cash and cash equivalents	18.95	-	-	18.95
Bank balances other than above	279.00	-	-	279.00
Others	97.73	-	-	97.73
Liabilities for which fair values are disclosed (Note 23)				
Trade payables	4.86	-	-	4.86
Other financial liabilities	23.48	-	-	23.48

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2024 and 31 March 2023.

Description of significant unobservable inputs to valuation (Level 3):

- (a) Discount rate are determined using prevailing bank lending rate.
- (b) The fair values of financial assets and liabilities are determined using the discounted cash flow analysis.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and also ensure that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include deposit, equity investments and trade payables.

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 recommends risk management objectives and policies, which are approved by Senior Management. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and ensuring compliance with market risk limits and policies.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations and provisions.

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(All amounts are in Rs. lakhs unless otherwise stated)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management. There are no outstanding borrowings at the year end, hence there is no exposure to interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. There is no outstanding forward contract and unhedged foreign currency exposure at the year end.

Equity price risk

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks is subject to low credit risk due to good credit ratings assigned to the Company.

Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and lease contracts.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Year ended March 31, 2024 and March 31, 2023	On demand	Less than 12 months	1 to 5 years	> 5 years	Total
Other financial liabilities	-	23.48	-	-	23.48
	-	23.48	-	-	23.48
Trade and other payables	-	1.70	-	-	1.70
	-	4.86	-	-	4.86

26. CAPITAL MANAGEMENT

The Company is accountable to its sole shareholder, Vinay Cements Limited. The performance of the Company is supported by the intermediate Holding Company. The intermediate parent Company influxes capital to maintain or adjust the capital structure of the Company and reviews the fund management at regular interval and takes necessary actions to maintain the requisite capital structure.

There are no major changes to the objectives policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

Particulars	March 31, 2024	March 31, 2023
	Rs.	Rs.
Borrowings (Including interest accrued but not due on borrowings)	-	-
Less: Cash and cash equivalents (Note 6(ii))	7.52	18.95
Less: Bank balances other than cash and cash equivalents (Note 6(iii))	73.00	279.00
Less: Current investments (Note 6(i))	307.15	-
Less: Interest receivable on current investment and FDs	5.69	4.07
Net debt	(393.36)	(302.02)
Equity Share capital	363.32	363.32
Other equity	3,188.28	3,138.25
Total Capital	3,551.60	3,501.57
Capital and net debt	3,158.24	3,199.55
Gearing ratio	N/A	N/A

27. The Company has earned profits amounting to Rs. 50.03 during the year ended 31 March, 2024 (during the year ended 31 March, 2023 Rs. 342.05) and has accumulated losses amounting to Rs. 22.34 as at March 31, 2024 (Rs. 72.37 as at 31 March, 2023). Management has undertaken initiatives to explore new business opportunities and thereby improve the profitability.

The Intermediate Holding, Dalmia Cement (North East) Limited ("DCNEL") has confirmed to continue to provide requisite financial and operational support for the continued operations of the Company as and when required. In making its assessment, management acknowledges that the ability of the Company to continue as a going concern is dependent on the continued support of DCNEL as and when required in the future. As a result, the financial statements of the Company have been prepared on going concern basis.

28. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS PER MSMED ACT, 2006

Particulars	As at March 31, 2024	As at March 31, 2023
a) The principal amount and the interest due thereon remaining unpaid to any suppliers as at the end of each accounting year - Principal amount due to micro and small enterprises - Interest due on above	- - -	- - -
b) The amount of interest paid by buyer in terms of section 16 of MSMED Act, 2006, along with the amount of the payment made to supplier beyond the appointed day during each accounting year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED Act, 2006	-	-

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

The information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

29. RELATED PARTY DISCLOSURES

a) Names of related parties and related party relationship

Related parties where control exists:

Holding Company	Vinay Cement Limited (Holding company) Dalmia Cement (North East) Limited (Intermediate Parent Company) Dalmia Cement (Bharat) Limited (Intermediate Parent Company) Dalmia Bharat Limited (Ultimate Holding Company)
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Key Management Personnel and their Relatives	Dharmendra Tuteja (Director) Ganesh Wamanrao Jirkuntwar (Director) Rowther Alwar Krishnakumar (till April 1, 2023) Naveen Jain (Director) (till October 28, 2022) Rajiv Kumar Choubey (Director) (w.e.f April 1, 2023)
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Related party relationships are as identified by the Company and relied upon by the Auditors.

(b) Related party transactions

Transactions carried out during the year with related parties referred in (a) above, in the ordinary course of business, are as follows-

Nature of Transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Director sitting fees		
Naveen Jain	-	0.18

Balances at year end	As at March 31, 2024	As at March 31, 2023
Corporate guarantee given by the Company against term loan of Intermediate parent Company		
Dalmia Cement (North East) Limited	-	4,977.71

The transactions with related parties have been made on terms equivalent to those that prevail in arm's length transactions

(c) Refer note 27 with respect to financial support provided by Intermediate parent Company.

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

30. ANALYTICAL RATIOS

The following are analytical ratios for the year ended March 31, 2024 and for the year ended March 31, 2023

Ratios	Numerator	Denominator	Formula	March 31, 2024	March 31, 2023	Variance %	Reason For Variance
Current ratio	Current Assets	Current Liabilities	Current Assets Current Liabilities	16.31	5.50	196%	Increase in Current assets in FY 2023-24 on account of FDs(Current & Non-Current) converted to Investment and The Liability reduced, as advance from Customer fully paid.
Return on equity ratio	Net profits after taxes	Average total equity excluding fair value of investments through OCI	Net Profits after taxes Average total equity excluding fair value of Investments through OCI	1.42%	10.27%	-86%	Decrease in net profit in FY 2023-24 as compared to net Profit in the FY 2022-23.
Net capital turnover ratio	Revenue from sale of products and services (excluding subsidies)	Working capital = Current assets - Current liabilities	Revenue from sale of products and services(excluding subsidies) Working capital	0.00	0.01	-100%	Decrease due to nil revenue from operation during the year
Net profit ratio	Net profit after tax	Revenue from operations	Net profit after tax Revenue from operations	0%	25924%	100%	Decrease due to nil revenue from operation during the year
Return on capital employed	Earnings before interest and taxes (including other income)	Capital Employed = Average total equity excluding fair value of investments through OCI + Average Total Debt	Earnings before interest and taxes (including other income) (Average total equity excluding fair value of Investments through OCI + Average Total Debt)	1.42%	10.31%	-86%	Increase in Earnings before interest and taxes in FY 2022-23 on account of profits from sale of assets held for sale, which is reduced in Current year.
Return on investment	Interest Income on FD, Bonds Debentures+ dividend Income+profit on sale of Investment+ profit on fair valuation of investment	Average treasury investment + average other bank balances	Interest Income on FD, Bonds Debentures+ Dividend Income+ Profit on sale of Investment+ Profit on fair valuation of Investment Current Investment+Non Current Investment+ Other bank balances	6.92%	3.48%	99%	Increase due to Purchase of mutual funds during the year from proceeds of asset held for sale.

Note: Debt equity ratio, Debt Service Coverage Ratio, Inventory Turnover ratio, Trade payables turnover ratio and Trade receivables turnover ratio are not applicable considering the nature of transactions during the current year and previous year.

RCL CEMENTS LIMITED

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

31. ADDITIONAL DISCLOSURES

S. No.	Particulars	Note in financial statements
(i)	Details of Benami Property held	The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
(ii)	Relationship with Struck off Companies	The Company do not have any transactions with struck-off companies.
(iii)	Registration of charges or satisfaction with Registrar of Companies (ROC)	The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(iv)	Details of Crypto Currency or Virtual Currency	The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
(v)	Utilization of Borrowed funds and share premium	The Company have not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
(vi)	Utilization of Borrowed funds and share premium	The Company have not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(vii)	Undisclosed income	The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
(viii)	Title deeds of immovable properties not held in the name of the company	There are no immovable properties which are not registered in the name of the Company.
(ix)	Core Investment Companies (CIC)	The Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has three unregistered CIC as part of the Group.

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Notes to financial statements as at and for the year ended March 31, 2024

(All amounts are in Rs. lakhs unless otherwise stated)

32. AUDIT TRAIL

As per Section 128 of the Companies Act, 2013 read with proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 with reference to use of accounting software by the Company for maintaining its books of account, has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such change were made and ensuring that the audit trail cannot be disabled is applicable with effect from the financial year beginning on 1 April 2023.

During the current year, the audit trail (edit logs) feature for any direct changes made at the database level was not enabled for the accounting software used for maintaining books of accounts. The management has implemented recording of edit logs at database level for all accounting software w.e.f. April 2024.

As per our report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No. 001076N/N500013

For and on behalf of the Board of Directors of

RCL Cements Limited

Kartik Gogia

Partner

Membership No.: 512371

Rajiv Kumar Choubey

Director

DIN: 08211030

Ganesh Wamanrao Jirkuntwar

Director

DIN: 07479080

Place: New Delhi

Date: April 22, 2024

Place: New Delhi

Date: April 22, 2024

Place: New Delhi

Date: April 22, 2024