



**6th Annual Report
2023-24**

RHI Magnesita India Refractories Limited

BOARD OF DIRECTORS

Dr. Vijay Sharma, Chairman

Mr. Nazim Sheikh

Mr. Gustavo Lucio Goncalves Franco

Mr. Azim Syed

Mr. Parmod Sagar, Managing Director & CEO

CHIEF FINANCIAL OFFICER

Mr. Abhishek Bajaj

COMPANY SECRETARY

Ms. Bobby Mehndiratta

REGISTERED OFFICE

Dalmiapuram, Lalgudi,
Dist. Tiruchirapalli,
Chennai, Tamil Nadu - 621651

e-mail : info@rhimaginesita.com
Website: www.rhimaginesitaindia.com

CORPORATE OFFICE

301, Tower B, EMAAR Digital Greens
Golf Course Road Extension, Sec- 61,
Gurugram, Haryana – 122011
Phone: +91-124-4062930
(up to 31 August 2024)

20th Floor, DLF Square, M-Block, Phase-II,
Jacaranda Marg, DLF City, Sector-25,
Gurugram, Haryana-122002
(from 1 September 2024)

STATUTORY AUDITORS

M/s. Price Waterhouse Chartered Accountants LLP

SECRETARIAL AUDITORS

M/s. Naresh Verma & Associates

COST AUDITORS

M/s. K. G. Goyal & Associates

INTERNAL AUDITORS

M/s. Chaturvedi & Partners

CORPORATE IDENTITY NUMBER (CIN)

U26100TN2018PLC125133

**INTERNATIONAL SECURITIES IDENTIFICATION
NUMBER (ISIN)**

INE0F9V01010

WORKS

- Dalmiapuram, Lalgudi P.O. Kallakudi,
Dist. Tiruchirapalli,
Chennai, Tamil Nadu – 621651
- P. Box-10, Jam-Khambalia,
Dist. Devbhumi Dwarka,
Gujarat-361305
- Sundargarh,
Rajgangpur, Odisha-770017

SHARE REGISTRAR AND TRANSFER AGENT

M/s. KFIN Technologies Limited
Karvy Selenium Tower B, Plot 31-32,
Financial District, Nanakramguda, Serilingampally
Hyderabad – 500032
Tel No: 040 67162222
Email: einward.ris@kfintech.com
Website: www.kfintech.com

BOARD'S REPORT

Dear Members,

Your directors have great pleasure in presenting the Sixth Annual Report of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited) ("**RHIMIRL**" / "**the Company**"), along with audited financial statements of the Company for the financial year ("**FY**" or "**period under review**") ended 31 March 2024.

1. FINANCIAL RESULTS

The highlights of the financial performance of the Company are as under:

(Amount in Rs. Lacs)

Particulars	FY 2023-24	FY 2022-23
Revenue from Operations	102,443.18	20,738.14
(Loss)/ Profit before Interest, Depreciation, Amortization, and Tax #	11,586.95	(1,073.21)
Less: Interest and financial charges	4,689.62	1,858.49
Profit before Depreciation, Amortization and Tax	6,897.33	(2,931.70)
Less: Depreciation and Amortization #	10,479.21	2,677.71
(Loss)/ Profit before tax	(3,581.88)	(5,609.41)
Provision for deferred tax	(801.40)	(1,419.77)
(Loss)/ Profit after tax	(2,780.48)	(4,189.64)

excluding one-time impairment loss on goodwill amounting to Rs. 66,069.87 lacs in FY 2022-23 and Rs. 31,725.63 lacs in FY 2023-24.

2. STATE OF COMPANY'S AFFAIRS

The revenue from operations of the Company was Rs. 1,02,443.18 lacs during FY 2023-24 & the net profit/(loss) before tax and after tax is Rs. (35,307.51) lacs and Rs. (34,506.11) lacs, respectively. For more details, please refer financial statements of the Company.

3. TRANSFER TO RESERVE

During the financial year ended 31 March 2024, the Company has reported net loss of Rs. 34,506.11 lacs and hence there is no appropriation of profits in the current year. For more details, please refer note 8b of financial statements of the Company.

4. DIVIDEND

Due to losses in the Company, your directors have decided not to recommend any dividend for FY 2023-24.

5. MERGER OF RHI MAGNESITA SEVEN REFRACTORIES LIMITED WITH THE COMPANY

The Board of Directors of RHI Magnesita Seven Refractories Limited ("**RHIM Seven**") and the Company in their respective meetings held on 8 February 2024 has approved the scheme of merger of RHIM Seven with the Company under the provisions of Section 233 of the Companies Act and the rules made thereunder. The aforesaid merger is in process.

6. CHANGE IN NAME OF COMPANY

The name of the Company has been changed from Dalmia OCL Limited to RHI Magnesita India Refractories Limited with effect from 9 August 2023 post receipt of required approvals from Board of Directors and Shareholders.

7. CHANGE IN REGISTERED OFFICE OF THE COMPANY

The Board of Directors and shareholders in their respective meetings held on 5 January 2023, approved the proposal to change registered office of the Company from state of Tamil Nadu to State of Haryana. A newspaper advertisement regarding this change was also published. The aforesaid proposal was re-considered by the Board of Directors in their meeting held on 21 April 2023 and it was decided to shift the registered office of the Company to the State of Maharashtra instead of State of Haryana and accordingly

approval of the shareholders of the Company was taken vide Special Resolution passed in their Annual General Meeting held on 30 June 2023. However, due to operational and administrative reasons, the decision to shift the registered office to the State of Maharashtra was deferred by the Board of Directors in their meeting held on 8 February 2024.

8. SHARE CAPITAL STRUCTURE

The share capital structure of the Company as on 31 March 2024 is given below:

Particulars	Change in Share capital during FY 2023-24
Authorized Share Capital (as on 1 April 2023)	Rs. 1,000,000,000/- constituting of 100,000,000 equity shares of Rs. 10/- each.
Add: Increase in Authorised Share Capital w.e.f. 30 June 2023	Rs. 250,000,000/- constituting of 25,000,000 equity shares of Rs. 10/- each
Authorized Share Capital (as on 31 March 2024)	Rs. 1,250,000,000/- constituting of 125,000,000 equity shares of Rs. 10/- each.
Issued, Subscribed and Paid-up Share Capital (as on 1 April 2023)	Rs. 824,836,420/- constituting of 82,483,642 equity shares of Rs. 10/- each.
Add : Issue and allotment on 8 May 2023	Rs. 169,750,510/- constituting of 16,975,051 equity shares of Rs. 10/- each
Add: Issue and allotment on 11 August 2023	Rs. 50,724,640/- constituting of 5,072,464 equity shares of Rs. 10/- each
Issued, Subscribed and Paid-up Share Capital (as on 31 March 2024)	Rs. 1,045,311,570/- constituting of 104,531,157 equity shares of Rs. 10/- each

During the period under review, the following changes were made in the equity share capital of the Company:

A. Change in authorized share capital.

The members of the Company in their last Annual General Meeting held on 30 June 2023 approved increase in authorized share capital of the Company from Rs. 1,000,000,000/- comprising of 100,000,000 equity shares of Rs. 10/- each to Rs. 1,250,000,000/- comprising of 125,000,000 equity shares of Rs 10/- each and hence, the clause V of Memorandum of Association has been altered accordingly.

B. Change in issued, subscribed & paid-up share capital.

- On 8 May 2023, the Company has allotted 16,975,051 (One Crore Sixty Nine Lakhs Seventy Five Thousand and Fifty One Only) fresh equity shares of Rs 10/- (Rupees Ten) each to RHIM (“Holding Company”) on right issue basis. Consequently, the issued, subscribed & paid-up share capital of the Company was increased from Rs. 824,836,420/- (Rupees Eighty Two Crores Forty Eight Lakhs Thirty Six Thousand Four Hundred Twenty only) comprising of 82,483,642 (Eight Crores Twenty Four Lakhs Eighty Three Thousand Six Hundred Forty Two) equity shares of Rs. 10/- (Rupees Ten) each to Rs. 994,586,930 (Rupees Ninety Nine Crores Forty Five Lakhs Eighty Six Thousand Nine Hundred Thirty only) comprising of 99,458,693 (Nine Crores Ninety Four Lakhs Fifty Eight Thousand Six Hundred Ninety Three) equity shares of Rs. 10/- (Rupees Ten) each.
- Subsequently, on 11 August 2023, the Company has allotted 5,072,464 fresh equity shares of Rs. 10/- each to RHIM on right issue basis. Consequently, the issued, subscribed & paid-up share capital of the Company was increased from Rs. 994,586,930 comprising of 99,458,693 equity shares of Rs. 10/- each to Rs. 1,045,311,570/- constituting of 104,531,157 equity shares of Rs. 10/- (Rupees Ten) each.

9. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company is material and wholly owned subsidiary of RHIM.

Intermetal Engineers (India) Private Limited, another wholly owned subsidiary of RHIM is fellow subsidiary of the Company.

Initially, the Company held 51% shareholding in RHIM Seven. Subsequently, it acquired the remaining 49%, equivalent to 9,800,000 equity shares with a face value of Rs. 10 (Rupees Ten) each, for a total consideration of Rs. 618,475,222 (Rupees Sixty-One Crore Eighty-Four Lakhs Seventy-Five Thousand Two Hundred Twenty-Two Only). This acquisition was made in accordance with the Share Purchase Agreement dated 21 April 2023, including its amendments, and the Share Transfer Agreement dated 17 July 2023, from Seven Refractories GmbH on 24 July 2023.

As a result, RHIM Seven became a wholly-owned subsidiary of the Company effective from 24 July 2023.

The highlights of financial performance of the subsidiary during the financial year ending 31 March 2024 are as follows:

		(Amount in Rs. Lacs)
Sr. no.	Particulars	RHIM Seven
1	Revenue from operation	10,090.01
2	Profit before tax/(loss)	807.40
3	Profit after tax/(loss)	590.86

In accordance with Section 129(3) of the Act, a statement containing salient features of financial statements of RHIM Seven in Form No. AOC-1 is attached to this report as **Annexure-I**.

In terms of the provisions of Rule 6 of Companies (Accounts) Rules, 2014, as amended from time to time, the Company is not required to prepare its consolidated financial statements with its wholly owned subsidiary i.e. RHIM Seven for FY 2023-24, as RHI Magnesita India Limited, the holding company is preparing consolidated financial statements in compliance with the applicable Accounting Standards and in accordance with the provisions of Schedule III of the Act and the same to be filed with the concerned Registrar of Companies.

The Company does not have any associate or joint venture within the meaning of Section 2(6) of the Companies Act, 2013 (“**the Act**”).

10. DIRECTORS RESPONSIBILITY STATEMENT:

In terms of the provisions of Section 134(5) of the Companies Act, 2013, and to the best of their knowledge and belief, and according to the information and explanations provided to them, your Directors declare that:

- a) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- d) the Directors had prepared the annual accounts on a going concern basis.
- e) 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.
- f) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

11. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of your Company during the year under review.

12. MATERIAL CHANGES AND COMMITMENTS

The material changes or commitment affecting the financial position of the Company that occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report, have been disclosed elsewhere in this report.

13. BOARD MEETINGS

During the financial year under review, nine (9) Board Meetings were duly held and convened. Details of the meetings and attendance of Directors therein is as follows:

Name of Directors	21 April 2023	24 April 2023	30 May 2023	18 June 2023	29 June 2023	25 July 2023	9 August 2023	6 November 2023	8 February 2024
Dr. Vijay Sharma	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Nazim Sheikh	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Gustavo Lucio Goncalves Franco	No	No	Yes	No	No	No	Yes	Yes	No
Mr. Parmod Sagar	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Vijaya Gupta	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

The time gap between the two consecutive meetings did not exceed one hundred and twenty days during the FY 2023-24.

The Board meetings were conducted in due compliance with and following the procedures prescribed in the Act and applicable Secretarial Standards issued by Institute of Company Secretaries of India.

14. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the period under review, shareholders of the Company in their Extra-ordinary General Meeting (“EGM”) held on 19 June 2023, on recommendation of the Board in its meeting dated 24 March 2023, approved elevation of Mr. Parmod Sagar as Managing Director & CEO of the Company for a period of five years w.e.f. 24 March 2023 to 23 March 2028.

Shareholders in their last Annual General Meeting (“AGM”) held on 30 June 2023 approved:

- appointment of Mr. Gustavo Lucio Goncalves Franco (DIN: 08754857) as Director on the Board of the Company, liable to retire by rotation in accordance with the provisions of the Act read with its rules made thereunder and
- appointment of Mr. Nazim Sheikh (DIN: 00064275) as an Independent Director of the Company not liable to retire by rotation to hold office for initial term of five (5) consecutive years on the Board of the Company effective from 24 March 2023 till 23 March 2028.

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. Gustavo Lucio Goncalves Franco (DIN: 08754857), retires by rotation at the ensuing AGM and being eligible offers himself for re-appointment. A resolution seeking shareholders’ approval for his re-appointment along with other required details forms part of the Notice of the AGM.

The Company has obtained necessary disclosures from its Directors in terms of the applicable provisions of the Companies Act, 2013.

None of the Directors have incurred any disqualification under Section 164(2) of the Act and are eligible to be appointed as Director of the Company.

The Company has received the required declarations of independence from Mr. Nazim Sheikh, Independent Director confirming his eligibility and criteria of independence as required in terms of the provisions of section 149(6) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time.

Mr. Nazim Shiekh has also confirmed his registration on the Independent Directors Database maintained by the Indian Institute of Corporate Affairs, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

As per the opinion of the Board of Directors, Mr. Nazim Sheikh is highly competent and experienced and is holding the position of independent directorship in the Holding Company as well also since more than 3 years.

Pursuant to the provisions of Section 203 of the Act, as on 31 March 2024 Mr. Parmod Sagar – Managing Director & CEO, Mr. Sanjeev Bhardwaj – Chief Financial Officer and Ms. Bobby Mehndiratta – Company Secretary were Key Managerial Personnels (“KMPs”) of the Company.

Post closure of financial year ending 31 March 2024, Ms. Vijaya Gupta (DIN: 06435747) has resigned from directorship with effect from 3 April 2024 and Mr. Azim Syed (DIN: 10641934) has been appointed as Non-Executive Additional Director of the Company liable to retire by rotation effective from 24 May 2024 upto the date of ensuing AGM and his appointment needs to be regularized in upcoming AGM. Being eligible he offered himself for re-appointment and the Company has also received requisite notice, in writing from a member of the Company, proposing his candidature for the said appointment., therefore the aforesaid proposal of appointment of Mr. Azim Syed as Non-Executive Director would be placed before the members in upcoming AGM.

Mr. Sanjeev Bhardwaj has resigned from the designation of Chief Financial Officer and Key Managerial Personnel of the Company with effect from end of working hours of 24 May 2024 and Mr. Abhishek Bajaj has been appointed as Chief Financial Officer and Key Managerial Personnel of the Company with effect from 1 June 2024.

15. CONSTITUTION OF COMMITTEES

In accordance with sub-rule (2) of rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Company, as a wholly owned subsidiary of RHIM, is exempt from constituting an Audit Committee and a Nomination and Remuneration Committee. Consequently, the Board of Directors, in their meeting held on 9 August 2023, dissolved both Committees with immediate effect.

FINANCE AND INVESTMENT COMMITTEE

The Board of Directors in their meeting held on 24 April 2023, constitute a committee named “Finance and Investment Committee” with the following terms of reference and committee Members –

Terms of reference

To consider, approve and allot equity shares of the Company to the eligible shareholders as per the criteria approved by Board of Directors during issuance of shares.

The Board of Directors in its meeting held on 9 August 2023 further expanded the power of Committee including the following terms of reference:

- i. Exercise all powers related to borrowing money (otherwise than by issue of debentures) within limits approved by the Board, and take necessary actions connected therewith, including refinancing for optimization of borrowing costs.
- ii. Review banking arrangements and cash management.
- iii. Borrow money by way of loan and / or issue and allot bonds / notes denominated in one or more foreign currencies in international markets for the purpose of raising/ refinancing debt, capital expenditure, general corporate purposes, including working capital requirements and possible strategic investments within the limits approved by the Board.
- iv. Give guarantees / issue letters of comfort / providing securities within the limits approved by the Board.
- v. Provide corporate guarantee / performance guarantee by the Company within the limits approved by the Board.
- vi. Approve availing of various facilities including but not limited to vendor/supply payment management, bill discounting facilities, vendor financing facilities, channel financing schemes

- invoice discount finance, receivable purchase facility, factoring services, which essentially not being borrowings, shall not be considered for the purpose of item i. above.
- vii. To approve the documents such as Loan Agreements, Deed of Hypothecation, Agreements for security creation, and other Deeds, Indemnities, Undertakings, letters, writings and any other document required to be executed on behalf of the Company; for the purposes mentioned at (a) above and also compliance of the terms and conditions so approved by the Committee while approving the borrowings referred to in (a) above.
 - viii. To approve investment of surplus generated from operations up to the limit approved by the Board in short term and long-term securities, fixed deposits of scheduled banks, bonds, debentures, debt market linked debentures, debt instruments of public financial institutions, instruments of Central or State Governments or Public Financial Institutions etc. or any other feasible and profitable instruments or avenues.
 - ix. To authorize the officials of the Company to sign any bills of exchange or hundis that may be required for any temporary borrowing.
 - x. Carry out all the functions as may be entrusted by the Board of Directors of the Company to the Committee from time to time.

Constitution

Dr. Vijay Sharma- Chairman

Mr. Parmod Sagar- Member

Ms. Vijaya Gupta- Member

Post resignation of Ms. Vijaya Gupta, constitution of the committee was revised by Board of Directors in their meeting held on 24 May 2024 and revised constitution of the Committee is as follows:

Dr. Vijay Sharma- Chairman

Mr. Parmod Sagar- Member

Mr. Azim Syed- Member

FUNCTIONAL COMMITTEE

The Board is authorized to constitute one or more functional committees delegating thereto powers and duties with respect to specific purposes for which such committee has been constituted. Meeting of such committees are held, as and when the need arises. Time schedule for holding such functional committees is finalized in consultation with the committee members.

16. PERFORMANCE EVALUATION CRITERIA

The Board of Directors has carried out evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act.

Evaluation criteria and procedure for the performance of the Board, its committees and individual Directors including Independent Directors is already specified. The criteria for evaluation of Directors include certain parameters *i.e.*

- Participation and attendance in Board and Committee Meetings actively and consistently.
- Prepares adequately for Board and Committee Meetings.
- Contributes to strategy and other areas impacting Company's performance.
- Brings his/her experience and credibility to bear on the critical areas of performance of the organization.
- Keeps updated knowledge of his/her areas of expertise and other important areas.
- Communicates in open and constructive manner.
- Gives fair chance to other members to contribute, participates actively in the discussions and is consensus oriented.
- Helps to create brand image of the Company and helps the company wherever possible to resolve issues, if any.
- Actively contributes toward positive growth of the Company.
- Conduct himself /herself in a manner that is ethical and consistent with the laws of the land.

17. DIRECTORS' REMUNERATION

- **Criteria for making payments to Non-Executive Directors**

The Non-Executive Directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof. The sitting fees as decided by the Board is reasonable and sufficient to attract, retain and motivate Non-Executive Directors aligned to the requirement of the Company. However, it is ensured that the amount of such fees does not exceed the amount prescribed by the Central Government from time to time.

Other than the above, no other payments are made to the Non-Executive Directors of the Company.

The amount of sitting fees of Rs. 50,000 for each Board Meeting and Rs. 40,000 for Audit Committee Meeting was paid to non-executive directors except Ms. Vijaya Gupta and Mr. Gustavo Goncalves Franco who waived their right for sitting fees remuneration for attending board meeting as they are also employees of the promoter group.

- **Details of Remuneration paid to the Non-Executive Directors**

Apart from sitting fee that Non-Executive Directors are entitled to as per Companies Act, 2013 and reimbursement of expenses incurred in the discharge of their duties, none of the Non-Executive Directors have any other material pecuniary relationship or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiaries and Associates. Mr. Gustavo Lucio Goncalves Franco is employee of promoter company while Ms. Vijaya Gupta is employee of RHIM.

The sitting fees was paid to the Non-Executive Directors of the Company for attending each of the board meeting was within the limits as prescribed under the Companies Act, 2013 and as approved by the Board of Directors of the Company. The sitting fees paid for FY 2023-24 is as follows:

Name of director	(Amount in Rs. Lacs)	
	Sitting fees	
	Board Meeting	Audit Committee Meeting
Dr. Vijay Sharma	450,000	160,000
Mr. Nazim sheikh	450,000	160,000

Apart from sitting fees Directors are not entitled to any remuneration from the Company. As on 31 March 2024, none of the Director hold any share of the Company while Mr. Parmod Sagar is holding one (1) equity share as nominee of holding company.

18. HUMAN RESOURCES

The Company upholds strong people and culture policies that align with its strategic goals. The Company is dedicated to employee development, offering training programs that foster a diverse talent pool. By blending experienced professionals with emerging talent, it drives growth and achieves its business objectives.

The Company is committed to fostering a learning environment, providing both technical and behavioral training based on need assessments. The organization also implements recognition programs to inspire and engage employees.

Diversity is a key focus for the Company, which diligently works towards its diversity targets through intentional hiring practices, equal opportunity creation, and various learning programs for people managers. The Company utilizes a robust, automated performance management system, ensuring that all employees have clear goals to help them meet their targets. Each year, the People & Culture team sets increasingly ambitious goals, aiming to deliver a seamless employee experience that motivates and supports individual growth.

Celebrating festivals and achievements on various occasions is part of RHI Magnesita Group culture.

Various activities and programs have been conducted within the organization to create fair and equitable work culture leading to cordial relations between the management and the employees of the Company.

The Company is not required to make disclosures in terms of Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as the Company is an unlisted Public Company.

19. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provisions of the Companies Act, 2013 related to Corporate Social Responsibility are not applicable to the Company for the financial year 2023-24.

20. PARTICULARS OF LOAN, GUARANTEE AND INVESTMENT.

During the period under review, the Company has not given any loan, advance or security with respect of loan to any firms/ companies in which directors of the Company are interested.

Detailed disclosure on loan, guarantee and investment as per Section 186 of the Act, have been disclosed in the financial statements.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, all contracts / arrangements / transactions entered by the Company with related parties were in ordinary course of business and on an arm's length basis, the Company has not entered into any contracts /arrangements / transactions with related parties which could be considered material.

The details of contracts with related parties are provided under the notes to the Financial Statements of the Company.

22. RISK MANAGEMENT

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Under framework, the management identifies and monitors business risks on a continuous basis and initiates appropriate risk mitigation steps as and when deemed necessary. Risk management policy of holding company is also applicable on your Company.

23. AUDITORS' & AUDITORS' REPORT

A. Statutory Auditors

On 23 June 2023, M/s Chaturvedi & Shah, LLP, Chartered Accounts (firm registration number 101720W/ W100355) tendered their resignation from the position of statutory auditor of the Company and the Board at their meeting held on 29 June 2023 took note of the same.

Further, in order to align with the services of statutory auditor of holding Company i.e. M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016), the Board of Directors in their meeting held on 29 June 2023, approved their appointment as the Statutory Auditors of the Company for the period of five years from the conclusion of 5th AGM of the Company till the conclusion of the 10th AGM of the Company to be held in the year 2028 to conduct the statutory audit of the Company relating to the financial year starting from 2023-24 to 2027-28, on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company and members of the Company in their AGM held on 30 June 2023 also approved the aforesaid proposal.

The audit report of the Statutory Auditors is self-explanatory and do not need any further comments.

B. Secretarial Auditor

The Board of Directors of the Company at their meeting held on 8 February 2024, has appointed M/s. Naresh Verma & Associates, Company Secretaries in Practice, to conduct Secretarial Audit for the FY 2023-24 as required by Section 204 of the Companies Act, 2013 and rules made thereunder. The Company provided all assistance and facilities to the secretarial auditors for conducting their audit. The Secretarial Audit Report for the FY 2023-24 is annexed herewith marked as **Annexure - II**.

The observations of the Secretarial Auditor in their report are self-explanatory and therefore, the Directors do not have any further comments to offer on the same.

Further, as required under Section 204 of the Act and rules thereunder, the Board has appointed M/s. Naresh Verma & Associates, Company Secretaries, to also conduct the Secretarial Audit for the FY 2024-25.

The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and rules framed thereunder. The Secretarial Auditors have confirmed that they are not disqualified to be appointed as the Secretarial Auditors of the Company for FY 2024-25.

C. Internal Auditor

The Board of Directors of the Company at their meeting held on 9 August 2023, has appointed M/s. Chaturvedi & Partners, Chartered Accountant, to conduct the internal audit of the company for the financial year ending 31 March 2024 under Section 138 of the Act and they have completed the internal audit as per the scope defined by the Board. M/s. Chaturvedi & Partners was re-appointed as Internal Auditors of the Company for Financial Year 2024-25 as well.

D. Cost Auditor

The Board of Directors, has appointed M/s. K. G. Goyal & Associates, Cost Accountants, (Firm Registration No.: 00024) as Cost Auditors to audit the cost accounts of the Company for the FY 2024-25. As required under the Act, a resolution seeking shareholders' approval for the remuneration payable to the Cost Auditors forms part of the Notice convening the 6th AGM.

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records & Audit) Rules, 2014, the Company has maintained cost records.

E. Reporting of fraud by auditors

During the year under review, the Auditors of the Company have not reported any material fraud as specified under Section 143(12) of the Act to the Audit Committee.

24. REGISTRAR AND TRANSFER AGENT

M/s KFIN Technologies Limited
Karvy Selenium Tower B, Plot 31-32,
Financial District, Nanakramguda, Serilingampally
Hyderabad – 500032
Tel No: 040 67162222
Email: einward.ris@kfintech.com
Website: www.kfintech.com

25. DEMATERIALISATION OF SECURITIES

The Equity Shares of the Company have been admitted with National Securities Depository Limited (**NSDL**) under the ISIN No. INE0F9V01010 to facilitate the transfer/ subscription of shares of the Company in dematerialized form in terms of the provisions of Companies (Prospectus and Allotment of Securities) Rules, 2014.

As on 31 March 2024, 100% equity shares of the Company are held in dematerialized form with the participants of NSDL.

26. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

Pursuant to the provisions of Section 178 of the Act, The Company has devised a policy for the appointment and remuneration of Directors, Key Managerial Personnel and Senior Management. The policy of RHI Magnesita India Limited, holding company is also applicable on the Company the same is available on the website of RHIM i.e. www.rhimagnesitaindia.com

27. VIGIL MECHANISM /WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177(9) of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors had approved the Policy on Vigil Mechanism/Whistle Blower. The Company ensure to establish the reputation for doing business with integrity and displays zero tolerance for any form of unethical behaviour. The mechanism under the Policy has been appropriately communicated within and outside the organisation.

The Company reached out to employees through physical/virtual sessions with an aim of creating greater awareness on this subject. During the year under review, the Company has received two (2) complaints under the said mechanism which were resolved during the year.

28. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo, as required to be disclosed under Section 134(3) (m) of the Act read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 are provided in **ANNEXURE-III**.

29. ADEQUACY OF INTERNAL CONTROLS

The Company is having adequate internal control system which commensurate with size and business of the Company.

30. SECRETARIAL STANDARDS

During the year under review, the relevant Secretarial Standards issued by the Institute of Company Secretaries of India ('**ICSI**') related to the Board Meetings and General Meetings have been complied with by the Company.

31. DISCLOSURE UNDER THE 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. The Human Resource Department of the Company ensure protection against sexual harassment of women at workplace and for the prevention and redressal of complaint in this regard.

In line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, an Anti-Sexual Harassment Policy has been put in place and Internal Complaints Committee (ICC) has been set up by holding company i.e. RHI Magnesita India Limited, to redress complaints received regarding sexual harassment. During the financial year 2023-24, Two (2) complaints has been received among which One (1) complaint was resolved during the year and other was resolved in the month of April'2024.

32. ANNUAL RETURN

In accordance with the amended provisions of Companies Act, 2013 read with its rules made thereunder, the extract of Annual Return is not required to be annexed to Annual Report. However, the draft of Annual Return relating to the FY 2023-24 is available for inspection during working hours on working day.

33. NO DISCLOSURE OR REPORTING IS REQUIRED IN RESPECT OF THE FOLLOWING ITEMS AS THERE WERE NO TRANSACTION ON THESE ITEMS DURING THE YEAR UNDER REVIEW

- Details relating to deposit and unclaimed deposits or interest thereon.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) and Employee Stock Option Scheme of the Company under any scheme.

- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern and Company's operation in future.
- No application has been made or no proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year or at the end of FY 2023-24.
- Difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

34. ACKNOWLEDGMENT

The Directors also take this opportunity to place on record their sincere thanks and appreciation for assistance and continued support to the Company from its Bankers, State and Central Government agencies, employees and other stakeholders of the Company. Your directors also record their appreciation for the commitment and dedication of the employees of the Company at all levels.

For and on behalf of Board of Directors

Sd/-

Gurugram, 24 May 2024

Dr. Vijay Sharma
Chairman
(DIN: 00880113)



FORM AOC-1

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies.

Name of the subsidiary company	:	RHI Magnesita Seven Refractories Limited
Date of becoming subsidiary	:	5 January 2023
Start date of accounting period of subsidiary	:	1 April 2023
End date of accounting period of subsidiary	:	31 March 2024
Reporting currency	:	INR
Exchange rate	:	
Rounding-off		(In Rs. Lacs)
Share capital	:	2,000
Reserves and surplus/ other equity	:	735.11
Total Assets	:	5,654.47
Total Liabilities	:	5,654.47
Investments	:	-
Turnover	:	10,090.01
Profit/ (Loss) before tax	:	807.40
Provision for tax	:	216.53
Profit/ (Loss) after tax	:	590.86
Proposed dividend	:	-
% of shareholding	:	100%
Country	:	India

On behalf of the Board of Directors

Sd/-

 Dr. Vijay Sharma
Chairman
 (DIN:00880113)

Gurugram, 24 May 2024

NARESH VERMA & ASSOCIATES
COMPANY SECRETARIES

Secretarial Audit Report
for the financial year ended 31 March 2024

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

To

The Members,

RHI Magnesita India Refractories Limited

[formerly known as Dalmia OCL Limited]

Dalmiapuram, Lalgudi District Tiruchirapalli,

Chennai, Tamil Nadu, 621651

CIN U26100TN2018PLC125133

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RHI Magnesita India Refractories Limited** [formerly known as *Dalmia OCL Limited*] (hereinafter called **the Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit.

We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2024 complied with the statutory provisions listed hereunder and that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The present audit report may also refer to certain events that occurred after the close of financial year ended 31 March 2024 to present a fair view of the state of affairs of the Company; however, the events that happened after the close of the financial year were not reviewed for audit purpose.

Our Report is to be read along with the Statutory Auditors observations in their Audit report, if any, on the financial statements of the Company for the year ended 31 March 2024.



We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **Not Applicable as it is an unlisted public limited Company;**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992# ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time.
 - d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

the Company being an unlisted public limited company, provisions of Regulations and guidelines as stated above in clause V (sub-clauses (a) to (h) prescribed under Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not relevant to it and hence do not form the subject matter of this report).

- vi. As per management, there are no specific laws applicable to Company as stated in ICSI guidance note on secretarial audit.

We have also examined compliance with the applicable provisions of the following:

- i. Secretarial Standards issued by "The Institute of Company Secretaries of India";
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (to the extent applicable; *the Company is an unlisted public limited material subsidiary Company of RHI Magnesita India Limited, a Company listed on the BSE Limited and the National Stock Exchange of India Limited*)



WE REPORT THAT during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above except to the extent stated hereunder: -

Observations:

There was delay in filing of few forms/returns for which additional fees was duly paid by the Company.

WE FURTHER REPORT THAT the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of account has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.

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

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes. No dissenting views were however found to be recorded during the financial year 2023-2024.

WE FURTHER REPORT THAT as per the explanations given to us and the representations made by the Management and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

WE FURTHER REPORT THAT during the audit period following events have occurred which had a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards etc.: -

- The Board in its meeting held on 30 May 2023 receipt of credit facilities including working capital facility from the Hongkong and Shanghai Banking Corporation Limited (HSBC) upto an amount not exceeding Rs. 150 crore.
- The name of the Company was changed from Dalmia OCL Limited to RHI Magnesita India Refractories Limited and the Memorandum and Article of Association was



- amended after obtaining approval of the shareholders of the Company vide special resolution passed in their Extra Ordinary General Meeting held on 19 June 2023.
- The Shareholders of the Company approved the appointment of Mr. Parmod Sagar (DIN 06500871), Managing Director & CEO of RHI Magnesita India Limited as the Managing Director and CEO of the Company in their Extra Ordinary General Meeting held on 19 June 2023.
 - The proposed shifting of the registered office of the Company from the State of Tamil Nadu to the State of Haryana as approved by the shareholders of the Company in their Extra Ordinary General Meeting held on 5 January 2023 was reconsidered by the Board in its meeting held on 21 April 2023 and it was decided to shift the registered office of the Company to the state of Maharashtra instead of State of Haryana and accordingly approval of the shareholders of the Company was taken vide Special Resolution passed in their AGM held on 30 June 2023. However, due to operational and administrative reasons, the decision to shift the registered office to the State of Maharashtra was deferred by the Board of Directors in their meeting held on 08 February 2024
 - The Statutory Auditors of the Company- Chaturvedi & Shah LLP resigned w.e.f. 23 June 2023 and on the recommendation of the Board of Directors of the Company, the shareholders in their Annual General Meeting held on 30 June 2023 appointed Price Waterhouse, Chartered Accountants LLP as the new Statutory Auditors of the Company for a term of 5 years.
 - The Authorised Share Capital of the Company was increased from Rs.1,000,000,000 (Rupees One Hundred Crores) divided into 100,000,000 Equity Shares @Rs. 10 each to Rs. 1,250,000,000 (Rupees One Hundred & Twenty Five Crores) divided into 125,000,000 Equity Shares @Rs 10 each by the shareholders of the Company in their Annual General meeting held on 30 June 2023.
 - The Finance and Investment Committee of Board of Director of the Company in their Meeting held on 08 May 2023 allotted 16,975,051 fully paid Equity Shares of Rs. 10 each for cash at a premium of Rs. 197 per share i.e. @ Rs. 207 per share to holding Company - RHI Magnesita India Limited on rights basis.
 - The Company has acquired remaining 9,800,000 fully paid equity shares of Rs. 10 each constituting 49% of shareholding of RHI Magnesita Seven Refractories Limited (formerly known as Dalmia Seven Refractories Limited) on 24 July 2023 to make it as its 100% wholly owned subsidiary Company.
 - The Finance and Investment Committee of Board of Director of the Company in their Meeting held on 11 August 2023 allotted 5,072,464 fully paid Equity Shares of Rs 10 each for cash at a premium of Rs. 197 per share i.e. @ Rs. 207 per share to holding Company - RHI Magnesita India Limited on rights basis.
 - The Company has satisfied in full charge amounting to Rs. 105 Crores created vide Charge ID 100683296 in favour of State Bank of India on 6 November 2023 and charge amounting to Rs. 215 Crores created vide Charge ID 100677249 in favour of Axis Bank on 9 November 2023.



- A Scheme of Amalgamation for the fast-track merger of RHI Magnesita India Refractories Limited, Material Wholly Owned Subsidiary of the Company and its Wholly owned subsidiary Company - RHI Magnesita Seven Refractories Limited (formerly known as Dalmia Seven Refractories Limited) has been approved by the Board of Directors of the respective concerned companies on 8 February 2024.

For **NARESH VERMA & ASSOCIATES**
COMPANY SECRETARIES




NARESH VERMA

FCS: 5403; CP: 4424

UDIN: F005403F000429222

Peer Review Certificate No. 3266/2023

Date: 24.05.2024

Place: Delhi

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

To,

The Members,

RHI Magnesita India Refractories Limited
[formerly known as Dalmia OCL Limited]
CIN U26100TN2018PLC125133

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **NARESH VERMA & ASSOCIATES**
COMPANY SECRETARIES


NARESH VERMA

FCS: 5403; CP: 4424

UDIN: F005403F000429222

Peer Review Certificate No. 3266/2023



Date: 24.05.2024

Place: Delhi

**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND
FOREIGN EXCHANGE EARNINGS AND OUTGO**

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014]

A. ENERGY MANAGEMENT

Your Company is committed to sustainable business practices by contributing to environment protection and considers energy conservation as one of the strong pillars of preserving natural resources. Also, the Company's integrated operations ensure sustainable usage of the available resources. Joint project opportunities amongst various business units improve efficiencies in sourcing besides resulting in product efficiencies.

Your Company has a robust roadmap for achieving targets for improving energy efficiency and adoption of renewable energy. Also, your Company has always been conscious of the need for energy conservation and preserving natural resources. Energy conservation measures have been implemented at all the plants and offices of the Company. Below mentioned are certain initiatives take by the Company for energy management:

i. Steps taken by the Company towards Conservation of Energy

- Furnace oil consumption reduced from 156 lits. to 146 lits. per ton of Basic brick production by
 - Increasing payload in tunnel kiln from 2.5MT/car to 2.6MT/car.
 - Reducing pushing of filler car from 2.33 car to 1.06 car per day.
- Installed LED lights at different location of the plant in place of SV/MH lights.
- Interlock provided for HA dust filter motors with rotary sluice to check idle running of dust filters.
- Interlock provided for dust filter purging units with rotary sluice to check wastage of compressed air.
- Reduced capacity of motor from 45 KW to 37 KW in grinding units dust filter of Basic plant.
- SP-3 press section cooling tower high speed water pump motor was converted to lower speed and rated capacity of motor reduced from 22 KW to 18.5 KW
- Direct feeding was done in Basic magnesite and pure magnesite circuit of the grinding unit.
- Old oil cooled welding machines which were consuming more power discarded, electronic control welding machines installed.
- Ring chamber kiln 2 - New chimney installed, drought line modified and new design ID fan resulting of 4.5 KWH per MT of production savings in KILN section.
- Partial replacement of fluorescent lights to LED lights.

ii. Steps taken by the Company for utilizing alternate sources of Energy

Day light harvesting was done to reduce energy consumption by using natural day light and laying of Transparent (Poly carbonate) sheets on roof and the plant sheds to utilize sunlight in daytime.

iii. Capital Investment on Energy Conservation Equipment

- Transparent glass window was installed in press section to reduce energy consumption by using natural day light.
- Interlock of dust filter purging units with Rotary sluice was provided to check wastage of compressed air.
- Chiller installed in Sacmi Hydraulic Press to control / reduce the temperature and improve the machine efficiency.
- Replaced old reciprocating compressor with new screw compressor, resulting power saving of 0.5 KWH/MT of Production.

B. TECHNOLOGY ABSORPTION, ADAPTATION, AND INNOVATION

- Consumption of Silica burnt grog approximate 15% in recipe to manufacture Silica bricks. It will save environment as well as mother earth.
- Development of Silica insulation bricks for Blast Furnace Stove.
- Development of basic ANKARAL grade bricks for cement kiln application.
- Snorkel plant capacity increased from 25 sets to 32 sets per month.
- Firing of low temperature basic bricks in Chamber Kiln to improve saleable %. This will reduce fuel consumption.
- Manufacturing of high Alumina bricks started at Rajgangpur plant.
- Reduction in scrap rate of Silica and Basic bricks.
- 9.88 % recycle materials consumed in production in CY-23 and 9.90 % till May-24.
- Highest use of recycled material- 9.6% in volume in high alumina brick & castable manufacturing i,e ~ 3431 Mt (value ~ 3.25Cr) April'23 to March'24.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	(Amount in Rs. Lacs)	
	2023-24	2022-23
Earnings	3,698.01	24,436.70
Outgo	17,292.92	16,296.55

On behalf of the Board of Directors

Sd/-

Dr. Vijay Sharma
Chairman
(DIN:00880113)

Gurugram, 24 May 2024

Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report

To the Members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited)

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying Financial Statements of RHI Magnesita India Refractories Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) 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 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.

Key audit matters

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

(a) Valuation of intangible assets and goodwill identified on acquisition of Indian refractory business of Dalmia Bharat Refractories Limited

(Refer Note 28 to the Financial Statements)

Pursuant to a Business Transfer Agreement (BTA) executed with Dalmia Bharat Refractories Limited ("DBRL") and the Share Swap Agreement entered with RHI Magnesita India Limited ('RHIMIL') and DBRL, the Company acquired the Indian refractory business of DBRL by way of a slump sale on a going concern basis on January 04, 2023, for an aggregate consideration of Rs. 285,253.22 lacs. The acquisition was determined to be a business combination and accounted for in accordance with the acquisition method prescribed under Ind AS 103 'Business Combinations'. During the year, the Company has finalised the purchase price allocation and recognised the intangible assets and goodwill of Rs. 87,243.26 lacs and Rs. 146,745.80 lacs respectively as at the acquisition-date.



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Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, Gate No 2, New Delhi - 110002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

INDEPENDENT AUDITOR'S REPORT

To the Members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited)
Report on Audit of the Financial Statements
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Significant management judgement is involved in the identification of identifiable assets, including those assets that meet the definition of, and recognition criteria for, intangible assets in accordance with Ind AS 38 'Intangible Assets', and their valuation and determination of the resultant goodwill based on allocation of the purchase price on fair values of the identified assets and liabilities. The management engaged independent valuers ("management's experts") for carrying out the valuation.

We considered this area as a key audit matter, due to the significant management judgement required in identification and valuation of assets acquired and liabilities assumed, determining the key assumptions underlying such valuation such as the revenue growth rates, customer churn rates, EBITDA growth rates, capital expenditures, weighted average cost of capital and considering the changes in these assumptions can have a material impact on the valuation of goodwill and intangible assets.

How our audit addressed the key audit matter

Our audit procedures included the following:

- Obtained an understanding, evaluated the design and tested the operating effectiveness of controls over accounting for business combinations.
- Read the Business Transfer Agreement, Share Swap Agreement and other documents related to acquisition through Business Transfer Agreement in order to obtain an understanding of the transaction in accordance with Ind AS 103 'Business Combinations' and to verify the consideration paid for the aforesaid acquisition.
- Assessed the competence, capabilities, and objectivity of management's experts, perused the report issued by them and evaluated the appropriateness of the valuation model and underlying assumptions considered by them.
- Tested the fair value of the acquired identifiable intangible assets, with the assistance of auditor's valuation experts, which involved:
 - o evaluation of the prospective financial information used in the valuation models, testing the completeness and accuracy of underlying data and evaluation of the valuation methodology.
 - o evaluation of the key assumptions, by comparing the same to current industry, market, economic trends and historical results.
 - o performance of sensitivity analysis to evaluate the impact of changes in key assumptions to the valuation of the acquired identifiable intangible assets.
- Verified the arithmetical accuracy of the management's computation of goodwill.
- Assessed the appropriateness of the disclosures in the Financial Statements in accordance with Ind AS 103.

Based on the above stated procedures, no significant exceptions were noted in valuation of intangible assets and resulting goodwill identified on the acquisition.

(b) Assessment of carrying value of goodwill

(Refer Note 3(c) and 25 to the Financial Statements)

The Company has goodwill carried at cost less accumulated impairment loss of Rs. 48,950.30 lacs. During the year, the Company has recognised an impairment loss on goodwill of Rs. 31,725.63 lacs.

The Company reviews the carrying value of goodwill at every balance sheet date irrespective of whether there is any indication of impairment or not, the carrying value is assessed for impairment in accordance with Ind AS 36 'Impairment of Assets', and an impairment provision is recognised, where applicable. The management has determined the Company as a whole as the cash generating unit ("CGU") for the purpose of impairment assessment, and with the involvement of independent valuation experts ("management's experts"), the recoverable value of the CGU has been determined.

The assessment of carrying value of goodwill has been considered as a key audit matter as the determination of recoverable value involves significant management judgement and estimates such as future expected level of operations and related forecast of cash flows, market conditions, discount rate, growth rate, terminal growth rate etc.



INDEPENDENT AUDITOR'S REPORT

To the Members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited)
Report on Audit of the Financial Statements
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How our audit addressed the key audit matter

Our audit procedures included the following:

- Obtained an understanding and evaluated the design and tested the operating effectiveness of controls over the impairment assessment.
- Assessed whether the Company's determination of CGUs was consistent with our knowledge of the Company's operations.
- Assessed the competence, capabilities and objectivity of management's experts and perused the report issued by them.
- Involved our valuation experts to assist in
 - assessing the appropriateness of the valuation model including the independent assessment of the underlying assumptions relating to discount rate, terminal growth rate etc.
 - evaluation of the cash flow forecasts (with underlying economic growth rate) by comparing them to the approved budgets and our understanding of the internal and external factors.
- Verified the mathematical accuracy of the computations involved in the valuation model.
- Assessed the sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment or material change in fair valuation.
- Discussed the key assumptions and sensitivities with those charged with governance.
- Evaluated the adequacy of the disclosures made in the Financial Statements.

Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment in relation to the assessment of carrying value of goodwill as per Ind AS 36 'Impairment of Assets'.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report but does not include the Financial Statements and our auditor's report thereon. The Directors' Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Directors' Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



INDEPENDENT AUDITOR'S REPORT

To the Members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited)
Report on Audit of the Financial Statements

Page 4 of 6

7. In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
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.
11. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



INDEPENDENT AUDITOR'S REPORT

To the Members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited)
Report on Audit of the Financial Statements

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Other Matter

12. The Financial Statements of the Company for the year ended March 31, 2023, were audited by another firm of chartered accountants under the Act who, vide their report dated May 30, 2023, expressed a modified opinion on those Financial Statements.

Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the period September 22, 2023 to October 07, 2023 and 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 Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b) above on reporting under Section 143(3)(b) 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 and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 32 to the Financial Statements;
 - ii. The Company has long-term contracts for which there were no material foreseeable losses. The Company has made provision as at March 31, 2024, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts.
 - 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 March 31, 2024.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("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



INDEPENDENT AUDITOR'S REPORT

To the Members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited)
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- ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries {Refer Note 38(v)(a) to the Financial Statements};
- (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in Note 38(v)(b) to the Financial Statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("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 that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.
- vi. Based on our examination, the Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and that has operated only for part of the year from January 1 to March 31, 2024 for all relevant transactions recorded in the software, except that the audit log is not maintained in case of modification by certain users with specific access and for direct data changes at the database level. During the course of performing our procedures, except for the aforesaid instances where our commenting on whether the audit trail feature was tampered with does not arise, we did not notice any instance of the audit trail feature being tampered with.
15. The Company has not paid/ provided for any managerial remuneration during the year.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016


Abhishek Rara

Partner

Membership Number: 077779

UDIN: 24077779BKEHVF7462

Place: Gurugram

Date: May 24, 2024

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited) on the Financial Statements for the year ended March 31, 2024
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Report on the Internal Financial Controls with reference to financial statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of RHI Magnesita India Refractories limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 its business, including adherence to 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

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 Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 was 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 system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 system 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 includes 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



Annexure A to Independent Auditor's Report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited) on the Financial Statements for the year ended March 31, 2024
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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 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.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Abhishek Rara
Partner
Membership Number 077779
UDIN: 24077779BKEHVF7462

Place: Gurugram
Date: May 24, 2024

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited) on the Financial Statements for the year ended March 31, 2024
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In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 2 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 39 to the Financial Statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (Rs. in lacs)	Held in the name of	Whether promoter, director or their relative or employee	Period held -indicate range, where appropriate	Reason for not being held in the name of the Company
Land with respect to Khambhalia manufacturing unit	1,494.50	Shree Natraj Ceramic and Chemical Industries Limited	No	Since January 2023	Title deed registered in the name of Shree Natraj Ceramic and Chemical Industries Limited whose name was changed to Dalmia Refractories Limited. This entity got merged into Dalmia Bharat Refractories Limited. By virtue of Business transfer agreement dated November 19, 2022, the Company has acquired Indian refractories business from Dalmia Bharat Refractories Limited. The name of the Company has changed from Dalmia OCL Limited to RHI Magnesita India Refractories Limited and consequent to this Company is in the process for change of name.
Building of Khambhalia manufacturing unit	1,044.51		No	Since January 2023	



Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited) on the Financial Statements for the year ended March 31, 2024

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Description of property	Gross carrying value (Rs. in lacs)	Held in the name of	Whether promoter, director or their relative or employee	Period held -indicate range, where appropriate	Reason for not being held in the name of the Company
Land with respect to Bhilai manufacturing unit	42.10	Dalmia OCL Limited	No	Since January 2023	Title deed registered in the name of Dalmia OCL Limited are in the process for change consequent to change of name of the Company to RHI Magnesita India Refractories Limited.
Building of Bhilai manufacturing unit	283.60		No	Since January 2023	
Leasehold land with respect to Dalmiapuram manufacturing unit	2,487.01	Dalmia OCL Limited	No	Since January 2023	Leasehold deed registered in the name of Dalmia OCL Limited are in the process for change consequent to change of name of the Company to RHI Magnesita India Refractories Limited.
Building of Dalmiapuram manufacturing unit	2,867.93		No	Since January 2023	
Leasehold land with respect to Rajgangpur manufacturing unit	8,034.00	Dalmia OCL Limited	No	Since January 2023	Leasehold deed registered in the name of Dalmia OCL Limited are in the process for change consequent to change of name of the Company to RHI Magnesita India Refractories Limited.
Building of Rajgangpur manufacturing unit	2,510.94		No	Since January 2023	
Building of Katni manufacturing unit	662.10	Dalmia Seven Refractories Limited	No	Since January 2023	Leasehold deed of land on which building is constructed is registered in the name of Dalmia Seven Refractories Limited (name changed to RHI Magnesita Seven Refractories Limited).



Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited) on the Financial Statements for the year ended March 31, 2024

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- (d) The Company has chosen cost model for its Property, Plant and Equipment (including Right-of-use-assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right-of-use-assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the Financial Statements does not arise.
- ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory and have been appropriately dealt with in the books of account.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are not in agreement with the unaudited books of account as set out below. {Also, refer Note 38(xii) to the Financial Statements}.

Name of the Bank	Aggregate working capital limits sanctioned (Rs. in lacs)	Nature of Current Asset offered as Security	Quarter ended	Amount disclosed as per quarterly return/ statement (Rs. in lacs)	Amount as per books of account (Rs. in lacs)	Difference (Rs. in lacs)	Reasons for difference
Axis Bank Limited and State Bank of India	33.500	Inventory	June 2023	28,314.00	27,777.67	(536.33)	Return is filed considering numbers as per provisional Financial Statements.
		Trade receivables	June 2023	15,234.00	20,225.51	4,992.51	Trade receivables more than 90 days and from related parties are not considered in return.



Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited) on the Financial Statements for the year ended March 31, 2024
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Name of the Bank	Aggregate working capital limits sanctioned (Rs. in lacs)	Nature of Current Asset offered as Security	Quarter ended	Amount disclosed as per quarterly return/ statement (Rs. in lacs)	Amount as per books of account (Rs. in lacs)	Difference (Rs. in lacs)	Reasons for difference
Axis Bank Limited and State Bank of India	33,500	Trade payables	June 2023	14,051.00	20,280.31	6,229.31	Provision of expenses and payable for services not considered in return.
		Inventory	September 2023	31,999.00	32,088.52	89.52	Return is filed considering numbers as per provisional Financial Statements.
		Trade receivables	September 2023	18,271.00	27,493.15	9,222.15	Trade receivables more than 90 days and from related parties are not considered in return.
		Trade payables	September 2023	19,020.00	23,250.38	4,230.38	Provision of expenses and payable for services not considered in return.

The credit facilities with the State Bank of India were surrendered on September 30, 2023. Axis Bank Limited has released the security on current assets on November 09, 2023. Accordingly, the requirement to submit the quarterly returns/statement was not applicable for the subsequent quarters.

- iii. (a) The Company has made investment in one company and the Company has not granted any secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.



Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited) on the Financial Statements for the year ended March 31, 2024

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- (b) In respect of the aforesaid investment, the terms and conditions under which such investment were made are not prejudicial to the Company's interest.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of the investment made by it in one Company. The Company has not granted any loans or provided any guarantees or securities during the year to the parties covered under Section 185 and Section 186 of the Companies Act, 2013.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its certain products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) In our opinion, except for the dues in respect of Stamp Duty, the Company is generally regular in depositing undisputed statutory dues in respect of income tax and labour welfare fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, duty of customs, professional tax, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of statutory dues outstanding as at March 31, 2024, for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Period to which the amount relates	Due date*	Date of Payment	Remarks, if any
Registration Act, 1908	Stamp Duty	2,765.87	2022-23	January 04, 2023	Not applicable	-

*On November 19, 2022, Dalmia Bharat Refractories Limited ('DBRL') entered into a business transfer agreement (BTA) with the Company to transfer the entire Indian refractory business of DBRL to the Company. The Stamp duty is payable on acquisition of immovable property and mining rights by the Company as per the BTA.

- (b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.



Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited) on the Financial Statements for the year ended March 31, 2024
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- ix. (a) Except for interest expense on external commercial borrowings described below, the Company has not defaulted in repayment of loans or other borrowings to any lender during the year.

Nature of borrowing	Name of lender	Amount not paid on due date (Rs. in lacs)	Whether principal or interest	No. of days delay or unpaid	Remarks
External Commercial Borrowings	RHI Magnesita GmbH	745.66	Interest	91	Subsequent to the year end, the amount has been paid by the Company on April 24, 2024.

- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, the term loans have been applied for the purposes for which they were obtained. {Also, refer Note 38(x) to the Financial Statements}.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Financial Statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (e) On an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary and the Company did not have any associates or joint ventures during the year.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary and the Company did not have any associates or joint ventures during the year.
- 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, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- x.(b) The Company has made a preferential allotment of shares during the year, in compliance with the requirements of Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised. (Also, refer Note 41 to the Financial Statements).
- xi.(a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi.(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules,



Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited) on the Financial Statements for the year ended March 31, 2024

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2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

- xi.(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the Financial Statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.
- xiv.(a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is 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, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year and had incurred cash losses of Rs. 2,932 lacs in the immediately preceding financial year.



Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited) on the Financial Statements for the year ended March 31, 2024

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- xviii. There has been resignation of the statutory auditors during the year, and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of the financial ratios (Refer Note 37 to the Financial Statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans 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 that the 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. The Company was not required to spend any amount during the year for Corporate Social Responsibility under Section 135(5) and 135(6) of the Act. Accordingly, there is no amount unspent as at March 31, 2024 and the 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. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Abhishek Rara
Partner

Membership Number: 077779
UDIN: 24077779BKEHVF7462

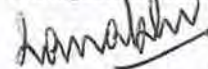
Place: Gurugram
Date: May 24, 2024

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
Assets			
Non-current assets			
Property, plant and equipment	3(a)	22,469.65	24,583.48
Right-of-use assets	3(b)	10,471.97	10,796.86
Capital work-in-progress	3(a)	1,334.23	1,036.70
Goodwill	3(c)	48,950.30	84,099.18
Other intangible assets	3(c)	79,574.38	84,889.42
Financial assets			
(i) Investments	4(a)	15,440.75	9,256.00
(ii) Other financial assets	4(b)	375.74	-
Deferred tax assets (net)	5	2,159.25	-
Other non-current assets	6	595.85	236.02
Total non-current assets		181,372.12	214,897.66
Current assets			
Inventories	7	27,184.43	30,906.69
Financial assets			
(i) Trade receivables	4(c)	17,567.41	22,740.45
(ii) Cash and cash equivalents	4(d)	660.80	19,223.24
(iii) Bank balances other than (ii) above	4(e)	75.91	11.67
(iv) Other financial assets	4(f)	80.35	669.64
Contract assets	4(g)	4,224.30	2,082.44
Other current assets	6	7,734.59	11,984.08
Total current assets		57,527.79	87,618.21
Total assets		238,899.91	302,515.87
Equity and liabilities			
Equity			
Equity share capital	8(a)	10,453.11	8,248.36
Other equity	8(b)	167,206.12	158,398.88
Equity attributable to the owners of RHI Magnesita India Refractories		177,659.23	166,647.24
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	9	23,365.60	23,253.41
(ii) Lease liabilities	3(b)	7,713.11	7,693.39
Provisions	13	286.46	281.07
Employee benefit obligations	14	1,045.29	871.46
Deferred tax liabilities (net)	5	-	2,405.84
Total non-current liabilities		32,410.46	34,505.17
Current liabilities			
Financial liabilities			
(i) Borrowings	9	4,848.15	64,034.64
(ii) Lease liabilities	3(b)	653.46	817.84
(iii) Trade payables	10		
(a) Total outstanding dues of micro enterprises and small enterprises		2,489.80	2,129.11
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		13,918.73	16,006.31
(iv) Other financial liabilities	11	2,193.07	12,345.77
Contract liabilities	12	455.73	2,170.36
Employee benefit obligations	14	325.59	163.45
Other current liabilities	15	3,945.69	3,695.98
Total current liabilities		28,830.22	101,363.46
Total liabilities		61,240.68	135,868.63
Total equity and liabilities		238,899.91	302,515.87

The above Balance Sheet should be read in conjunction with the accompanying notes.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

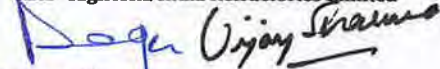


Abhishek Rara
Partner

Membership Number: 077779

Place: Gurugram
Date: May 24, 2024

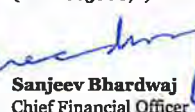
For and on behalf of the Board of Directors of
RHI Magnesita India Refractories Limited



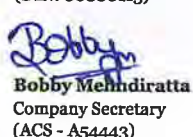
Parmod Sagar
Managing Director and
Chief Executive Officer
(DIN- 06500871)

Vijay Sharma
Chairman

(DIN: 00880113)



Sanjeev Bhardwaj
Chief Financial Officer



Bobby Mehindratta
Company Secretary
(ACS - A54443)



RHI Magnesita India Refractories Limited
(formerly known as Dalmia OCL Limited)
CIN : U26100TN2018PLC125133
Statement of Profit and Loss for year ended March 31, 2024

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from operations	16	102,443.18	20,738.14
Other income	17	565.46	197.81
Total income		103,008.64	20,935.95
Expenses			
Cost of raw materials and components consumed	18	42,651.35	11,400.93
Purchases of stock-in-trade (traded goods)	19	14,445.72	876.52
Changes in inventories of finished goods, work-in-progress and stock-in-trade (traded goods)	20	2,057.59	(1,214.37)
Employee benefits expense	21	13,805.82	3,124.28
Finance costs	22	4,689.62	1,858.49
Depreciation and amortisation expense	23	10,479.21	2,677.71
Other expenses	24	18,461.21	7,821.80
Total expenses		106,590.52	26,545.36
Loss before exceptional items and tax		(3,581.88)	(5,609.41)
Exceptional item			
Impairment loss on goodwill	25	31,725.63	66,069.87
Loss before tax		(35,307.51)	(71,679.28)
Income tax credit:			
- Deferred tax credit	26	(801.40)	(1,419.77)
Total tax credit		(801.40)	(1,419.77)
Loss for the year		(34,506.11)	(70,259.51)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit plans		(160.70)	28.74
- Income tax relating to the above		40.44	(7.23)
Other comprehensive (loss)/income for the year, net of tax		(120.26)	21.51
Total comprehensive loss for the year		(34,626.36)	(70,238.01)
Basic loss per equity share (Face value of Rs. 10 each share) (Rs.)	27	(34.17)	(361.24)
Diluted loss per equity share (Face value of Rs. 10 each share) (Rs.)	27	(34.17)	(361.24)

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Abhishek Rara

Abhishek Rara
Partner
Membership Number: 077779

Place: Gurugram
Date: May 24, 2024

For and on behalf of the Board of Directors of
RHI Magnesita India Refractories Limited

Parmod Sagar

Parmod Sagar
Managing Director and
Chief Executive Officer
(DIN- 06500871)

Vijay Sharma

Vijay Sharma
Chairman
(DIN: 00880113)

Sanjeev Bhardwaj

Sanjeev Bhardwaj
Chief Financial Officer

Bobby Mehndiratta

Bobby Mehndiratta
Company Secretary
(ACS - A54443)



RHI Magnesita India Refractories Limited
(formerly known as Dalmia OCL Limited)
CIN : U26100TN2018PLC125133
Statement of Changes in Equity for the year ended March 31, 2024
Equity Share Capital

Particulars	(All amount in Rs. Lacs, unless otherwise stated)	
	Notes	Amount
Balance as at April 01, 2022	8(a)	2.00
Shares issued during the year pursuant to business combination	28	8,246.36
Balance as at March 31, 2023		8,248.36
Shares issued during the year		2,204.75
Balance as at March 31, 2024	41	10,453.11

Other Equity

Particulars	Notes	Attributable to the owners of RHI Magnesita India Refractories Limited		
		Securities Premium	Reserves and Surplus Retained Earnings	Other Reserves Total
Balance as at April 01, 2022	8(b)	43.73	(2.49)	41.24
Loss for the year		-	(70,259.51)	(70,259.51)
Other comprehensive income		-	21.51	21.51
Total comprehensive income for the year		-	(70,238.00)	(70,238.00)
Transactions with the owners as their capacity as owners:				
Deemed contribution by holding company	8(b)	-	-	66,069.87
Issue of equity shares pursuant to business combination		162,525.77	-	162,525.77
Balance as at March 31, 2023		162,569.50	(70,240.49)	66,069.87
Balance as at April 01, 2023	8(b)	162,569.50	(70,240.49)	66,069.87
Loss for the year		-	(34,506.11)	(34,506.11)
Other comprehensive loss		-	(120.26)	(120.26)
Total comprehensive loss for the year		-	(34,626.37)	(34,626.37)
Transactions with the owners as their capacity as owners:				
Issue of equity shares	41	43,433.61	-	43,433.61
Balance as at March 31, 2024		206,003.11	(104,866.86)	66,069.87
				167,206.12

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Abhishek Rara
Abhishek Rara
Partner

Membership Number: 077779

Place: Gurugram
Date: May 24, 2024

For and on behalf of the Board of Directors of
RHI Magnesita India Refractories Limited

Vijay Sharma
Vijay Sharma
Chairman
(DIN: 00880113)

Parmod Sagar
Parmod Sagar
Managing Director and
Chief Executive Officer
(DIN- 06500871)

Bobby Mehndiratta
Bobby Mehndiratta
Company Secretary
(ACS - A54443)



RHI Magnesita India Refractories Limited
(formerly known as Dalmia OCL Limited)
CIN : U26100TN2018PLC125133
Statement of Cash Flows for the year ended March 31, 2024

Particulars	Notes	(All amount in Rs. Lacs, unless otherwise stated)	
		Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flow from operating activities			
Loss before tax		(35,307.51)	(71,679.28)
Adjustments for:			
Depreciation and amortisation expense	23	10,479.21	2,677.71
Interest income	17	(79.93)	(52.21)
Allowance for doubtful debts - trade receivables (Net)	24	124.99	135.58
Provision for stamp duty	24	-	2,800.00
Bad debts written off	24	381.86	-
Amortisation of mines	24	1,118.92	-
Impairment loss on goodwill	25	31,725.63	66,069.87
Liabilities/ provisions no longer required written back	17	(134.17)	-
Finance costs	22	4,689.62	1,858.25
Profit on property, plant and equipment sold / scrapped (Net)	17	(6.33)	-
Net unrealised foreign exchange (loss)		112.19	-
Operating profit before working capital changes		13,104.48	1,809.91
Changes in operating assets and liabilities			
Decrease in inventories		3,722.26	4,757.00
Decrease / (Increase) in trade receivables		4,666.20	2,664.19
Decrease in other financial assets - current		557.42	260.00
Decrease / (Increase) in other current assets		1,930.57	(672.00)
(Increase) in contract assets		(2,141.86)	(2,082.44)
(Increase) in other financial assets - non-current		(375.74)	-
Decrease / (Increase) in other non-current assets		28.72	(121.00)
(Decrease) in trade payables		(1,592.72)	(15,046.00)
(Decrease) / Increase in other financial liabilities		(1,027.49)	3,243.00
Increase in employee benefit obligations		175.27	1,035.00
Increase in other non current liabilities		-	7.00
(Decrease) / Increase in contract liabilities		(1,714.63)	2,170.00
Increase / (Decrease) in other current liabilities		249.71	(5,563.00)
Increase / (Decrease) in provisions		5.39	(2,311.55)
Cash generated from operations		17,587.58	(9,849.89)
Income tax paid (Net)		(108.69)	-
Net cash inflow / (outflow) from operating activities (A)		17,478.89	(9,849.89)
B. Cash flows from investing activities			
Payment for acquisition of business		(9,080.25)	(39,329.00)
(Increase) in other bank balances		(64.24)	-
Capital expenditure on property, plant and equipment and intangible assets		(2,685.24)	(460.88)
Investment in subsidiary (Refer note 40)		(6,184.75)	-
Proceeds from sale of property, plant and equipment and intangible assets		154.80	-
Interest received		111.80	-
Net cash outflow from investing activities (B)		(17,747.88)	(39,789.88)
C. Cash flows from financing activities			
Proceeds from issue of shares		45,638.35	-
(Proceeds)/Repayment of current borrowings		(60,299.65)	22,542.00
Proceeds/Repayment of non current borrowings		-	47,789.00
Principal repayment of lease liabilities		(52.97)	(22.00)
Interest repayment of lease liabilities		(637.76)	-
Interest paid		(2,941.42)	(1,488.00)
Net cash (outflow) / inflow from financing activities (C)		(18,293.45)	68,821.00



RHI Magnesita India Refractories Limited
 (formerly known as Dalmia OCL Limited)
 CIN : U26100TN2018PLC125133
 Statement of Cash Flows for the year ended March 31, 2024

Particulars	Notes	(All amount in Rs. Lacs, unless otherwise stated)	
		Year ended March 31, 2024	Year ended March 31, 2023
Net (decrease)/increase in cash and cash equivalents (A+B+C)		(18,562.44)	19,181.24
Cash and cash equivalents at the beginning of the year		19,223.24	42.00
Cash and cash equivalents at the end of the year		660.80	19,223.24
Non Cash investing activities			
- Acquisition of right-of-use-assets (Refer note 3(b))		3.72	-
Cash and cash equivalent included in the cash flow statement comprise of the following:			
Balances with banks			
- in current accounts		660.80	223.24
Deposits with original maturity of less than three months		-	19,000.00
		660.80	19,223.24

The above Statement of Cash Flows has been prepared under the 'indirect method' as set out in Ind AS 7 'Statement of Cash Flows'.
 The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

For Price Waterhouse Chartered Accountants LLP
 Firm Registration Number: 012754N/N500016

Abhishek Rara

Abhishek Rara
 Partner
 Membership Number: 077779

For and on behalf of the Board of Directors of
 RHI Magnesita India Refractories Limited

Parmod Sagar *Vijay Sharma*

Parmod Sagar
 Managing Director and
 Chief Executive Officer
 (DIN- 06500871)

Vijay Sharma
 Chairman
 (DIN: 00880113)

Place: Gurugram
 Date: May 24, 2024



Sanjeev Bhardwaj

Sanjeev Bhardwaj
 Chief Financial Officer

Bobby Mehdiratta

Bobby Mehdiratta
 Company Secretary
 (ACS - A54443)

RHI Magnesita India Refractories Limited
(formerly known as Dalmia OCL Limited)
CIN: U26100TN2018PLC125133
Notes to Financial Statements

1. Corporate Information

RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited) was incorporated on October 05, 2018. The registered office of the company is located at Dalmiapuram, Lalgudi District Tiruchirapalli, Chennai, Tamil Nadu, India, 621651. The Company is in the business of manufacturing and selling of refractories, monolithic, high alumina bricks, castable and pre-cast shapes. The Company has manufacturing operations over four locations i.e. Rajgangpur (Odisha), Dalmiapuram (Tamil Nadu), Khambalia (Gujarat) and Bhilai (Chattisgarh) in India.

The Financial Statements were approved by the Board of Directors and authorised for issue on May 24, 2024.

2.1 Basis of Preparation

(i) Compliance with Ind AS

The Financial Statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The Standalone Financial Statements have been prepared on a historical cost basis, except for the following which have been measured at fair value:

- Defined benefit plans – plan assets measured at fair value.

(iii) New and amended standards adopted by the Company:

The Ministry of Corporate Affairs had vide notification dated March 31, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective April 1, 2023.

- a) Disclosure of accounting policies- amendments to Ind AS 1;
- b) Disclosure of accounting estimates- amendments to Ind AS 8;
- c) Deferred tax assets related to assets and liabilities arising from a single transaction- amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments to Ind AS 12 as the company's accounting policy already complies with the now mandatory treatment.

(iv) Functional and presentation currency:

The Financial Statements are presented in Indian Rupee (Rs.) which is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest lacs, unless otherwise stated.

(v) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing



and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2.2 Critical accounting estimates, assumptions and judgements

The preparation of Financial Statements requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent liabilities at the date of the Financial Statements and the results of operations during the reporting period. The actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

In the process of applying the Company's accounting policies, the management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the Financial Statements:

(i) Property, plant and equipment

The management engages internal technical team to assess the remaining useful lives and residual value of property, plant and equipment. The management believes that the assigned useful lives and residual value are reasonable.

(ii) Intangibles assets

Internal technical or user team assess the remaining useful lives of Intangible assets. The management believes that assigned useful lives are reasonable.

(iii) Leases

Ind As 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations.

(iv) Impairment of goodwill

The Company estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value. Cash flows beyond the five-year period are extrapolated using the estimated growth rate. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

(v) Income taxes

The management's judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets / liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the Financial Statements. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.



(vi) Contingencies

The management's judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(vii) Allowance for doubtful trade receivables

Trade receivables are stated at their amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

(viii) Revenue from contracts with customers

For Refractory Management Contracts where the transaction price depends on the customer's production, customer expects total refractory management services from the Company, which includes supply of refractory material and its related services to produce steel. The customer expects complete refractory management for the production of steel in the steel plant. Thus, only one single performance obligation, performance of refractory management service, exists.

2.3 Material Accounting Policies

(i) Property Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably. All other repair and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on Property, Plant and equipment is provided on straight-line basis over the useful lives of assets as determined on the basis of technical estimates which are different from the useful lives as prescribed under Schedule II to the Companies Act, 2013. Based on past experience and internal technical evaluation, the management believes that these useful lives represent the appropriate period of usage and therefore, considered to be appropriate for charging depreciation.

Class of Assets	Estimated useful life
Building	5-26 years
Plant and equipment	5-24 years
Office equipment	2-5 years
Furniture and fixtures	2-9 years
Vehicles	2-8 years
Computers Peripherals	3-10 years

Assets residual values, depreciation method and useful lives are reviewed at the end of financial year considering the physical condition of the assets or whenever there are indicators for review and adjusts residual life prospectively.



(ii) Intangible Assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets are recognised at cost. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Amortisation is recognised in the Statement of Profit and Loss on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

a) Software

Software are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license. Intangible Assets are amortised at straight line basis as follows:

Software 3-4 years

b) Goodwill

Goodwill on acquisitions of business is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

c) Customer relationships

Customer relationships were acquired as part of business combination (refer note 28 for details). They are recognised at the fair value at the date of acquisition and are subsequently amortised on a straight-line based on the timing of the projected cash flows of the contract over their estimated useful lives.

Customer relationships - 10 – 20 years

(iii) Impairment of assets

Goodwill that has an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Property, plant and equipment and Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are



grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(iv) Revenue recognition

At the inception of the contract, the Company identifies the goods or services promised in the contract and assesses which of the promised goods or services shall be identified as separate performance obligations. Promised goods or services give rise to separate performance obligations if they are capable of being distinct. Where the customer expects supply of refractory material and its related services together to produce the steel, the management has determined that both supply of goods and services are not distinct and the arrangement is considered to have only one single performance obligation.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation, which is the expected consideration to be received, to the extent that it is highly probable that there will not be a significant reversal of revenue in future periods. If the consideration in a contract includes a variable amount, at the inception of the contract, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer.

(a) Sale of products

The Company manufactures and sells a range of refractories, monolithics, bricks and ceramic paper. Revenue from sale of products is recognised when the control of the products has transferred, being when the products are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied. No significant element of financing is deemed present as the sales are made with a credit term of 30 days to 90 days, which is consistent with market practice. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(b) Total Refractories Management Services

Revenue from contracts for total refractory management services is recognized over time on basis using the output-oriented method (e.g. quantity of steel produced by the customer). The management has determined that both supply of goods and services are not distinct as the customer expects total refractory management services from the Company, which includes supply of refractory material and its related services to produce steel, thus, the arrangement is only one single performance obligation.

(c) Sale of Services

Revenue from services is recognised over time, using an input method to measure progress towards completion of service, because the customer simultaneously receives and consumes the benefits provided by the Company.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable, depending on whether something other than the passage of time is required before the consideration is due.



Note 3(a) :
Property, plant and equipment and capital work-in progress

Particulars	(All amount in Rs. Lacs, unless otherwise stated)								
	Freehold Land*	Buildings*	Plant and machineries	Office equipments	Furniture and fixtures	Vehicles	Computer Peripherals	Total	Capital work-in-progress
Balance as at April 01, 2022									
Additions on account of acquisition through business combination (Refer note 28)	1,536.60	7,310.51	16,086.51	26.00	55.85	9.26	148.82	25,167.55	1,148.75
Additions	-	17.51	547.15	7.00	-	-	1.30	572.96	-
Disposals	-	-	-	-	-	-	-	-	(112.05)
Balance as at March 31, 2023	1,536.60	7,328.02	16,627.66	33.00	55.85	9.26	150.12	25,740.51	1,036.70
Additions	-	41.05	1,628.25	11.75	-	17.57	356.38	2,055.00	2,007.43
Disposals	-	-	(229.58)	-	-	-	-	(329.58)	(1,709.90)
Balance as at March 31, 2024	1,536.60	7,369.07	18,026.33	44.75	55.85	26.83	506.50	27,865.93	1,334.23
Accumulated depreciation									
As at April 01, 2022									
Charge for the year	-	190.00	949.49	1.95	2.97	0.66	11.96	1,157.03	-
Depreciation on assets disposed off during the year	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2023	-	190.00	949.49	1.95	2.97	0.66	11.96	1,157.03	-
Charge for the year	-	826.97	3,103.80	12.13	13.92	3.75	59.79	4,020.36	-
Depreciation on assets disposed off during the year	-	-	(81.11)	-	-	-	-	(81.11)	-
Accumulated depreciation as at March 31, 2024	-	1,016.97	3,972.18	14.08	16.89	4.41	71.75	5,096.28	-
Carrying amount									
Balance as at March 31, 2023	1,536.60	7,138.02	15,678.17	31.05	52.88	8.60	138.16	24,583.48	1,036.70
Balance as at March 31, 2024	1,536.60	6,352.10	14,054.15	30.67	38.96	22.42	434.75	22,469.65	1,334.23

*Refer note 39



Note 3(a):
Capital work-in progress

(A) Aging of capital work-in progress:

As at March 31, 2024

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Amounts in capital work-in progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	1,286.00	48.23	-	-	1,334.23
Total	1,286.00	48.23	-	-	1,334.23

As at March 31, 2023

Particulars	Amounts in capital work-in progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	1,036.70	-	-	-	1,036.70
Total	1,036.70	-	-	-	1,036.70

(B) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

As at March 31, 2024

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress					
Project A - Roof fitting	158.16	-	-	-	158.16
Project B - Server and network management	70.93	-	-	-	70.93
Total	229.09	-	-	-	229.09

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023.



Note 3(b):

Leases

(All amount in Rs. Lacs, unless otherwise stated)

A. Company as a lessee

This note provides information for leases where the Company is a lessee. The Company has taken on lease land and motor vehicles.

Particulars	Note	As at March 31, 2024	As at March 31, 2023
(i) Amount recognised in balance sheet			
The balance sheet shows the following amounts relating to leases:			
Right-of-use assets			
Land		10,305.04	10,471.26
Motor vehicles		166.93	325.60
	Total	10,471.97	10,796.86
Lease Liabilities			
Current		653.46	817.84
Non-Current		7,713.11	7,693.39
	Total	8,366.57	8,511.23

Addition to the right-of-use assets during the year were Rs. 3.72 lacs (March 31, 2023: Nil).

Addition on account of acquisition through business combination in right-of-use of assets were of Rs. Nil (March 31, 2023: Rs. 10,863.84 lacs)

Addition on account of acquisition through business combination in lease liabilities were of Rs. Nil (March 31, 2023: Rs. 8,376.54 lacs)

(ii) Amounts recognised in the statement of profit and loss

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense (included in finance costs)	22	637.76	156.44
Depreciation charge of right-of-use assets	23	233.20	66.84
Expense relating to short-term leases (included in other expenses)	24	73.47	24.79

The total cash outflow for leases for the year was Rs. 690.73 lacs (March 31, 2023: Rs. 22.00 lacs)

(iii) In applying Ind AS 116, the Company has used the following practical expedient:

Accounting for operating leases with a lease term of less than 12 months treated as short-term leases.

(iv) Extension and Termination option:

Extension and termination options held are exercisable at mutual consent of lessor and lessee.

B. Company as a lessor

Lease income from operating leases where the Company is acting as a lessor is recognised in the Statement of Profit and Loss.



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**Note 3(c):
Intangible assets**

Particulars	(All amount in Rs. Lacs, unless otherwise stated)				
	Software	Customer relationships	Mining Rights	Total	Goodwill
Balance as at April 01, 2022					
Additions on account of acquisition through business combination (Refer note 28)	873.49	85,200.01	269.76	86,343.26	150,169.05
Disposal	-	-	-	-	-
Balance as at March 31, 2023	873.49	85,200.01	269.76	86,343.26	150,169.05
Additions	10.61	-	-	10.61	-
Adjustment on account of measurement period adjustment relating to business combination (Refer note 28)	-	900.00	-	900.00	(3,423.25)
Disposal	-	-	-	-	-
Balance as at March 31, 2024	884.10	86,100.01	269.76	87,253.87	146,745.80
Accumulated amortisation and impairment					
As at April 01, 2022					
Charge for the year	55.00	1,387.61	11.23	1,453.84	66,069.87
Impairment loss on goodwill (Refer note 25)	-	-	-	-	-
Accumulated amortisation and impairment as at March 31, 2023	55.00	1,387.61	11.23	1,453.84	66,069.87
Charge for the year	222.12	5,970.32	33.21	6,225.65	-
Impairment loss on goodwill (Refer note 25)	-	-	-	-	31,725.63
Accumulated amortisation and impairment as at March 31, 2024	277.12	7,357.93	44.44	7,679.49	97,795.50
Net Carrying amount					
Balance as at March 31, 2023	818.49	83,812.40	258.53	84,889.42	84,099.18
Balance as at March 31, 2024	606.98	78,742.08	225.32	79,574.38	48,950.30



(All amount in Rs. Lacs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Note 4(a):		
Non-current investments		
Investments in equity instruments (unquoted)		
- Subsidiary (At cost)		
20,000,000 (March 31, 2023: 10,200,000) Equity shares of Rs. 10 each fully paid up of RHI Magnesita Seven Refractories Limited (formerly known as Dalmia Seven Refractories Limited) (Refer note 40)	15,440.75	9,256.00
Total	15,440.75	9,256.00
Aggregate amount of unquoted investments	15,440.75	9,256.00
Note 4(b):		
Other financial assets- non-current - unsecured, considered good		
Bank deposits with more than 12 months maturity*	375.74	-
*Margin money against bank guarantee		
Total	375.74	-



(All amount in Rs. Lacs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Note 4(c):		
Trade receivables*		
Trade receivables	14,193.77	23,199.49
Receivables from related parties (Refer note 34)	4,109.14	151.47
Less: Allowance for doubtful debts	(735.50)	(610.51)
Total	17,567.41	22,740.45
Break-up of security details		
Secured- considered good	-	-
Unsecured:		
Considered good	17,567.41	22,740.45
Considered doubtful	735.50	610.51
Total Gross receivables	18,302.91	23,350.96
Less: Allowance for doubtful debts	(735.50)	(610.51)
Total	17,567.41	22,740.45

*Includes foreign currency receivables amounting to Rs. 1,129.84 lacs as at March 31, 2024 which are overdue for more than nine months. The Company has approached the authorised dealer, under the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015, to condone the delay and seeking permission of extension of time period for settlement of these balances. Pending resolution of this matter, no adjustments are considered necessary in these Financial Statements.

Aging of trade receivables*

As at March 31, 2024

Particulars	Not Due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	8,225.86	7,437.10	1,577.78	245.90	8.37	72.40	17,567.41
Considered doubtful	-	-	-	521.53	75.74	43.54	640.81
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	94.69	94.69
Less: Allowance for doubtful debts	8,225.86	7,437.10	1,577.78	767.43	84.11	210.63	18,302.91
	-	-	-	(521.53)	(75.74)	(138.23)	(735.50)
Total	8,225.86	7,437.10	1,577.78	245.90	8.37	72.40	17,567.41

Aging of trade receivables*

As at March 31, 2023

Particulars	Not Due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	10,463.11	11,172.04	856.87	102.28	13.26	132.89	22,740.45
Considered doubtful	-	-	-	219.93	158.69	194.54	573.16
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	37.35	37.35
Less: Allowance for doubtful debts	10,463.11	11,172.04	856.87	322.21	171.95	364.78	23,350.96
	-	-	-	(219.93)	(158.69)	(231.89)	(610.51)
Total	10,463.11	11,172.04	856.87	102.28	13.26	132.89	22,740.45

*For better presentation of trade receivables, ageing for trade receivable acquired under business combination is taken from the due date of receivable with the transferee company.



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Particulars	As at March 31, 2024	As at March 31, 2023
Note 4(d):		
Cash and cash equivalents		
Balances with banks		
- in current accounts	660.80	223.24
Deposits with original maturity of less than three months	-	19,000.00
Total	660.80	19,223.24
There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period		
Note 4(e):		
Bank balances other than cash and cash equivalents		
Bank deposits with original maturity of more than 3 months and having remaining maturity of less than 12 months *	75.91	11.67
*Margin money with bank		
Total	75.91	11.67
Note 4(f):		
Other financial assets - current		
Interest accrued on deposits	14.71	46.58
Loans and advances to employees	65.64	54.36
Foreign exchange forward contracts	-	567.47
Others	-	1.23
Total	80.35	669.64
Note 4(g):		
Contract assets		
Contract assets	5,326.56	5,645.81
Less: Loss allowance	(1,102.26)	(3,563.37)
Total	4,224.30	2,082.44



Note 5:- Deferred tax assets / (liabilities) (net)

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Brought forward losses and unabsorbed depreciation	Depreciation / Amortisation	Defined benefit obligations	Allowances for doubtful debts	Others	Total
As at April 01, 2022	-	-	-	-	-	-
Addition on account of acquisition through business combination (Refer note 28)	-	(4,349.35)	458.48	-	72.49	(3,818.38)
(Charged)/ Credited						
- to statement of profit and loss	2,512.51	(1,760.60)	61.51	33.35	573.00	1,419.77
- to other comprehensive income	-	-	-	-	(7.23)	(7.23)
As at April 01, 2023	2,512.51	(6,109.95)	519.99	33.35	638.26	(2,405.84)
(Charged)/ Credited						
- to statement of profit and loss	1,745.98	(1,460.72)	43.68	151.72	320.74	801.40
- to other comprehensive income	-	-	40.44	-	-	40.44
- Measurement period adjustment relating to business combination (Refer note 28)	-	3,723.25	-	-	-	3,723.25
As at March 31, 2024	4,258.49	(3,847.42)	604.11	185.07	959.00	2,159.25

In assessing the reliability of deferred income tax assets, the management considers whether some portion or all of the deferred income tax assets will not be realised. The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.



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Particulars	As at March 31, 2024	As at March 31, 2023
Note 6:		
Other Assets		
Unsecured, considered good unless otherwise stated		
Non-current		
Capital advances	279.86	-
Security deposits	132.91	142.04
Advances to income tax	177.82	69.13
Prepaid expenses	5.26	24.85
Total	595.85	236.02
Current		
Prepaid expenses*	5,900.57	8,492.79
Goods and Services tax input credit recoverable	802.62	2,170.51
Advances to creditors	683.75	821.12
Export incentives receivable - Considered good	171.57	319.30
Others	176.08	180.36
Total	7,734.59	11,984.08
*Note: According to the Business Transfer Agreement (BTA) dated November 19, 2022, the Company has acquired mines and it's related rights which will be transferred to the Company, no later than 18 months from the Closing date as defined in the said BTA, subject to necessary government approvals (Refer note 28). Subsequent to year end, the Company has amended the BTA and the period to get the mines transferred has been extended to 24 months from the closing date. Upon transfer of mining license to the Company, the prepayments shall be reclassified as Intangible assets.		
Note 7:		
Inventories		
Raw materials {including goods in transit of Rs. 313.00 lacs (March 31, 2023: Nil lacs)}	14,569.65	16,431.47
Work-in-progress	2,826.26	2,950.51
Finished goods	5,647.07	8,632.41
Traded goods	1,472.58	420.58
Stores and spares {including goods in transit of Rs. 78.64 lacs (March 31, 2023: Nil lacs)}	2,668.87	2,471.72
Total	27,184.43	30,906.69

Amounts recognised in the Statement of Profit and Loss

Provisions for slow moving/obsolete inventory along with write downs of inventories to net realisable value amounted to Rs. 260.32 lacs (March 31, 2023: 156.82 lacs). These were recognised as an expense during the year and included in 'changes in value of inventories of work-in-progress, stock-in-trade and finished goods in the Statement of Profit and Loss.



(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Number of Shares	Amount
Note 8(a):		
Equity share capital		
Authorised		
125,000,000 equity shares (March 31, 2023: 100,000,000) of Rs.10 each	125,000,000	12,500.00
Issued, subscribed and fully paid up share capital		
104,531,157 equity shares (March 31, 2023: 82,483,642) of Rs.10 each	104,531,157	10,453.11

(i) Movement in equity share capital

Authorised

Particulars

Balance as at April 01, 2022

Increase during the year

Balance as at March 31, 2023

Increase during the year

Balance as at March 31, 2024

Particulars	Number of shares	Amount
Balance as at April 01, 2022	40,000,000	4,000.00
Increase during the year	60,000,000	6,000.00
Balance as at March 31, 2023	100,000,000	10,000.00
Increase during the year	25,000,000	2,500.00
Balance as at March 31, 2024	125,000,000	12,500.00

Issued, subscribed and fully paid up share capital

Balance as at April 01, 2022

Add: Shares issued during the year pursuant to business combination (Refer note 28)

Balance as at March 31, 2023

Balance as at April 01, 2023

Add: Shares issued during the year (Refer note 41)

Balance as at March 31, 2024

Balance as at April 01, 2022	20,000	2.00
Add: Shares issued during the year pursuant to business combination (Refer note 28)	82,463,642	8,246.36
Balance as at March 31, 2023	82,483,642	8,248.36
Balance as at April 01, 2023	82,483,642	8,248.36
Add: Shares issued during the year (Refer note 41)	22,047,515	2,204.75
Balance as at March 31, 2024	104,531,157	10,453.11

Rights, restrictions and preferences attached to each class of shares

Equity share has a par value of Rs. 10. They entitle the holder to participate in dividend, and to share in the proceeds of winding up of the Company in proportion to number of and amounts paid on shares held.

Every holder of equity shares present at a meeting in person or proxy, is entitled to one vote, and upon a poll each share is entitled one vote.

(ii) Details of shares of the Company held by the holding company

Particulars	Number of equity shares	
	As at March 31, 2024	As at March 31, 2023
RHI Magnesita India Limited*	104,531,157	82,483,642

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	Number of equity shares	
	As at March 31, 2024	As at March 31, 2023
RHI Magnesita India Limited* (Holding Company)	104,531,157	82,483,642
	Percentage of shares held	
RHI Magnesita India Limited* (Holding Company)	100%	100%

*Includes 6 shares held by nominees of RHI Magnesita India Limited.

(iv) Aggregate number of shares issued for consideration other than cash (Refer note 28)

Particulars	As at March 31, 2024	As at March 31, 2023
	Shares issued as per business transfer agreement to Dalmia Bharat Refractories Limited	82,463,642



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Notes to Financial Statements**Note 8(a) contd:****(v) Details of shareholding of promoters****As at March 31, 2024**

Name of Promoter	Number of shares at beginning of year	Change during the year	Number of shares at the end of year	Percentage of total number of shares at the end of year	Percentage change during the year
RHI Magnesita India Limited*	82,483,642	22,047,515	104,531,157	100.00%	0.00%

As at March 31, 2023

Name of Promoter	Number of shares at beginning of year	Change during the year	Number of shares at the end of year	Percentage of total number of shares at the end of year	Percentage change during the year
RHI Magnesita India Limited*	-	82,483,642	82,483,642	100.00%	100.00%
Dalmia Bharat Refractories Limited	20,000	(20,000)	-	0.00%	(100.00%)

*Includes 6 shares held by nominees of RHI Magnesita India Limited.



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Particulars	As at March 31, 2024	As at March 31, 2023
Note 8(b): Other equity		
Securities premium	206,003.11	162,569.50
Retained earnings	(104,866.86)	(70,240.49)
Other reserves	66,069.87	66,069.87
Total	167,206.12	158,398.88
(i) Securities Premium		
Opening balance	162,569.50	43.73
Add: Securities premium on issue of shares (Refer note 41)	43,433.61	-
Add: Securities premium on issue of shares pursuant to business combination (Refer Note 28)	-	162,525.77
Closing balance	206,003.11	162,569.50
(ii) Retained earnings		
Opening balance	(70,240.49)	(2.49)
Loss for the year	(34,506.11)	(70,259.51)
Remeasurements of post employment benefit obligation, net of tax	(120.26)	21.51
Closing balance	(104,866.86)	(70,240.49)
(iii) Other reserves		
Opening balance	66,069.87	-
Deemed contribution by holding company	-	66,069.87
Closing balance	66,069.87	66,069.87

Nature and purpose of Reserves**Securities Premium**

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings

Retained earnings represents accumulated profits of the Company. It can be utilised in accordance with the provisions of the Companies Act, 2013.

Other reserves

Other reserves represents deemed contribution by holding company.

During the previous year, the Company acquired the entire Indian refractory business of Dalmia Bharat Refractories Limited ('DBRL') for a consideration of Rs. 219,183.35 lacs which is discharged by way issuance of shares and payment of cash. Post completion of acquisition by the Company, as per the share swap agreement, the RHI Magnesita India Limited ('RHIMIL') completed the purchase of 100% shareholding in the Company and discharged the consideration by issuance and allotment of 27,000,000 fresh equity shares of the RHIMIL to DBRL amounting to Rs. 236,844.00 lacs. The shares have been issued by RHIMIL at the market rate of January 05, 2023 of Rs. 877.20 per share. This transaction has been accounted for as per the acquisition method specified in Ind AS 103 and accordingly, the total purchase consideration of Rs. 285,253.22 lacs has been determined as the sum of the cash consideration of Rs. 48,409.22 lacs and the value of shares issued by RHIMIL to DBRL of Rs. 236,844 lacs. The difference between the purchase consideration discharged by RHIMIL and the purchase consideration paid by the Company is considered as deemed contribution by the holding company (Refer note 28).



(All amount in Rs. Lacs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Note 9:		
Borrowings		
Non Current		
Unsecured - Term Loans		
External Commercial Borrowings	24,478.76	23,320.14
Less: Interest accrued (included in current borrowings)	(1,113.16)	(66.73)
Total	23,365.60	23,253.41
Current - secured		
Borrowings - Buyers Credit	-	837.36
Borrowings - Cash Credit	-	4,630.55
Current - unsecured		
Working capital loan from bank	3,734.99	10,000.00
Short term loan from bank	-	48,500.00
Add: Interest accrued on non-current borrowings	1,113.16	66.73
Total	4,848.15	64,034.64

Borrowings are subsequently measured at amortised cost and therefore interest accrued on current borrowings are included in the respective amounts.

External commercial borrowing of EUR 2,60,00,000 was taken from the RHI Magnesita GmbH (fellow subsidiary) during the financial year ended 2022-23, which carries interest at applicable 6 month Euribor plus 230 basis points. It is repayable in 10 half-yearly instalments starting from June 30, 2025.

Working capital loan of Rs. 3,734.99 lacs (March 31, 2023: Rs. 10,000.00 lacs) is outstanding as at March 31, 2024. The loan carries interest in the range of 8.50% p.a. to 9.30% p.a. The loan is repayable on demand.

Previous year, Cash Credit amounting to Rs. 2,140.00 lacs from bank was taken which was secured by hypothecation of all current assets and all movable assets by way of first pari passu charge with bank and carries interest rate in the range of 8.5% p.a. to 9.3% p.a.

Previous year, Cash Credit amounting to Rs. 2,490.55 lacs from bank was taken which was secured by hypothecation of all current assets by way of first pari passu charge with bank and carries interest rate in the range of 8.5% p.a. to 9.3% p.a.

Previous year, Buyer's credit amounting to Rs. 837.36 lacs from bank was taken which was secured by hypothecation of all current assets and all movable assets by way of first pari passu charge with bank and carries interest rate in the range of 8.5% p.a. to 9.3% p.a.

Previous year, Short term loan of Rs. 48,500 lacs was taken from bank for working capital purposes which was guaranteed by RHI Magnesita N.V. (Ultimate holding company). The loan carried interest at applicable One Month T-Bill rate plus Margin (range of 8% p.a. to 9% p.a). It was repayable in single instalment in 12 months.

Net Debt Reconciliation

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	(23,365.60)	(23,253.41)
Current borrowings	(4,848.15)	(64,034.64)
Lease liabilities	(8,366.57)	(8,511.23)
Cash and cash equivalents	660.80	19,223.24
Net debt	(35,919.52)	(76,576.04)



(All amount in Rs. Lacs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Note 10:		
Trade payables*		
Total outstanding dues of micro enterprises and small enterprises (Refer note 36)	2,489.80	2,129.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	13,918.73	16,006.31
Total	16,408.53	18,135.42

*Includes foreign currency trade payables amounting to Rs. 218.44 lacs as at March 31, 2024 which are overdue for more than 180 days. The Company has approached the authorised dealer, under the Foreign Exchange Management (Import of Goods and Services) Regulations, 2015, to condone the delay and seeking permission of extension of time period for settlement of these balances. Pending resolution of this matter, no adjustments are considered necessary in these Financial Statements.

A. Aging of trade payables

As at March 31, 2024*

Particulars	Not Due**	Outstanding for following periods from the due date			Total
		Less than 1 year	1-2 years	2-3 years	
Undisputed trade payables					
Micro enterprises and small enterprises	2,308.51	181.20	-	-	2,489.80
Others	6,371.65	6,925.63	377.11	52.75	13,918.73
Total	8,680.16	7,106.92	377.11	52.75	16,408.53

As at March 31, 2023*

Particulars	Not Due**	Outstanding for following periods from the due date			Total
		Less than 1 year	1-2 years	2-3 years	
Undisputed trade payables					
Micro enterprises and small enterprises	2,129.11	-	-	-	2,129.11
Others	9,843.56	5,586.34	288.33	172.92	16,006.31
Total	11,972.67	5,586.34	288.33	172.92	18,135.42

*For better presentation of trade payables, ageing for trade payables acquired under business combination is taken from the due date of payables with transferee company.
**Includes unbilled



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Particulars	As at March 31, 2024	As at March 31, 2023
Note 11:		
Other financial liabilities - current		
Interest accrued	-	2.72
Employee benefits payable	2,052.03	1,235.47
Payables on purchase of property, plant and equipment	106.99	149.23
Payable towards business acquisition	-	9,080.25
Others	34.05	1,878.10
Total	2,193.07	12,345.77
Note 12:		
Contract Liabilities		
Advances from customers	455.73	2,170.36
Total	455.73	2,170.36
Note 13:		
Provisions		
Non-current		
Provision against asset retirement obligation	286.46	281.07
Total	286.46	281.07
Movement in provisions is set out below:-		
Provision against asset retirement obligation:		
Balance as at beginning of the year	281.07	-
Add: Additions on account of business combination (Refer note 28)	-	274.08
Less: Unwinding of discount (Refer note 22)	5.39	6.99
Balance as at end of the year	286.46	281.07



(All amount in Rs. Lacs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Note 14:		
Employee benefit obligations		
Non- Current		
(i) Gratuity	1,045.29	871.46
Total	1,045.29	871.46
Current		
(i) Leave obligations	325.59	118.22
(ii) Gratuity	-	45.23
Total	325.59	163.45

(i) Leave obligations

The leave obligation cover the Company's liability for earned leave and sick leave. The entire amount of provision of Rs. 325.59 lacs (March 31, 2023 - Rs. 118.22 lacs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leaves or require payment for such leave within the next 12 months.

Leave obligation not expected to be settled within the next 12 months

283.00	110.00
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(ii) Post employment benefits

(a) Defined contribution plans

The Company has certain defined contribution plans including provident fund and employee state insurance. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. Contributions are made to employee state insurance for employees at the rate of 3.25% of basic salary as per regulations. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards contribution to provident and other fund is:

	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to provident and other funds:		
Contribution to Employee state insurance	9.61	4.29
Contribution to Provident fund	289.36	72.06
Contribution to Superannuation fund	-	2.69
	298.97	79.04

(b) Defined benefit plan- Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contribution to recognised funds in India. The Company does not fully fund the liability and maintains the target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. Gratuity liability is funded through Gratuity Fund Trust with an insurance policy with Life Insurance Corporation of India.

(A) Changes in Defined Benefit Obligation

Defined benefit obligation as at the beginning of the year
Acquisition adjustment
Current service cost
Interest cost
Benefit paid
Actuarial Loss / (gain) on obligation
Defined Benefit Obligation at end of the year

	As at March 31, 2024	As at March 31, 2023
	Gratuity - Funded	
	1,587.40	-
	-	1,577.85
	143.00	31.28
	117.15	28.61
	(242.75)	(21.60)
	143.93	(28.74)
	1,748.73	1,587.40



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Note 14: Employee benefit obligations

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	(All amount in Rs. Lacs, unless otherwise stated)	
	As at March 31, 2024	As at March 31, 2023
Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	670.71	-
Acquisition adjustment	-	659.17
Expected return on plan assets	49.50	11.54
Actuarial (loss) / gain on plan assets	(16.77)	-
Fair value of plan assets at end of year	703.44	670.71
Net defined benefit (asset)/liability		
Present value of obligation at the end of the year	1,748.73	1,587.40
Fair value of plan assets at the end of the year	703.44	670.71
Unfunded liability/provision in Balance Sheet	1,045.29	916.69
Total expense recognised in the statement of profit and loss		
Current service cost	143.00	31.28
Interest cost on defined benefit obligation	117.15	28.61
Interest income on plan assets	(49.50)	(11.54)
Total Expense recognised under employee benefits expense (Refer note 21)	210.65	48.35
Total expense recognised in OCI		
Actuarial loss / (Gain) on defined benefit obligation	143.93	(28.74)
Actuarial loss of plan assets	16.77	-
Unrecognised actuarial loss/(gain) at the end of year	160.70	(28.74)
(B) Actuarial Assumptions:		
i) Discounting Rate	6.95%	7.38%
ii) Future Salary Increase	10% for 2 years and 8% thereafter	8.00%
iii) Retirement Age (Years)	60	60
iv) Ages		Withdrawal Rate %
Up to 30 Years	10.00%	3.00%
From 31 to 44 years	10.00%	2.00%
Above 44 years	10.00%	1.00%
Assumptions regarding future mortality rate for gratuity is based on actuarial advice in accordance with published statistics and experience.		
(C) Expected contribution for the next 12 months		
i) Service cost	126.16	143.00
ii) Net interest cost	72.65	67.65
Total	198.81	210.65
(D) The weighted average duration of the defined benefit obligation is 5.90 years as at March 31, 2024 (March 31, 2023: 12.08 years). The expected maturity analysis of undiscounted gratuity benefit is as follows:		
Maturity profile of Defined Benefit Obligation		
Years :		
i) 0 to 1 Year	184.00	77.35
ii) 1 to 2 Year	218.20	85.42
iii) 2 to 3 Year	311.31	171.70
iv) 3 to 4 Year	278.32	185.35
v) 4 to 5 Year	197.91	109.94
vi) 6 to 10 years	771.46	957.64
Total	1,961.20	1,587.40



Note 14: Employee benefit obligations

(All amount in Rs. Lacs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
(E) Sensitivity analysis on defined benefit obligation		
Discount rate		
a. Discount rate - 0.5% - the liability to increase by	0.47	0.68
b. Discount rate + 0.5% - the liability to decrease by	(0.45)	(0.63)
Salary increase rate		
a. Rate - 0.5% - the liability to decrease by	(0.44)	(0.63)
b. Rate + 0.5% - the liability to increase by	0.46	0.67

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

(F) Risk Exposures:

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Salary Increases: Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

Investment Risk: If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

Mortality and disability: Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

(G) Defined benefit liability and employer contribution

The Company monitors the deficit in defined benefit obligation (net off plan assets) and endeavours to meet such deficit within reasonable future. The objective is to ensure adequate investments of funds, at appropriate time, to generate sufficient corpus for future payments.

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
	Note 15:	
Other current liabilities		
Statutory dues (Contribution to Provident Fund and Employee State Insurance, Goods and Services Tax etc)	495.89	274.85
Security deposits	516.76	377.21
Deferred revenue	-	241.61
Other payables	2,933.04	2,802.31
Total	3,945.69	3,695.98



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Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Note 16:		
Revenue from operations (Refer note 35)		
Revenue from contracts with customers		
- Sales of products		
(i) Finished goods	79,012.55	18,058.12
(ii) Traded goods	16,636.66	1,044.49
- Total Refractories Management Services	4,605.35	773.41
- Sale of services	1,365.48	739.29
	101,620.04	20,615.31
Other operating revenue	823.14	122.83
Total	102,443.18	20,738.14
Note 17:		
Other income		
Interest income on financial assets on amortised cost:		
- on bank deposits	71.78	50.14
- on others	8.15	2.07
Net foreign exchange differences	32.79	-
Liabilities / provisions no longer required written back	134.17	-
Profit on sale of property, plant and equipment (net)	6.33	-
Miscellaneous income	312.24	145.60
Total	565.46	197.81
Note 18:		
Cost of raw materials and components consumed		
Opening stock	16,431.47	-
Addition on account of acquisition through business combination (Refer note 28)	-	22,157.83
Add: Purchases	40,789.53	5,674.57
	57,221.00	27,832.40
Less: Closing stock	14,569.65	16,431.47
Total	42,651.35	11,400.93
Note 19:		
Purchases of stock-in-trade (traded goods)	14,445.72	876.52
Total	14,445.72	876.52
Note 20:		
Change in inventories of finished goods, work in-progress and stock-in-trade (traded goods)		
Inventories at the end of the year		
Work in progress	2,826.26	2,950.51
Finished goods	5,647.07	8,632.41
Traded goods	1,472.58	420.58
	9,945.91	12,003.50
Inventories at the beginning of the year		
Work in progress	2,950.51	-
Addition on account of acquisition through business combination (Refer note 28)	-	4,184.50
Finished goods	8,632.41	-
Addition on account of acquisition through business combination (Refer note 28)	-	6,352.50
Traded goods	420.58	-
Addition on account of acquisition through business combination (Refer note 28)	-	252.13
	12,003.50	10,789.13
Total	2,057.59	(1,214.37)
Note 21:		
Employee benefits expense		
Salaries, wages and bonus	12,424.84	2,855.54
Contribution to provident fund & others (Refer note 14)	298.97	79.04
Gratuity (Refer note 14)	210.65	48.35
Leave obligation	229.26	15.93
Staff welfare expenses	642.10	125.42
Total	13,805.82	3,124.28



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(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Note 22:		
Finance costs		
Interest expense:		
- on external commercial borrowings	1,533.02	66.73
- on short term loan	551.70	1,184.86
- on cash credit & working capital loan	942.93	274.73
- on bills discounting	-	0.86
- unwinding discount	5.39	6.99
- Net exchange differences on foreign currency borrowings	837.83	144.40
Interest expenses on lease liabilities	637.76	156.44
Others	180.99	23.48
Total	4,689.62	1,858.49
Note 23:		
Depreciation and amortisation expense		
Depreciation on property, plant and equipment	4,020.36	1,157.03
Depreciation charge of right-of-use assets	233.20	66.84
Amortisation of intangible assets	6,225.65	1,453.84
Total	10,479.21	2,677.71
Note 24:		
Other expenses		
Consumption of stores and spare parts	520.41	204.15
Consumption of packing materials	1,017.40	251.23
Power and fuel	5,361.57	1,613.13
Processing charges	1,598.13	669.41
Rent (Refer note 3(b))	73.47	24.79
Repairs and maintenance		
- Plant and machinery	1,573.03	380.34
- Buildings	306.96	-
- Others	3.23	2.53
Insurance	387.97	35.53
Rates and taxes	150.26	2,873.21
Communication costs	30.21	7.54
Travelling and conveyance	625.48	99.90
Printing and stationery	5.91	1.92
Freight and forwarding	2,526.85	551.40
Advertising and other expenses	27.44	5.00
Legal and professional fees (Refer note 24(a))	1,393.07	272.25
Commission on sales	111.89	80.29
Directors sitting fees	6.60	2.00
Bad debts written off	381.86	-
Allowance for doubtful debts - trade receivables (net)	124.99	135.58
Net foreign exchange differences	-	207.78
Bank charges	27.76	16.14
Information & technology expenses	737.98	110.60
Amortisation of mines	1,118.92	-
Miscellaneous expenses	349.82	277.08
Total	18,461.21	7,821.80

Note 24 (a): Legal & professional include Payment to auditors as under :-

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Payment to auditor (excluding GST) comprise:		
- for audit	87.50	35.00
- reimbursement of expenses	5.33	-
Total	92.83	35.00



(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Note 25:		
Exceptional Item		
Impairment loss on goodwill	31,725.63	66,069.87
Total	31,725.63	66,069.87

During the year ended March 31, 2023, the Company has acquired the Indian refractory business of Dalmia Bharat Refractories Limited (DBRL), resulting in recognition of goodwill amounting to Rs. 1,50,169.05 lacs as the excess of consideration over the fair value of the net assets acquired

The Company tests goodwill annually for impairment, or more frequently if there are indicators that goodwill might be impaired. The Company including its plants at all locations, has been identified as a single Cash Generating Unit (CGU) under Ind AS 36 which is also the single operating and reportable segment. Hence, for impairment testing, goodwill acquired through business combination is monitored by the management at the company level as a single CGU.

During the previous year, for determining goodwill on the acquisition date, the management considered the acquisition date fair value of equity shares issued by RHI Magnesita India Limited (i.e. the quoted price on the date of acquisition) which is significantly higher than the equity share issue price as agreed in the Business transfer agreement read with share swap agreement dated November 19, 2022, and that resulted in a significant notional increase in the amount of goodwill. Accordingly, based on the conservative view and on comparison of the recoverable amount of CGU with the carrying value as on March 31, 2023, the Company recognised impairment loss amounting to Rs. 66,069.87 lacs. This loss has been disclosed as a separate line item in Statement of Profit and Loss.

During the current year, the management has tested the goodwill for impairment as on March 31, 2024 and based on comparison of the recoverable amount of CGU with the carrying value, the Company has recognised an impairment loss amounting to Rs. 31,725.63 lacs. This loss has been disclosed as a separate line item in Statement of Profit and Loss.

The impairment is primarily due to a weaker market environment in export geographies where demand has fallen significantly. Weaker demand is further exacerbated by strategic decisions to step away from low value customers and from restricted markets. Despite the realisation of synergies post-acquisition, the expected profitability of the acquired entity has been rationalised to reflect the rebasing of benefit schemes and a higher rate of inflation in local market costs which cannot be passed to customers. The above underlying impacts are expected to persist over the near and medium term, which has led to the downward revision of cash flow expectations underlying the valuation of the acquired entity.

Significant estimate: key assumptions used for value-in-use calculations

For the previous financial year, the recoverable amount of the cash generating unit was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each company operates.

The following table sets out the key assumptions used for the estimation:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate (Weighted average cost of capital)	12.30%	13.50%
Growth rate (for terminal value)	5.00%	5.00%

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption	Approach used to determine values
Discount rate (Weighted average cost of capital)	The Discount rate (Weighted average cost of capital) of a company is the weighted average of the costs of its equity and its debt. Cost of equity is calculated based on the risk-free rate for a ten-year Government bonds benchmark yields adjusted for risk premium to reflect both the increased risk of investing in equities and the systematic risk specific to operations of company. Cost of debt is calculated based on the rate obtained from the market.
Growth rate for terminal value	Growth rate over the five-year forecast period; based on past performance and management's expectations of market development.
Revenue growth rate	Average annual growth rate over the five-year forecast period; based on management's expectation of market development.

Impact of possible changes in the key assumptions

Assumption	Impact
Discount rate (Weighted average cost of capital)	If discount rate (weighted average cost of capital) increases by 50 bps, then it would have impact of Rs. 12,155.61 lacs on impairment of goodwill.
Growth rate for terminal value	If growth rate for terminal value decreases by 50 bps, then it would have impact of Rs. 8245.89 lacs on impairment of goodwill.



Note 26:
Income tax expense

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Income Tax Expense		
Deferred tax		
Deferred tax credit	(801.40)	(1,419.77)
Total deferred tax credit	(801.40)	(1,419.77)
Total income tax credit	(801.40)	(1,419.77)
Reconciliation of tax expense and accounting profit multiplied by tax rate		
Loss before income tax credit	(35,307.51)	(71,679.28)
Tax at the rate of 25.168% (Previous year : 25.168%)	(8,886.20)	(18,040.24)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Impairment loss on goodwill	7,984.71	16,628.46
Interest on micro and small enterprises	38.10	-
Others	61.99	(7.99)
Income Tax Expense	(801.40)	(1,419.77)



Note 27:
Earnings per share

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Basic loss per share (Rs.)	(34.17)	(361.24)
(b) Diluted loss per share (Rs.)*	(34.17)	(361.24)
Loss used for calculating earnings per share		
Loss attributable to the equity holders of the Company used in calculating Basic Loss per share	(34,506.11)	(70,259.51)
Loss attributable to the equity holders of the Company used in calculating Diluted Loss per share	(34,506.11)	(70,259.51)
Weighted average number of shares used as denominator		
Weighted average number of equity shares used as the denominator in calculating Basic Loss per share	100,985,687	19,449,790
Weighted average number of equity shares used as the denominator in calculating Diluted Loss per share	100,985,687	19,449,790

*There are no dilutive potential equity shares



Note 28: Business Combinations

On November 19, 2022, Dalmia Bharat Refractories Limited ('DBRL') entered into a business transfer agreement (BTA) with the Company to transfer the entire Indian refractory business of DBRL to the Company. On November 19, 2022, the RHI Magnesita India Limited ('RHIMIL') entered into a Share Swap Agreement with the Company and DBRL to acquire all outstanding shares of the Company. On January 04, 2023, the business transfer between DBRL and the Company was completed as per the terms and conditions of the BTA. As part of this acquisition the Company has also acquired indirectly 51% share holding in RHI Magnesita Seven Refractories Limited (formerly known as Dalmia Seven Refractories Limited) ('RHIMSRL').

Acquired business primarily engaged in manufacturing and supply of Castables, pre-cast shapes like lances, snorkels, other refractory products and supplying to core industries namely cement, steel and others and have five manufacturing facilities.

As per the BTA the Company acquired the India refractory business by discharging the purchasing consideration as referred below:-

- (i) Cash consideration amounting to Rs. 48,409.22 lacs (including working capital consideration).
- (ii) 82,483,642 equity shares of the Company to DBRL at an issue price of Rs. 207.04.

Post completion of acquisition by the Company, as per the share swap agreement, on January 05, 2023, RHIMIL completed the purchase of 100% shareholding in the Company. RHIMIL has discharged the consideration by issuance and allotment of 27,000,000 fresh equity shares of the RHIMIL to DBRL amounting to Rs. 236,844.00 lacs. The shares have been issued by RHIMIL at the market rate of January 05, 2023 of Rs. 877.20 per share.

This transaction has been accounted for as per the acquisition method specified in Ind AS 103 and accordingly, the total purchase consideration of Rs. 285,253.22 lacs has been determined as the sum of the cash consideration of Rs. 48,409.22 lacs and the value of shares issued by RHIMIL to DBRL of Rs. 236,844.00 lacs. The difference of Rs. 146,745.80 lacs between the purchase consideration of Rs. 285,253.22 lacs and fair value of net assets of Rs. 138,507.42 lacs has been recognised as goodwill. Acquisition-related costs are expensed as incurred. The goodwill is attributable to the workforce and capability of the business to economies of scale expected from combining the operations resulting in increase in profitability of the acquired business. It will not be deductible for tax purpose.

During the year, the Company has completed the determination of the fair value of assets and liabilities acquired as part of the above acquisition. The fair value of the assets and liabilities recognised at the date of acquisition are as follows: -

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Provisional amount as at acquisition date	Measurement period adjustments	Fair value post completion of measurement period
Assets			
Non-current assets			
Property, plant and equipment	25,167.55	-	25,167.55
Right-of-use assets	10,863.84	-	10,863.84
Capital work-in-progress	1,148.75	-	1,148.75
Other Intangible assets	86,343.26	900.00	87,243.26
Financial assets			
(i) Investments	9,256.00	-	9,256.00
Other non-current assets	45.90	-	45.90
Total non-current assets	132,825.30	900.00	133,725.30
Current assets			
Inventories	35,662.72	-	35,662.72
Financial assets			
(i) Trade receivables	25,383.26	-	25,383.26
(ii) Cash and cash equivalents	-	-	-
(iii) Bank balances other than (ii) above	11.52	38.00	49.52
(iv) Loans	28.13	-	28.13
(v) Other financial assets	378.83	-	378.83
Other current assets	11,284.49	(1,200.00)	10,084.49
Total current assets	72,748.95	(1,162.00)	71,586.95
Total Assets assumed	205,574.25	(262.00)	205,312.25
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	-	-	-
(ii) Lease liabilities	8,376.54	-	8,376.54
Provisions	1,231.90	-	1,231.90
Deferred tax liabilities (net)	3,818.38	(3,723.25)	95.13
Total non-current liabilities	13,426.82	(3,723.25)	9,703.57
Current liabilities			
Financial liabilities			
(i) Borrowings	16,178.94	-	16,178.94
(ii) Lease liabilities	-	-	-
(iii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	1,475.33	-	1,475.33
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	34,547.99	-	34,547.99
Provisions	1,204.00	-	1,204.00
Other current liabilities	3,657.00	38.00	3,695.00
Total current liabilities	57,063.26	38.00	57,101.26
Total liabilities assumed	70,490.08	(3,685.25)	66,804.83
Net identifiable net assets acquired at fair value (A)	135,084.17	3,423.25	138,507.42
Purchase Consideration (B)	285,253.22		285,253.22
Goodwill acquired on acquisition (B-A)	150,169.05		146,745.80

Measurements period adjustments are on account of changes in the assumptions used in the determination of fair valuation of customer relationships and mining rights and reassessment of deferred tax liability on the fair value of property, plant and equipment.



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Note 29:

Fair value measurement

Financial Instruments by category

Financial Assets

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
<u>Non-Current</u>				
Other financial assets	-	375.74	-	-
<u>Current</u>				
Trade receivables	-	17,567.41	-	22,740.45
Cash and cash equivalents	-	660.80	-	19,223.24
Bank balances other than above	-	75.91	-	11.67
Other financial assets	-	80.35	-	669.64
Total financial assets	-	18,760.21	-	42,645.00
Financial liabilities				
<u>Non-Current</u>				
Borrowings	-	23,365.60	-	23,253.41
Lease liabilities	-	7,713.11	-	7,693.39
<u>Current</u>				
Borrowings	-	4,848.15	-	64,034.64
Lease liabilities	-	653.46	-	817.84
Trade payables	-	16,408.53	-	18,135.42
Other financial liabilities	-	2,193.07	-	12,345.77
Total financial liabilities	-	55,181.92	-	126,280.47

The carrying amounts of trade receivables, trade payables, current borrowings, other current financial assets & liabilities, bank balances and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The fair value of non-current financial assets and financial liabilities carried at amortised cost is substantially same as their carrying amount.



Note 30:

Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk.

The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policies accordingly. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and bank balances, Trade Receivables, Contract assets, Other financial assets measured at amortised	Ageing analysis, Credit ratings	Diversification of bank deposits and periodic monitoring of realisable value of assets. Business with customers with reliable credit rating in the market.
Liquidity risk	Borrowings, Trade payables, lease liabilities and Other financial liabilities	Cash flow forecasts	Availability of adequate cash, liquid assets, committed credit lines and borrowing facilities.
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting's Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level, with an option of taking forward foreign exchange contracts if deemed necessary. Natural hedging by maintaining balances between receivables and payables within same currency.
Market risk – Interest rate	Borrowings with floating rate of interest	Cash flow forecasting's Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level.

A. Credit Risk

Credit risk on cash and cash equivalent and bank balances is not significant as it majorly includes deposits with bank and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Other financial assets primary includes loans and advances given to employees. These advances are given in the normal course of the business operations.

Credit risk arise from possibility that customer may default on its obligation to make timely payments, resulting into financial loss. The maximum exposure to the credit risk is primarily from trade receivable and contract assets.

The credit risk is managed by the Company through credit term approvals, establishing the financial reliability of the customers taking into account the financial condition, analysis of historical bad debts and ageing of account receivables. Outstanding customer receivables are regularly monitored. Individual credit terms are set accordingly by the Company's credit control department.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled revenue and retention money pending due on completion of performance obligation and have substantially the same risk characteristics as the trade receivables for the same types of contracts. To address the risk of any potential non recovery from trade receivables, the Company has the practise of reviewing debtors having balances outstanding for more than 180 days as at period end and consider them for provision for bad and doubtful debts. Besides this, wherever there is specific evidence about the deteriorating financial position, downfall in business, intention to not pay or other similar factors of the customer, the management reviews the underlying facts and merits of such cases to evaluate the need to adjust provision, as computed based on ageing analysis. This provision, based on collective analysis, is sufficient to cover the entire lifetime loss of revenues recognised including those that are currently less than 180 days outstanding and not provided for.



Note 30:
Financial Risk Management

(All amount in Rs. Lacs, unless otherwise stated)			
Ageing of trade receivables:		As at March 31, 2024	As at March 31, 2023
Category	Not due	8,225.86	10,463.11
Less than 6 months	7,437.10	11,172.04	856.87
6 Months - 1 year	1,577.78	767.43	322.21
1-2 years	84.11	210.63	171.95
2-3 years	-	-	364.78
More than 3 years	-	-	-
Total	18,302.91	23,350.96	-

Loss allowance as at March 31, 2024

Particulars	Not due	6 Months - 1 year				Total
		Less than 6 months	1-2 years	2-3 years	More than 3 years	
Gross carrying amount - Trade receivable	8,225.86	7,437.10	767.43	84.11	210.63	18,302.91
Gross carrying amount - Contract assets	5,326.56	-	-	-	-	5,326.56
Expected loss rate	(8.13%)	0%	(67.96%)	(90.05%)	(65.63%)	-
Expected credit losses - Trade receivable	-	-	(521.53)	(75.74)	(138.23)	(735.50)
Expected credit losses - Contract assets	(1,102.26)	-	-	-	-	(1,102.26)
Carrying amount of trade receivable (net of impairment)	8,225.86	7,437.10	245.90	8.37	72.40	17,567.41
Carrying amount of contract assets (net of impairment)	4,224.30	-	-	-	-	4,224.30

Loss allowance as at March 31, 2023

Particulars	Not due	6 Months - 1 year				Total
		Less than 6 months	1-2 years	2-3 years	More than 3 years	
Gross carrying amount - Trade receivable	10,463.11	11,172.04	322.21	171.95	364.78	23,350.96
Gross carrying amount - Contract assets	5,645.81	-	-	-	-	5,645.81
Expected loss rate	-22%	0%	(68.26%)	(92.29%)	(69.57%)	-
Expected credit losses - Trade receivable	-	-	(219.93)	(158.69)	(231.89)	(610.51)
Expected credit losses - Contract assets	(3,563.37)	-	-	-	-	(3,563.37)
Carrying amount of trade receivable (net of impairment)	10,463.11	11,172.04	102.28	13.26	132.89	22,740.45
Carrying amount of contract assets (net of impairment)	2,082.44	-	-	-	-	2,082.44

Allowance for doubtful debts-trade receivables

(All amount in Rs. Lacs, unless otherwise stated)	
Particulars	Amount
Allowance as on April 01, 2022	-
Additions through business combination	1,148.49
Changes in loss allowance (Refer note 24)	(537.98)
Allowance as on March 31, 2023	610.51
Changes in loss allowance (Refer note 24)	124.99
Allowance as on March 31, 2024	735.50



RHI Magnesita India Refractories Limited
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Notes to Financial Statements

**Note 30:
Financial Risk Management**

B. Liquidity Risk:

Liquidity risk is the risk that the Company will not be able to settle or meet its obligations on time. The Company's primary sources of liquidity are cash generated from operations. The cash flows from operating activities are driven primarily by operating results and changes in the working capital requirements. The Company believes that its liquidity position is adequate to fund the operating and investing needs and to provide with flexibility to respond to further changes in the business environment.

(i) Financing arrangements

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

Particulars	(All amount in Rs. Lacs, unless otherwise stated)	
	As at March 31, 2024	As at March 31, 2023
Floating rate		
Expiring within one year (bank overdraft and other facilities)	60,265.01	-
Total	60,265.01	-

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in Rs. and have an average maturity of less than 1 year.

(ii) Contractual maturities of financial liabilities

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

Particulars	(All amount in Rs. Lacs, unless otherwise stated)				Total
	As at March 31, 2024	Less than 1 Year	1-2 Years	2-3 years	
Borrowings	4,848.15	4,673.42	4,673.42	4,673.42	14,018.76
Trade payables	16,408.53	-	-	-	16,408.53
Lease liabilities	669.25	669.25	669.25	669.25	33,745.25
Other financial liabilities - current	2,193.07	-	-	-	2,193.07
As at March 31, 2023	64,034.64	-	-	4,650.68	87,288.05
Borrowings	18,135.42	-	-	-	18,135.42
Trade payables	87.35	1,313.35	700.35	700.35	37,181.92
Lease liabilities	-	-	-	-	-
Other financial liabilities - current	12,345.77	-	-	-	12,345.77

C. 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 price comprises 2 types of risk: Foreign currency risk and interest rate risk. Financial instruments effected by market risks include borrowings, foreign currency receivables and payables.

i. 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. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term and long term borrowings obligations in the form of cash credit and buyer's credit, term loans and external commercial borrowing carrying floating interest rates.

Particulars	(All amount in Rs. Lacs, unless otherwise stated)	
	As at 31 March 2024	As at 31 March 2023
Weighted average interest rate (%)	83%	100%
EURIBOR plus spread of	23,465.60	87,221.32
Borrowings	8.15%	8.15%

Sensitivity analysis - For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

Sensitivity on variable rate borrowings	Impact on Statement of Profit & Loss (net of tax)	
	Year ended March 31, 2024	Year ended March 31, 2023
Borrowings	(174.85)	(652.69)
Interest rate increase by 1%	174.85	652.69
Interest rate decrease by 1%	-	-



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Notes to Financial Statements

Note 30:
Financial Risk Management

ii. 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. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated borrowings and foreign payables on account import of raw materials and other consumables. This foreign currency risk is covered by using foreign exchange forward contracts.

The details of foreign currency exposure is as follows:

Particulars	Foreign Currency	As at March 31, 2024 (in Lacs)		As at March 31, 2023 (in Lacs)	
		In FC	In Rs.	In FC	In Rs.
Unhedged Foreign Currency					
Trade Payables	USD	17.03	1,423.09	40.05	3,284.92
	EUR	3.34	283.90	12.49	1,117.50
	GBP	0.02	1.70	0.02	1.96
Total Payable			1,708.69		4,404.38
Trade Receivable	USD	9.23	755.50	10.49	938.06
	EUR	20.19	1,804.65	-	0.04
	GBP	-	-	7.93	650.62
Total Receivable			2,560.15		1,588.72
Net Unhedged exposure					
	USD	(7.80)	(667.59)	(29.56)	(2,346.66)
	EUR	16.85	1,520.75	(12.49)	(1,117.46)
	GBP	(0.02)	(1.70)	7.91	648.66
Hedged Foreign Currency			851.46		(2,815.66)
ECB Loan	EUR	260.00	23,365.60	260.00	23,253.41

Rate Sensitivity

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

Particulars	Increase / Decrease in foreign currency as compare to INR	Year ended	
		March 31, 2024	Year ended March 31, 2023
USD Sensitivity	+1%	(5.00)	(17.56)
	-1%	5.00	17.56
EUR Sensitivity	+1%	11.38	(8.36)
	-1%	(11.38)	8.36
GBP Sensitivity	+1%	(0.01)	4.85
	-1%	0.01	(4.85)

* Amount in brackets depicts loss to the Company.



RHI Magnesita India Refractories Limited

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Notes to Financial Statements**Note 31:****Capital Management****Risk Management**

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that it can continue to provide adequate returns to the shareholders.

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards business needs, optimization of working capital requirements and deployment of surplus funds into fixed deposits.

The management of the Company reviews the capital structure of the Company on regular basis. As part of this review, the Board of directors considers the status of debts, cost of capital and movement in the working capital.

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Net Debt (refer note 9)	35,919.52	76,576.04
Share capital	10,453.11	8,248.36
Other equity	167,206.12	158,398.88
Total Equity	177,659.23	166,647.24
Gearing ratio	20.22%	45.95%



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Note 32:
Contingent Liabilities

Claims against the Company not acknowledged as debts

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Demand from Industrial and Labour Laws disputes	462.48	271.65
Demand from Service tax matters	-	389.43
Demand from Goods & Service tax matters	-	25.33
Demand from Others (Excise and Sales tax matters)	-	58.40
Total	462.48	744.81

Notes:

(i) No provision is considered necessary since the Company expects favourable decisions.

These represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately. The Company engages professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes. It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

Note 33 (a):
Capital and other Commitments

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances):

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Property, plant and equipment	99.58	1,706.08

(ii) The Company has other commitments, for purchases/sales orders which are issued after considering requirements per operating cycle for purchase/sale of goods and services and employee benefits, in normal course of business

(iii) The Company has long-term contracts for which there were no material foreseeable losses. The Company has made provision as at March 31, 2024, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts.

Note 33 (b):
Operating leases

The Company's cancellable operating lease arrangements mainly consists of offices for period of less than 11 months. Terms of lease include terms for renewal, increase in rent in future periods and terms of cancellation (refer note 24).



Note 34:
Related Party Disclosures

(a) List of related parties

i. Holding and ultimate holding company

The Company is controlled by the following:

Name	Type	Place of Incorporation	Ownership interest (in %)	
			As at March 31, 2024	As at March 31, 2023
RHI Magnesita India Limited (w.e.f. January 05, 2023)	Holding Company	India	100%	100%
RHI Magnesita N.V., Austria (w.e.f. January 05, 2023)	Ultimate Holding Company	Austria	-	-
Dalmia Bharat Refractories Limited (upto January 04, 2023)	Holding Company	India	-	-

ii. Key managerial personnel (KMP)

Mr. Parmod Sagar, Managing Director & CEO (w.e.f. January 05, 2023)
 Mr. Sanjeev Bhardwaj, Chief Financial Officer (w.e.f. January 30, 2023)

iii. Fellow subsidiaries with whom the Company had transactions

Seven Refractories D.O.O (w.e.f. July 17, 2023)
 Dalmia GSB Refractories GmbH (w.e.f. April 28, 2023)
 RHI Magnesita GmbH (w.e.f. January 05, 2023)

iv. Subsidiaries

RHI Magnesita Seven Refractories Limited (formerly known as Dalmia Seven Refractories Limited) (w.e.f. January 05, 2023)

v. Significant influence in Holding Company

Dalmia Bharat Refractories Limited (w.e.f. April 01, 2023)*

*Due to amendments in definition of related party as per SEBI (LODR) Regulations, 2015 w.e.f. April 01, 2023.



Note 34 Contd:

(b) Related Party Transactions

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Relationship	Year ended March 31, 2024	Year ended March 31, 2023
Sales			
RHI Magnesita India Limited	Holding Company	5,420.63	157.79
RHI Magnesita Seven Refractories Limited (formerly known as Dalmia Seven Refractories Limited)	Subsidiary	80.31	49.77
Seven Refractories D.O.O	Fellow Subsidiary	550.38	-
Dalmia GSB Refractories GmbH	Fellow Subsidiary	530.48	-
Dalmia Bharat Refractories Limited	Significant influence in Holding Company	973.54	-
Purchases			
RHI Magnesita India Limited	Holding Company	9,704.07	44.48
RHI Magnesita Seven Refractories Limited (formerly known as Dalmia Seven Refractories Limited)	Subsidiary	1,620.15	-
RHI Magnesita GmbH	Fellow Subsidiary	48.64	-
Dalmia Bharat Refractories Limited	Significant influence in Holding Company	3,503.10	-
Investment made			
RHI Magnesita Seven Refractories Limited (formerly known as Dalmia Seven Refractories Limited)	Subsidiary	6,184.75	-
Loan taken			
RHI Magnesita GmbH	Fellow Subsidiary	-	23,253.41
Dalmia Bharat Refractories Limited	Holding Company	-	45.00
Loan repaid			
Dalmia Bharat Refractories Limited	Holding Company	-	45.00
Sale of assets			
RHI Magnesita India Limited	Holding Company	157.23	-
Other income			
RHI Magnesita Seven Refractories Limited (formerly known as Dalmia Seven Refractories Limited)	Subsidiary	245.70	54.00
Expenses reimbursement {Received/(Paid)}			
RHI Magnesita India Limited*	Holding Company	1,325.15	-
RHI Magnesita GmbH	Fellow Subsidiary	37.03	-
Dalmia Bharat Refractories Limited	Significant influence in Holding Company	14.06	-
* this includes allocation of common cost from Holding Company			
Consideration paid pursuant to business combination			
Dalmia Bharat Refractories Limited	Holding Company	-	285,253.22
Interest expense on external commercial borrowings			
RHI Magnesita GmbH	Fellow Subsidiary	1,533.02	66.73



Note 34 Contd:

(c) Outstanding balances

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Relationship	Year ended March 31, 2024	Year ended March 31, 2023
Trade Payables:			
RHI Magnesita India Limited	Holding company	6,621.77	52.49
RHI Magnesita Seven Refractories Limited (formerly known as Dalmia Seven Refractories Limited)	Subsidiary	269.48	-
RHI Magnesita GmbH	Fellow Subsidiary	79.28	-
Dalmia GSB Refractories GmbH	Fellow Subsidiary	138.98	-
Total		7,109.51	52.49
Trade Receivables:			
RHI Magnesita India Limited	Holding company	1,604.43	73.02
RHI Magnesita Seven Refractories Limited (formerly known as Dalmia Seven Refractories Limited)	Subsidiary	201.32	78.45
Seven Refractories D.O.O	Fellow Subsidiary	1,144.93	-
Dalmia GSB Refractories GmbH	Fellow Subsidiary	461.47	-
Dalmia Bharat Refractories Limited	Significant influence in Holding Company	696.99	-
Total		4,109.14	151.47
External Commercial Borrowings:			
RHI Magnesita GmbH	Fellow Subsidiary	23,365.60	23,320.14
RHI Magnesita GmbH - Interest accrued	Fellow Subsidiary	1,113.16	66.73
Total		24,478.76	23,386.87
Investment			
RHI Magnesita Seven Refractories Limited (formerly known as Dalmia Seven Refractories Limited)	Subsidiary	15,440.75	9,256.00
Total		15,440.75	9,256.00
Other transactions			
Guarantee given to Bank by RHI Magnesita N.V., Austria	Ultimate Holding Company	54,000.00	62,500.00
Total		54,000.00	62,500.00



Note 35:

Revenue from Contracts with Customers

(All amount in Rs. Lacs, unless otherwise stated)

Revenue from contract with customers (Refer note 16)	Year ended	Year ended
	March 31, 2024	March 31, 2023
The Company has recognised the following amounts relating to revenue in the statement of profit and loss:		
Sale of products		
(i) Finished goods	79,012.55	18,058.12
(ii) Traded goods	16,636.66	1,044.49
Total Refractory Management Services	4,605.35	773.41
Sale of services	1,365.48	739.29
Revenue from contracts with customers	101,620.04	20,615.31
Other operating revenue	823.14	122.83
Total revenue from operations	102,443.18	20,738.14

Disaggregation of revenue

In the following table, revenue is disaggregated by product group and by geography. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry, market and other economic factors.

Disaggregation of Revenue by Geography	Year ended	Year ended
	March 31, 2024	March 31, 2023
Within India	95,192.84	20,129.48
Outside India	6,427.20	485.83
	101,620.04	20,615.31

Timing of Revenue Recognition

Revenue from the delivery of products is recognised at the point in time when control over the products is passed to the customers, which is determined based on the individual terms agreed in the customer contract.

Revenue from contracts for total refractory management services, revenue is recognized over time using the output-oriented method (e.g. quantity of steel produced by the customer).

Revenue from providing services is recognized in the accounting period in which the services are rendered.

Performance obligations

Revenue from the sale of products is recognised at the point in time when control over the products is passed to the customers, which is determined based on the individual terms agreed in the customer contract. Control is defined as the ability to direct the use and obtain substantially all the economic benefits from an asset. For the terms CIF (Cost, Insurance and Freight), transport service gives rise to a separate performance obligation to which a part of revenue has to be allocated, as this service is performed after the control of the product is transferred to the customer.

For Refractory Management services where the transaction price depends on the customer's production tonnage the management has determined that both supply of goods and services are not distinct as the customer expects total refractory management services from the Company, which includes supply of refractory material and its related services to produce steel. Thus, only one single performance obligation, the performance of refractory management services, exists. With regard to these contracts, revenue is recognised over time using the output-oriented method (e.g. quantity of steel produced by the customer).

Revenue from services is recognised over time, using an input method to measure progress towards completion of service, because the customer simultaneously receives and consumes the benefits provided by the Company.

Transaction price allocated to the remaining performance obligations

Transaction price is the expected consideration to be received in exchange for transferring goods or services, to the extent that it is highly probable that there will not be a significant reversal of revenue.

The Company has applied practical expedient in Ind AS 115. Accordingly, it has not disclosed information about remaining performance obligations wherein the Company has a right to consideration from customer in an amount that directly corresponds with the value to the customer of entity's performance till date using the output method and for the other contracts which have original expected durations of one year or less.

Reconciliation of revenue recognised with contract price

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Contract price	100,568.74	20,551.12
Adjustments for:		
Claims & Rebates	(1,249.40)	(11.86)
Performance bonus	2,300.70	76.05
Revenue from contracts with customers	101,620.04	20,615.31



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Note 35:
Revenue from Contracts with Customers

Trade Receivables and Contract Balances

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as Contract Asset.

A receivable is a right to consideration that is unconditional upon passage of time.

Contract assets consist of unbilled revenue which arises when the Company satisfies the performance obligation in the Refractory Management Services contracts but does not have an unconditional right to consideration as it is dependent on the certification of the report on the quantity of steel produced.

Contract liabilities consists of advances from customers. Contract liabilities are presented in note 12.

Trade receivables are presented net off impairment loss in note 4(c).

The following table provides information about contract assets and contract liabilities from contracts with customers.

Particulars	(All amount in Rs. Lacs, unless otherwise stated)	
	Year ended March 31, 2024	Year ended March 31, 2023
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Movement in Contract Assets		
Opening balance at the beginning of the year	2,082.44	-
Reclassified from trade receivables (net) (Refer note - 42)	-	1,988.44
Add: Contract assets acquired under business combination (Refer note 28)	-	30.13
Add: Revenue recognized during the year	101,620.04	20,615.31
Less: Invoiced during the year	(99,478.18)	(20,551.44)
Closing balance at the end of the year	4,224.30	2,082.44
Movement in Contract Liabilities		
Opening balance at the beginning of the year	2,170.36	-
Add: Contract liabilities acquired under business combination (Refer note 28)	-	1,710.92
Add: Collection during the year	16,203.51	5,441.00
Less: Gross Sales	(17,918.14)	(4,981.56)
Closing balance at the end of the year	455.73	2,170.36

Significant judgements in the application of the Standard

For Refractory Management Contracts where the transaction price depends on the customer's production performance, the management has determined that both supply of goods and services are not distinct as the customer expects total refractory management services from the Component, which includes supply of refractory material and its related services to produce steel. The customer expects complete refractory management for the agreed product areas in the steel plant in order to enable steel production. Thus, only one single performance obligation, performance of refractory management service, exists.

Information about major customers

Revenues from one customer represent approximately Rs. 17,298.89 lacs (March 31, 2023: Rs. 8,465.45 lacs) of the Company's total revenues.



Note 36: Due to Micro and small enterprises

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2,338.43	2,129.11
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	151.37	-
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	13,953.00	-
(iv) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(vi) 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	-	-
(vii) Interest accrued and remaining unpaid at the end of the accounting year	151.37	-
(viii) Amount of further interest remaining due and payable even 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 the MSMED Act.	-	-

* Details of dues to Micro Enterprises and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are



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Note 37:

Financial ratios

Ratios	Numerator	Denominator	Unit of Measurement	Current year	Previous year	% variance	Reason for variance (where variance is more than 25%)
Current ratio	Current assets	Current liabilities	Times	2.00	0.87	130.18%	Refer note (a) below
Debt-equity ratio	Total debt	Shareholder's equity	Times	0.16	0.52	(69.66%)	Refer note (b) below
Debt service coverage ratio	Earnings available for debt service = Loss before tax + finance costs + non-cash operating expenses	Debt service = Interest and principal repayments including lease payments	Times	0.18	(36.13)	(100.50%)	Refer note (c) below
Return on equity ratio	Loss for the year	Average shareholder's equity	Percentage	(20.04%)	(84.30%)	(76.22%)	Refer note (c) below
Inventory turnover ratio	Cost of Goods Sold*	Average inventories	Times	2.04	0.72	184.47%	Refer note (c) below
Trade receivables turnover ratio	Sales	Average trade receivable	Times	5.08	0.40	1170.89%	Refer note (c) below
Trade payables turnover ratio	Cost of Goods Sold*	Average trade payables	Times	3.42	1.06	224.06%	Refer note (c) below
Net capital turnover ratio	Sales	Average working capital = Current assets - Current liabilities	Times	13.70	(1.52)	(1001.10%)	Refer note (c) below
Net profit ratio	Loss for the year	Sales	Percentage	(33.68%)	(338.80%)	(90.06%)	Refer note (c) below
Return on capital employed	Earnings before interest and taxes	Average Capital Employed = Net Worth + total debt + deferred tax liability	Percentage	(13.25%)	(45.97%)	(71.18%)	Refer note (c) below
Return on investment	Earnings before interest and taxes	Average total assets	Percentage	(17.79%)	(11.49%)	54.75%	Refer note (c) below
*Cost of goods sold = Cost of raw materials and components consumed + Purchases of stock-in-trade (traded goods) + Changes in inventories of finished goods, work-in-progress and stock-in-trade (traded goods)							

Notes:

(a) Increase is primarily due to repayment of current borrowings.

(b) Decline is primarily on account of repayment of current borrowings.

(c) Ratios are not comparable with previous year, as the previous year has an effect pursuant to business combination (Refer note 28).



Note 38:

Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956., except for the parties mentioned below:

Name of struck off Company	Nature of transactions	Balance outstanding as at March 31, 2024	Relationship with the Struck off company	Balance outstanding as at March 31, 2023	Relationship with the Struck off company
Star Wire (India) Limited	Sale of Material	-	Not related	6.00	Not related

(iii) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current year or previous year.

(iv) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(v) Utilisation of borrowed funds and share premium

(a) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(b) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall, except as disclosed below:

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

During the year, the Company has received funds (including share premium) from its holding company through issue of share capital (Refer Note 41). Out of these funds Rs. 6,184.75 lacs have been utilised for investment in its subsidiary (Refer note 40).

(vi) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(vii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(viii) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(ix) Valuation of property, plant and equipment and intangible assets

The Company has chosen cost model for valuation of its property, plant and equipment (including Right-of-use-assets) and intangible assets both during the current or previous year.

(x) Utilisation of borrowings availed from banks.

The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were taken.

(xi) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.



Note 38:

Additional regulatory information required by Schedule III (Contd.)

(xii) Borrowing secured against current assets

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks which are not in agreement with the books of account as set out below:-

Name of the Bank	Aggregate working capital limits sanctioned	Nature of asset Security offered	Quarter ended	Amount disclosed as per quarterly return/ statement	Amount as per books of account	Variance	Whether return/ statement subsequently rectified	(All amount in Rs. Lacs, unless otherwise stated) Reasons for difference
Axis Bank Limited and State Bank of India	33,500.00	Inventory	30-Jun-23	28,314.00	27,777.67	(536.33)	No	Return is filed considering provisional financial statements.
		Trade Receivables	30-Jun-23	15,234.00	20,225.51	4,991.51	No	Trade receivables more than 90 days and from related parties are not considered in return.
		Trade Payables	30-Jun-23	14,051.00	20,280.31	6,229.31	No	Provision of expenses and payable for services not considered in return.
		Inventory	30-Sep-23	31,999.00	32,088.52	89.52	No	Return is filed considering provisional financial statements.
		Trade Receivables	30-Sep-23	18,271.00	27,493.15	9,222.15	No	Trade receivables more than 90 days and from related parties are not considered in return.
		Trade Payables	30-Sep-23	19,020.00	23,250.38	4,230.38	No	Provision of expenses and payable for services not considered in return.

The credit facilities with the State Bank of India were surrendered on September 30, 2023. Axis Bank Limited has released the security on current assets on November 09, 2023. Accordingly, the requirement to submit the quarterly returns/statement was not applicable for the subsequent quarters.



Note 39:

Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company except the following:

As at 31 March, 2024

(All amount in Rs. Lacs, unless otherwise stated)							
Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company	
Property, plant and equipment	Land with respect to Khambhalia manufacturing unit	1,494.50		No	Since January 2023	Title deed registered in the name of Shree Natraj Ceramic and Chemical Industries Limited whose name was changed to Dalmia Refractories Limited. This entity got merged into Dalmia Bharat Refractories Limited.	
Property, plant and equipment	Building of Khambhalia manufacturing unit	1,044.51	Shree Natraj Ceramic and Chemical Industries Limited	No	Since January 2023	By virtue of Business transfer agreement dated November 19, 2022, the Company has acquired Indian refractories business from Dalmia Bharat Refractories Limited. The name of the Company has changed from Dalmia OCL Limited to RHI Magnesita India Refractories Limited and consequent to this Company is in the process for change of name.	
Property, plant and equipment	Land with respect to Bhilai manufacturing unit	42.10		No	Since January 2023	Title deed registered in name of Dalmia OCL Limited are in the process for change consequent to change of name of the Company to RHI Magnesita India Refractories Limited.	
Property, plant and equipment	Building of Bhilai manufacturing unit	283.60	Dalmia OCL limited	No	Since January 2023		
Right-of-use assets	Leasehold land with respect to Dalmiapuram manufacturing unit	2,487.01		No	Since January 2023	Leasehold deed registered in name of Dalmia OCL Limited are in the process for change consequent to change of name of the Company to RHI Magnesita India Refractories Limited.	
Property, plant and equipment	Building of Dalmiapuram manufacturing unit	2,867.93	Dalmia OCL Limited	No	Since January 2023		
Right-of-use assets	Leasehold land with respect to Rajgangpur manufacturing unit	8,034.00		No	Since January 2023	Leasehold deed registered in name of Dalmia OCL Limited are in the process for change consequent to change of name of the Company to RHI Magnesita India Refractories Limited.	
Property, plant and equipment	Building of Rajgangpur manufacturing unit	2,510.94	Dalmia OCL Limited	No	Since January 2023		
Property, plant and equipment	Building of Katni manufacturing unit	662.10	Dalmia Seven Refractories Limited	No	Since January 2023	Leasehold deed of land on which building is constructed is registered in the name of Dalmia Seven Refractories Limited (name changed to RHI Magnesita Seven Refractories Limited).	



Note 39:

Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company except the following:

(All amount in Rs. Lacs, unless otherwise stated)						
Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter / director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Land with respect to Khambhalia manufacturing unit	1,494.50		No	Since January 2023	Title deed registered in the name of Shree Natraj Ceramic and Chemical Industries Limited whose name was changed to Dalmia Refractories Limited. This entity got merged into Dalmia Bharat Refractories Limited.
Property, plant and equipment	Building of Khambhalia manufacturing unit	1,044.51	Shree Natraj Ceramic and Chemical Industries Limited	No	Since January 2023	By virtue of Business transfer agreement dated November 19, 2022, the Company has acquired Indian refractories business from Dalmia Bharat Refractories Limited. The name of the Company has changed from Dalmia OCL Limited to RHI Magnesita India Refractories Limited and consequent to this Company is in the process for change of name.
Property, plant and equipment	Land with respect to Bhilai manufacturing unit	42.10		No	Since January 2023	Title deed registered in name of Dalmia OCL Limited are in the process for change consequent to change of name of the Company to RHI Magnesita India Refractories Limited.
Property, plant and equipment	Building of Bhilai manufacturing unit	283.60	Dalmia OCL limited	No	Since January 2023	
Right-of-use assets	Leasehold land with respect to Dalmiapuram manufacturing unit	2,487.00		No	Since January 2023	Leasehold deed registered in name of Dalmia OCL Limited are in the process for change consequent to change of name of the Company to RHI Magnesita India Refractories Limited.
Property, plant and equipment	Building of Dalmiapuram manufacturing unit	2,848.32	Dalmia OCL Limited	No	Since January 2023	
Right-of-use assets	Leasehold land with respect to Rajgangpur manufacturing unit	8,034.00		No	Since January 2023	Leasehold deed registered in name of Dalmia OCL Limited are in the process for change consequent to change of name of the Company to RHI Magnesita India Refractories Limited.
Property, plant and equipment	Building of Rajgangpur manufacturing unit	2,489.48	Dalmia OCL Limited	No	Since January 2023	
Property, plant and equipment	Building of Katni manufacturing unit	662.10	Dalmia Seven Refractories Limited	No	Since January 2023	Leasehold deed registered in name of Dalmia Seven Refractories Limited are in the process for change consequent to change of name of the Company to RHI Magnesita Seven Refractories Limited.



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Notes to Financial Statements**Note 40: Investment in Subsidiary**

On April 21, 2023, the Company executed a Share Purchase Agreement (SPA) with Seven Refractories GMBH, Vienna for purchase of remaining 49% paid up equity shares of its existing subsidiary RHI Magnesita Seven Refractories Limited (formerly known as Dalmia Seven Refractories Limited) ('RHIMSRL'). On July 23, 2023 the Company has completed the purchase of 49% i.e. 9,800,000 equity shares having face value of Rs. 10 each of RHIMSRL for a consideration amounting to Rs. 6,184.75 lacs. Consequently, RHIMSRL has become the 100% wholly owned subsidiary of the Company.

Note 41: Issue of share capital

On May 08, 2023 and August 11, 2023, the Company has issued 16,975,051 and 5,072,464 shares respectively to RHI Magnesita India Limited by way of right issue, having face value of Rs. 10 each at a premium of Rs. 197 each for an amount aggregating to Rs. 45,638.36 lacs. The purpose of issuance of share capital was repayment or pre-payment in full or in part of certain borrowings availed by the Company and further investment in its subsidiary, RHIMSRL.

Note 42:

During the year ended March 31, 2024, the Company has reclassified following comparatives. These reclassifications are primarily to conform to the current years classification, which do not have material impact on the Financial Statements.

Note No.	Note Description	Previously reported Amount	Revised amount	Change	Purpose
4(c)	Trade receivables	25,925.43	22,740.45	(3,184.98)	For better presentation
4(g)	Contract assets	94.00	2,082.44	1,988.44	For better presentation
	Provisions	(1,196.54)	-	1,196.54	For better presentation
10	Trade payables	20,935.42	18,135.42	(2,800.00)	For better presentation
15	Other current liabilities	895.98	3,695.98	2,800.00	For better presentation

Note 43: Previous year figures

The Company has completed the acquisition of Indian refractory business of Dalmia Bharat Refractories Limited ('DBRL') on January 05, 2023. Accordingly, the previous year figures are not comparable.



44. Summary of other accounting policies

This note provides a list of other accounting policies adopted in the preparation of these Financial Statements to the extent they not already been disclosed above. These policies have been consistently applied to all the years presented, unless otherwise stated.

(i) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM").

The Board of Directors, together with Managing Director has been identified as being the Chief Operating Decision Maker ("CODM"). CODM evaluates the performance of the Company based on the single operative segment for the purpose of allocation resources and evaluating financial performance.

(ii) Foreign currency translation

(a) Functional and presentation currency

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Company's operations are primarily in India. The Financial Statements are presented in Indian rupee (Rs.), which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss.

Foreign exchange differences arising on foreign currency borrowings are presented in the Statement of Profit and Loss within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within Other Income/Expense.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(iii) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are



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expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(iv) Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(v) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(vi) Financial assets

A. Classification and initial recognition

Financial assets are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the asset. The Company determines the classification of its financial assets at initial recognition. The Company classifies the financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through profit or loss, or through other comprehensive income)
- Those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a



financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

B. Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

a. Financial assets at fair value through profit or loss (FVPL):

Financial assets at fair value through profit or loss include financial assets held for trading and those designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial assets are designated upon initial recognition at fair value through profit or loss when the same are managed by the Company on the basis of their fair value and their performance is evaluated on fair value basis in accordance with a risk management or investment strategy of the Company. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognised in other income in the Statement of Profit and Loss.

b. Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows, where the assets' cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in other income in the Statement of Profit and Loss.

c. Fair value through other comprehensive income (FVOCI):

Financial assets are measured at fair value through other comprehensive income (OCI) if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

C. Derecognition

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the



Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

D. Impairment of financial assets

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

For trade receivables only, the Company applies simplified approach required by Ind AS 109 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of receivables.

E. Income recognition - Interest

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

(vii) Financial Liabilities

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity.

The Company's financial liabilities includes borrowings, lease liability, trade and other payables.

Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities carried at fair value through profit or loss) are deducted from the fair value measured on initial recognition of financial liability. Financial liabilities are subsequently measured at amortised cost.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate ('EIR') method. Gains and losses are recognised in profit or loss when the liabilities are derecognised.

De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance cost.

(viii) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on



future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(ix) Fair Value Measurement

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 minimizing 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) marked prices in the 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.

(x) Derivative financial instruments

The Company acquires forward contracts to mitigate the risk arising from foreign currency exposures resulting from purchase and sale of goods and services. These forward contracts are designated as derivative financial instruments. Derivatives are initially recognised at fair value on the date of the derivative contract is entered into and subsequently re-measured to their fair value at the end of reporting period. The consequent gains/ losses, arising from subsequent re-measurement, are recognised in the statement of profit and loss, unless the derivative is designated as hedging instrument and hedging relationship is established with the item being hedged.

(xi) Provisions and contingent liabilities

a) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

b) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.



(xii) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(xiii) Employee benefits

Defined benefit plan - Gratuity

The liability recognised in the balance sheet is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company's contribution to provident fund and employees' state insurance scheme are considered as defined contribution plans and are charged as expense in the Statement of Profit and Loss, based on the amount of contribution required to be made and when services are rendered by the employee.

Other Benefits - Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long-term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in



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the year in which they arise. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(xiv) Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary and business comprises the

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Company
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred
- amount of any non-controlling interest in the acquired entity
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

(xv) Investments in subsidiary

Investments in subsidiary are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

(xvi) Contributed equity

Equity shares are classified as equity.

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

(xvii) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.



Other borrowing costs are expensed in the period in which they are incurred.

(xviii) Other operating income

Government grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with required conditions. Export incentive under Remission of Duties and Taxes on Export products (RODTEP), Merchandise Exports from India Scheme (MEIS) and duty drawback are accrued when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

(xix) Interest income

Interest income from financial assets at FVPL is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is recognised in profit or loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance)

(xx) Earnings per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(xxi) Leases

As a lessee

Leases are recognised as a right-of-use asset at cost with a corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets in accordance with Ind AS 116 'Leases'.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs etc.



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Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense in the Standalone Statement of Profit and Loss on a straight-line basis over the lease term.

(xxii) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivable and contract assets, the Company applies the simplified approach required by Ind As 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(xxiii) Inventories

Inventories including stores and spares are valued at the lower of cost and the net realisable value. The Cost of individual items of inventory are determined using weighted average method. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.



Note 45: Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international and domestic transactions entered into with the associated enterprise during the financial year and expects such records to be in existence latest by November 30, 2024, as required by law. The Management confirms that its international and domestic transactions are at arm's length so that the aforesaid legislation will not have any impact on the Financial Statements, particularly on the amount of tax expenses and that of provision for taxation.

Note 46: Corporate Social Responsibility

The Company was not required to spend any amount during the year for Corporate Social Responsibility under Section 135(5) and 135(6) of the Act. Accordingly, there is no amount unspent as at March 31, 2024.

Note 47: Merger

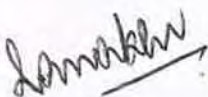
The Board of Directors of the Company in their board meeting held on February 08, 2024, approved the draft scheme of merger of RHIMSRL (Transferor Company) with and into the Company. The appointed date of the merger is April 01, 2023. Further, the draft scheme of merger was filed with Registrar of Companies, Chennai on February 09, 2024, which has been approved. The Company is in the process of taking approvals from shareholders, creditors and other relevant authorities. The Financial Statements of the Company have been prepared without taking the impact of merger.

Note 48: Other information

The Company has a subsidiary i.e. RHI Magnesita Seven Refractories Limited. The Company has claimed exception given in the Rule 6 of the Companies (Accounts) Rules, 2014 and therefore has not prepared the consolidated financial statements.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016





Abhishek Rara
Partner

Membership Number: 07779

Place: Gurugram
Date: May 24, 2024

For and on behalf of the Board of Directors of
RHI Magnesita India Refractories Limited



Parmod Sagar
Managing Director and
Chief Executive Officer
(DIN- 06500871)

Vijay Sharma
Chairman
(DIN: 00880113)



Sanjeev Bhardwaj
Chief Financial Officer



Bobby Mehndiratta
Company Secretary
(ACS - A54443)

