



Binani

BRAJ BINANI GROUP

Binani

BINANI ZINC LIMITED

ANNUAL REPORT 2014-15

BOARD OF DIRECTORS

Mr. Braj Binani	Chairman
Mr. Sushil Bhatler	Managing Director
Mr. V. Subramanian	Director
Mr. Rahul Asthana (w.e.f. 1 st July, 2014)	Director
Mr.T. R. C. Nair (upto 23 rd July, 2014)	Director

COMPANY SECRETARY

Mr. Rajesh Hegde

AUDITORS

M/s. Varma & Varma, Chartered Accountants, Kochi

TERM LENDERS & BANKERS

Punjab National Bank
Oriental Bank of Commerce
Punjab & Sind Bank

REGISTERED OFFICE

37/2, Chinar Park, New Town,
Rajarhat Main Road,
P.O. Hatiara,
Kolkata 700 157.
Tel.: 033-2516 0003
Email : binanigroupcal@rediffmail.com
CIN : U27204WB2000PLC091214

CORPORATE OFFICE

Mercantile Chambers,
12, J.N. Heredia Marg,
Ballard Estate,
Mumbai – 400 001.
Tel.: 022- 30263000/1/2 (Extn. 3043)
Email: mumbai@binani.net

PLANT LOCATION

Binanipuram, Ernakulam District,
Kerala – 683 502.

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (W),
Mumbai – 400 078.
Tel.: 022-25946970
Email: rnt.helpdesk@linkintime.co.in

SUBSIDIARY

R. B. G. Minerals Industries Limited

CONTENTS	Page
Notice for the 15th Annual General Meeting	2-7
Directors' Report	8-26
Standalone Financial Statements	27-54
Consolidated Financial Statements	55-82
Financial Information relating to Subsidiary	83
Route Map, Attendance Slip and Proxy Form	

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 15th Annual General Meeting of the Members of BINANI ZINC LIMITED will be held on Friday, 25th September, 2015 at 2.00 p.m. at Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700 020, West Bengal, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended 31st March, 2015 together with Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Braj Binani (DIN - 00009165), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to Sections 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under, M/s Udeshi Shukla & Associates, Chartered Accountants, Mumbai (Firm Registration Number – 114886W) be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Fifteenth Annual General Meeting upto a maximum period up to the conclusion of Twentieth Annual General Meeting of the Company, at a remuneration to be decided by the Board of Directors/Audit Committee, subject to annual ratification by the Members at every intervening Annual General Meeting.”

NOTE: In order to comply with the relevant provisions of the Companies Act, 2013 with respect to the rotation of the Auditors of the Company, the Board of Directors, based on the recommendation of the Audit Committee, has recommended to appoint M/s Udeshi Shukla & Associates, Chartered Accountants, Mumbai as Statutory Auditors of the Company in place of the retiring Auditors, M/s Varma & Varma, Chartered Accountants.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the remuneration of ₹ 65,000/- (Rupees Sixty-five thousand only) plus service tax and out-of-pocket expenses payable to M/s N. P. Gopalakrishnan & Co., Cost Accountants [Firm Registration Number – 000034], who have been appointed by the Board of Directors as Cost Auditors to conduct audit of cost records of the Company for the financial year ending 31st March, 2016”

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), as amended from time to time, read with Schedule V to the Act, the Company hereby approves the appointment and terms of remuneration of Mr. Sushil Bhatte (DIN – 00009101) as Managing Director of the Company for a period of two years with effect from 1st April, 2015 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting with authority to Board of Directors to alter and vary the terms and conditions of the said appointment in such manner, as may be agreed to between the Board of Directors and Mr. Sushil Bhatte;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps, as may be necessary, proper and expedient to give effect to this Resolution.”

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

“RESOLVED THAT pursuant to Sections 4, 13 and 14 of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and subject to the necessary approvals, consents, permissions and sanctions, as may be required in this regard from any Appropriate Authority and subject to such terms, conditions, amendments or modifications, as may be required or suggested by statutory authorities, the name of the Company be and is hereby changed from “Binani Zinc Limited” to “Edayar Zinc Limited” and that the Clause I of the Memorandum of Association of the Company be substituted by the following clause:

“I. The name of the Company is Edayar Zinc Limited.”

RESOLVED FURTHER THAT, consequent to the aforesaid change, the name “Binani Zinc Limited” wherever appearing in the Memorandum and Articles of Association of the Company be substituted by “Edayar Zinc Limited;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and expedient to give effect to the aforesaid Resolution.”

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

Place: Mumbai
Date: 10th August, 2015

Rajesh Hegde
Company Secretary

NOTES:

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to Special Business set out in the Notice is annexed hereto.
 2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY.** A person can act as proxy on behalf of the Members not exceeding 50 (fifty) and holding in aggregate not more than 10% of the total share capital of the Company. A Member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other Member.
 3. The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed, stamped and signed, not less than 48 hours before the commencement of the Annual General Meeting ('AGM'). Proxies submitted on behalf of the companies/bodies corporate etc. must be supported by an appropriate resolution/authority, as applicable. A Proxy Form is appended with this Notice.
 4. During the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
 5. Members/ Proxies should bring the duly filled Attendance Slip enclosed to attend the AGM.
 6. The equity shares of the Company are eligible for dematerialisation with both the Depositories, NSDL and CSDL. ISIN of equity shares of the Company is INE310H01010. The Company's shares however are not listed on any Stock Exchange.
 7. A brief profile of Directors proposed to be appointed/reappointed is annexed hereto and forming part of this Notice.
 8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangement in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, shall be available for inspection by the Members at the AGM.
 9. Members are requested to:
 - a. bring their copy of Annual Report to the AGM.
 - b. address their queries relating to Financial Statements of the Company, if any, to the Company Secretary of the Company at least ten working days in advance of the AGM, to enable the Company to keep the information ready.
 - c. note that in respect of the shares held in physical form, all correspondence relating to share transfers, transmissions, sub-division, consolidation of shares or any other related matters and/or change in address or updation thereof, should be addressed to Registrar and Transfer Agents of the Company, viz. Link Intime India Private Limited, having address at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400 078. Shareholders, whose shareholding is in dematerialized form, are requested to direct their correspondence regarding change of address, registration of e-mail address and updation of bank account details to their respective Depository Participant.
 - d. quote their DP ID No. /Client ID No. or Folio Number in all their correspondence.
10. The Company had forwarded share certificates of the Company to all the eligible Shareholders in the year 2004 consequent upon hive-off of Zinc Division from the Erstwhile Binani Zinc Limited. Those Shareholders who have not received the Company's share certificates, are requested to contact the Registrar & Share Transfer Agent of the Company.
 11. The telephone numbers and email ID of concerned official/s of the Company responsible to address the grievances are as under :
 - (i) At Mumbai: Mr. Rajesh Hegde, Company Secretary
Tel. 022- 30263000/1/2 (Extn. 3043)
Email: rajesh.hegde@binani.net
 - (ii) At Kolkata: Mr. Sauvik Nayak
Tel. 033-2516 0003
Email: sauvik.nayak@binani.net
 12. The Annual Report for 2014-15 along with the Notice of the AGM, Attendance Slip and Proxy Form is being sent by electronic mode to all the Members who have registered their email IDs with the Depository Participants, Registrar and Share Transfer Agents and the Company unless where any Member has requested for the physical copy. The physical copies of the aforesaid documents will be available for inspection at the Registered Office and Corporate Office of the Company during business hours on working days. Members, who require physical copies of Annual Report may write to the Company Secretary or Registrar and Share Transfer Agents. Members may further note that the said documents will also be available on the website of Binani Industries Ltd, holding company of the Company at www.binaniindustries.com.
 13. Pursuant to Section 101 of the Companies Act, 2013 and Rules made there under, the companies are allowed to send communication to Shareholders electronically. The Members are therefore requested to kindly register/update email IDs with their respective Depository Participant and in case of physical shares with the Company's Registrar and Share Transfer Agents or the Company and make Green Initiative a success.

14. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, the Company is pleased to provide the facility to Members to exercise their right to vote on the Resolutions proposed to be passed at AGM by electronic means through CDSL e-voting platform. The Members, whose names appear in the Register of Members/List of Beneficial Owners as on Friday, 18th September, 2015, i.e. the cut-off date for the purpose of voting at AGM, are entitled to vote on the Resolutions set forth in this Notice. The Members may cast their votes on electronic voting system from place other than the venue of the AGM ('remote e-voting').
15. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given herein below:

PROCEDURE FOR REMOTE E-VOTING

- i. The remote e-voting period begins on Tuesday, 22nd September, 2015 at 09.00 a.m. and ends on Thursday, 24th September, 2015 at 5.00 p.m. During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 18th September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on 24th September, 2015.
- ii. Shareholders who have already voted prior to the meeting date will not be entitled to vote at the meeting venue.
- iii. The Shareholders should log on to the e-voting website www.evotingindia.com.
- iv. Click on "SHAREHOLDERS"
- v. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
 - c. Members holding shares in physical form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on "LOGIN".
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

For Members holding shares in demat form and physical form	
PAN:	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on the address slip/provided in the email sent to you

Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company's records in order to login If both the details are not recorded with the Depository or Company, please enter the DP ID No. / Client ID No. or Folio Number in the Dividend Bank details field as mentioned in instruction (v)
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- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then directly reach 'Company Selection Screen'. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- xii. Click on the EVSN for **Binani Zinc Limited** on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. After selecting the Resolution you have decided to vote on, click "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click "OK", else to change your vote, click "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- xvii. You can also take printout of the voting done by you by clicking "CLICK HERE TO PRINT" option on the voting page.
- xviii. If demat account holder has forgotten the same password then Enter the User ID and the image verification code and click "FORGOT PASSWORD" & enter the details as prompted by the system.
- xix. Note for Non – Individual Shareholders and Custodians.
 - Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required

to log on to www.evotingindia.com and register themselves as Corporate.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
16. In addition to remote e-voting, the facility for voting, either through electronic voting system or ballot/polling paper, shall also be made available at the venue of AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM.
 17. The route map to the venue of AGM is provided in this Annual Report for easy location.
 18. The Company has appointed Mr. Manoj Kumar Banthia (M. No. 11470) of M/s MKB & Associates, Practicing Company Secretaries, to act as the Scrutinizer, to scrutinize the entire voting process (including remote e-voting) in a fair and transparent manner.
 19. Any Member, who has voted by remote e-voting on the Resolutions contained in this Notice prior to the AGM may also attend the meeting but shall not be entitled to vote at the AGM.

20. Any person who is not a Member as on the cut-off date i.e. 18th September, 2015, shall treat this Notice for information purpose only.
21. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of Notice and holding shares as of the cut-off date i.e. 18th September, 2015, may obtain the Annual Report by sending a request at rajesh.hegde@binani.net.
22. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, would count the votes cast at the AGM, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any other Director authorised by the Board who shall countersign the same. The Chairman or any other Director authorised by the Board will declare the result of the remote e-voting and voting at the AGM forthwith.
23. The results declared alongwith the Scrutinizer's Report shall be placed on the website of CDSL viz. www.evotingindia.com immediately after the result is declared. The same will also be displayed at the Notice Board of the Company at the Registered Office and the Corporate Office of the Company.

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

Place: Mumbai
Date: 10th August, 2015

Rajesh Hegde
Company Secretary

ANNEXURE TO NOTICE**Statement pursuant to Section 102 (1) of the Companies Act, 2013****Item No.4**

The provisions of Section 148 of the Companies Act, 2013 mandates the Company to have an audit of its cost records conducted by a Cost Accountant in practice. The Board therefore, on the recommendation of the Audit Committee, has approved the appointment of M/s N.P. Gopalakrishnan & Co, Cost Accountants as Cost Auditors to conduct audit of the cost records of the Company for the year ending 31st March, 2016 at a remuneration of ₹ 65,000/- plus Service Tax and out-of-pocket expenses.

M/s N.P. Gopalakrishnan & Co have furnished a certificate regarding their availability for appointment as Cost Auditors of the Company. They possess vast experience in the field of cost audit.

The Board recommends the proposed remuneration to M/s N. P. Gopalakrishnan & Co, which is reasonable considering their stature and also commensurate with the volume of work involved. Hence, the ratification by the Members of the remuneration is sought in terms of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

The Board recommends passing of the Resolution at item no. 4.

None of the Directors and Key Managerial Personnel of the Company nor their respective relatives, is concerned or interested in the Resolution.

Item No: 5

Mr. Sushil Bhatte was appointed as Managing Director of the Company for a period of 3 years effective 1st February, 2013 on the remuneration and other terms and conditions as contained in the Special Resolution passed by the Shareholders of the Company at the Annual General Meeting held on 28th September, 2013 and as enumerated in the Agreement dated 12th March, 2013 executed between the Company and Mr. Sushil Bhatte.

Over the last few months, the Group has undertaken various restructuring exercises which inter-alia included streamlining the human resources within the Group Companies. Consequently, upon attaining 58 years of age, Mr. Bhatte opted for retirement from the services of the Company effective at the close of working hours on 31st March, 2015.

Considering the vast experience and long association of Mr. Sushil Bhatte with Binani Zinc Limited, the Holding Company viz., Binani Industries Limited, has nominated Mr. Sushil Bhatte to be the Company's Managing Director effective 1st April, 2015, without remuneration.

The Nomination and Remuneration Committee at its meeting held on 30th March, 2015 after evaluation of the performance of Mr. Bhatte during his tenure as Managing Director of the Company, recommended in the best interest of the Company, the appointment of Mr. Bhatte as the Managing Director for a term of two years effective 1st April, 2015, without any remuneration.

The Board considers that with his very rich experience and expertise, Mr. Bhatte's appointment will be of immense benefit to the Company and as such, recommends his appointment as Managing Director for a period of two years i.e. from 1st April, 2015 to 31st March, 2017.

The draft of the Agreement to be entered into with Mr. Sushil Bhatte, setting out the terms and conditions, will be available for inspection by the Members at the Registered Office and Corporate Office of the Company between 11.00 a.m. to 1.00 p.m. on working days up to the date of the Annual General Meeting. The same will also be kept for inspection at the venue of the meeting.

None of the Directors, Key Managerial Personnel nor their respective relatives, except Mr. Bhatte, is interested or concerned in the Resolution.

Item No: 6

In view of the present status of the Zinc business, the Company is exploring other alternative options and business opportunities. The Board therefore, at its meeting held on 27th July, 2015 has decided, subject to the receipt of confirmation of availability of the proposed name, to change the name of the Company from 'Binani Zinc Limited' to 'Edayar Zinc Limited'.

The Registrar of Companies, West Bengal has confirmed the availability of proposed name to the Company on 7th August, 2015.

Pursuant to the provisions of Section 13 of the Companies Act, 2013, any change in the name clause of the Memorandum of Association of the Company can be made with the consent of the Shareholders by passing a Special Resolution and shall have effect only after approval of the Central Government. The proposed name change will also entail alteration of Articles of Association where the name of the Company is mentioned.

The Board recommends passing of the Special Resolution as set out in Item no. 6 of the Notice.

None of the Directors / Key Managerial Personnel of the Company nor their relatives is concerned or interested, financially or otherwise, in the Resolution.

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

Place: Mumbai
Date: 10th August, 2015

Rajesh Hegde
Company Secretary

A brief profile of Directors proposed to be appointed/reappointed

Name of the Director	Mr. Braj Binani	Mr. Sushil Bhatler
Date of Birth	14th December, 1959	21st December, 1956
Qualifications	B. Com (Hons)	B.E. Chem (Hons)
Expertise in Specific Functional Areas	Entrepreneurship and Management	Management
Experience	36 years	37 years
Date of first appointment on the Board	1st April, 2005	27th March, 2004
Shareholding in the Company	12,259 equity shares of ₹ 10/- each	Nil
Relationship with other Directors or with KMP	None	None
Number of meetings attended during 2014-15	Details provided in the Directors' Report	Details provided in the Directors' Report
Other Directorships (Excluding foreign companies)	Binani Industries Ltd. Binani Cement Ltd. Binani Metals Ltd.	R.B.G. Minerals Industries Ltd. Binani Energy Pvt. Ltd. BIL Infratech Ltd. Binani Ready Mix Concrete Ltd. Royalvision Projects Pvt Ltd. Royalvision Infratech Pvt Ltd. Royalvision Concrete Pvt Ltd.
Membership/Chairmanship of Committees of other Boards	Nil	BIL Infratech Ltd (Member of Audit Committee)

DIRECTORS' REPORT

Dear Members,

Your Directors present the Fifteenth Annual Report alongwith Audited Financial Statements for the financial year ended 31st March, 2015.

Financial Performance

(₹ in crores)

Particulars	Year ended 31/03/2015	Year ended 31/03/2014
Total Revenue	113.15	360.96
Loss before Interest, Depreciation & Tax	(18.28)	(13.74)
Interest and finance charges	25.60	6.11
Provision for Depreciation	8.14	7.63
Loss before Tax	(52.03)	(27.48)
Provision for Tax	-	2.44
Loss after Tax	(52.03)	(25.04)
Balance carried forward	(98.10)	(45.05)

Review of Operations

During FY 2014-15 ("the year under review"), total revenue was ₹ 113.15 crores as against ₹ 360.96 crores during FY 2013-14. The Company recorded negative EBITDA of ₹ 18.28 crores vis-à-vis negative EBITDA of ₹ 13.74 crores last year. Finance cost contributed significantly in the total loss incurred by the Company during FY 2014-15. The Finance cost accounted for 22.63% of the total revenue which was only 1.69% during FY 2013-14.

During the year under review, the Company faced tough challenges to sustain its business operations. The plant remained shut for almost 9 months due to liquidity crunch. Only 13% of its installed capacity could be utilised during FY 2014-15 as compared to 64% capacity utilisation during FY 2013-14. As such, the financial performance of the Company during 2014-15 is not comparable with that of 2013-14.

The Company has suffered heavy losses over last few years, resulting in erosion of its net worth. Your Directors therefore, on the basis of Audited Balance Sheet as at 30th September, 2014, made reference to the Board for Industrial and Financial Reconstruction (BIFR) under Section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 on 3rd November, 2014 to declare the Company as sick industrial company and to sanction a Rehabilitation Scheme. This will help to revive Company's business operations in a sustained manner. The Company's application for registration as sick company is pending before BIFR for its consideration.

The Directors are hopeful of early finalisation of suitable Rehabilitation Scheme which would facilitate restoration of the business operations.

Dividend

In view of loss, no dividend is recommended.

Reserves

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

Deposits

The Company did not accept any deposits during the year under review. Hence no disclosure is required to be given.

Material development after conclusion of financial year 2014-15:

The Company had been incurring huge fixed costs despite the plant being under shut down condition since 26th November, 2014. Further, the proceedings at BIFR are likely to be delayed before a Rehabilitation Scheme could be approved. Therefore, in order to cut down the overheads including manpower cost, the Company has approached the Government of Kerala on 18th June, 2015 for closure of operations under Section 25-O of the Industrial Disputes Act, 1947.

Change in Name of the Company

In view of the present status of the Zinc business, the Company is exploring other alternative options and business opportunities. The Board therefore has decided, subject to requisite regulatory approvals, to change the name of the Company from 'Binani Zinc Limited' to 'Edayar Zinc Limited'.

The Company has received conformation with respect to the proposed name i.e. 'Edayar Zinc Limited', from the Registrar of Companies, West Bengal.

It is proposed to seek consent of Members by passing a Special Resolution in the ensuing Annual General Meeting ('AGM') for adoption of proposed name as new name of the Company.

Particulars of Loans, Guarantees, Investments or Securities under Section 186 of the Companies Act, 2013 ['the Act']

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

Contracts or Arrangements with Related Parties

All transactions entered into by the Company with related parties were in the ordinary course of business and at arm's length basis. The Audit Committee from time to time reviewed and approved the said transactions. Disclosures, as required under AS-18, have been made in Note No. 31 to the Financial Statements.

The Company has not entered into any material contracts with any of the related parties during the year under review. As such, the Company does not have any particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, to be given in Form AOC-2.

Corporate Social Responsibility ['CSR']

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

The mandatory provisions of Section 135 of the Act, and Rules made thereunder, with respect to CSR, are not applicable to your Company. The Company is socially conscious about its participative role in development of society. The Group continues

to undertake CSR activities in Binanipuram where the plant is situated and the same are well appreciated by the local community at large.

Board & Committee Meetings

During the year under review, the Board of Directors met 7 times on 22nd May, 2014, 1st July, 2014, 7th August, 2014, 9th September, 2014, 21st October, 2014, 30th January, 2015 and 30th March, 2015.

The Board has three Committees viz., Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. The Committees met during the year under review as follows:

Name of the Committee	No. of meetings held	Dates of meetings
Audit Committee	5	21st May, 2014; 6th Aug, 2014; 21st Oct, 2014, 29th Jan, 2015 and 30th Mar, 2015
Nomination and Remuneration Committee	5	21st May, 2014; 27th Jun, 2014; 6th Aug, 2014; 29th Jan, 2015 and 30th Mar, 2015
Stakeholders' Relationship Committee	1	29th Jan, 2015

The attendance of Directors in the Board and Committee meetings during 2014-15 is as below:

Board Meetings

Name of the Director	Number of Board meetings attended
Mr. Braj Binani	3
Mr. Rahul Asthana#	4
Mr. V. Subramanian	7
Mr. Sushil Bhatler	7
Mr. T.R.C. Nair*	1

Committee Meetings

Name of the Director	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee
Mr. Braj Binani	N.A	1	N.A
Mr. Rahul Asthana#	4	3	1
Mr. V. Subramanian	5	5	N.A
Mr. Sushil Bhatler	5	3	1
Mr. T.R.C. Nair*	1	2	N.A.

Notes:

- Remuneration Committee was reconstituted and renamed as Nomination and Remuneration Committee on 1st July, 2014.
- #Director since 1st July, 2014
- *resigned w.e.f. 24th July, 2014

Board Evaluation

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

Directors

Independent Director

Mr. Rahul Asthana was appointed as Additional Director (Independent Director) on 1st July, 2014. The Shareholders of the Company at the AGM held on 29th September, 2014 appointed him for a term up to the conclusion of 16th AGM.

Mr. Rahul Asthana has given a declaration under Section 149(7) confirming his independence in terms of Section 149(6) of the Companies Act, 2013.

Non-Executive Non-Independent Directors

Mr. T.R.C. Nair, Non-Executive Director resigned with effect from 24th July, 2014. Mr. V. Subramanian was re-appointed at the 14th AGM held on 29th September, 2014 as Non-Executive Non-Independent Director.

Mr. Braj Binani, Chairman will retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. The Board recommends re-appointment of Mr. Binani.

Managing Director

Mr. Sushil Bhatler retired as Managing Director on 31st March, 2015 consequent upon attaining the age of 58 years. He was appointed again as the Managing Director of the Company for a period of two years with effect from 1st April, 2015 without remuneration upon nomination by the Holding Company viz., Binani Industries Ltd. The said appointment was based on the recommendation of the Nomination and Remuneration Committee at its meeting held on 30th March, 2015.

The Board recommends for approval of Members for his appointment.

Remuneration to Directors

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

The details of remuneration paid to Mr. Sushil Bhatler are provided in Annexure-A

Audit Committee

Audit Committee comprises of the following Members:

1. Mr. Rahul Asthana - Chairman
2. Mr. V. Subramanian - Member
3. Mr. Sushil Bhatler - Member

The Audit Committee meetings are convened generally once a quarter and also as and when considered necessary. There were no recommendations made by the Audit Committee which were not accepted by the Board.

Nomination and Remuneration Policy

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

Key Managerial Personnel (KMP)

Apart from Mr. Sushil Bhatte, Managing Director of the Company, the following were the changes in the KMP:

Sr. No.	Name	Designation	Remarks
1	Mr. R. Venkiteswaran	Chief Financial Officer	Upto 16th May, 2014
2	Mr. Biju R. Nair	Chief Financial Officer	Upto 19th September, 2014
3	Mr. Sukamal Datta	Company Secretary	Upto 8th March, 2015

Auditors

The Statutory Auditors, M/s Varma & Varma, Chartered Accountants, Kochi (Firm Registration Number 004532S) holds office until the conclusion of ensuing AGM and are eligible for re-appointment. However, in view of the provisions contained in the Act for rotation of Auditors, the Directors considered it appropriate to appoint new Auditors in the ensuing AGM.

In view of the above, the Audit Committee recommended the appointment of M/s Udeshi Shukla & Associates, Chartered Accountants, Mumbai (Firm Registration Number – 114886W) as Statutory Auditors of the Company for a term from the conclusion of the Fifteenth AGM up to a maximum period until the conclusion of Twentieth AGM. The Company has received consent and confirmation from M/s Udeshi Shukla & Associates, that their appointment, if made, will be within the prescribed limits as to number of companies and are eligible in terms of Section 139 read with Section 141 of the Act.

The Board recommends the appointment of M/s. Udeshi Shukla & Associates, as the Auditors of the Company.

Auditors' Report

The Auditors have made following observations in their Report under 'Emphasis of Matters':

- (i) Material uncertainty casting significant doubt about the Company's ability to continue as "going concern"; and
- (ii) Consequential impairment in the value of the assets of the Company.

As explained in the Notes No. 32 and 33 of the Financial Statements, your Directors wish to state that the Company is hopeful of getting a rehabilitation package through BIFR thereby

enabling the Company's revival and turnaround. Accordingly, the financial Statements have been drawn on the going-concern basis.

In view of the above, the impairment of assets at this stage is not called for.

Secretarial Auditors

Pursuant to provisions of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had engaged M/s Aabid & Co, Practising Company Secretaries, Mumbai, to conduct the secretarial audit in the Company for the financial year 2014-15.

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

The Secretarial Auditors have commented on the existing composition of Board and the Committees thereof, not being in compliance of the relevant provisions of the Act, with reference to the requirement of an Independent Director and a Woman Director.

The Directors wish to state that despite best efforts, the Company could not identify suitable persons with requisite experience and expertise for induction on the Board. It is the endeavour of the Company to comply with the above at the earliest.

Cost Auditors

The provisions of Section 148 of the Act, mandates the Company to have an audit of its cost records conducted by a Cost Accountant in practice. The Board therefore, on the recommendation of the Audit Committee, has approved the appointment of M/s N.P. Gopalakrishnan & Co, Cost Accountants (Firm Registration Number – 000034) as Cost Auditors to conduct audit of the cost records of the Company for the financial year ending 31st March, 2016 at a remuneration of Rs.65,000/- plus applicable Service Tax and out-of-pocket expenses.

The Notice convening AGM includes an item seeking ratification, by the Members, of remuneration payable to the Cost Auditors.

Internal Financial Controls

The Company has adopted policies and procedures commensurate to the size and nature of Company's business for ensuring the orderly and efficient conduct of the business. Internal Control Systems in the Company are adequate enough to ensure adherence to Company's policies and safeguarding of its assets and prevention and detection of frauds. Internal Auditors review periodically adherence to such policies and procedures and recommend further improvement in the business process as considered necessary. The observations and recommendations of the Internal Auditors are periodically reviewed by Audit Committee.

Risk Management

The Holding Company, Binani Industries Ltd. (BIL) had earlier carried out a risk assessment exercise, which was facilitated by a well known firm of Consultants and through the said exercise, certain risks were identified for BIL and for its operating subsidiaries.

A mitigation plan was also drawn up. The Internal Auditors reviews the steps taken for mitigation of those risks and report to the Audit Committee on an on-going basis. The Audit Committee has an additional oversight in the areas of financial risks and controls.

Vigil Mechanism

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

The said Policy facilitates direct reporting of concerns to the Chairman of the Audit Committee. During the year under review, the Company did not receive any complaint.

Policy against Sexual Harassment at Workplace

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

Subsidiary Companies

At the beginning of the year under review, the Company had three subsidiaries viz., R.B.G. Minerals Industries Ltd ('RBG'), BZ Minerals Australia Pty Ltd ('BZA') and BZ Resources Mauritius Limited ('BZM').

During the year under review, BZA and BZM have been wound-up through the liquidation process.

Financial Statements of Subsidiary

In terms of the proviso to sub section (3) of section 129 of the Act, the salient features of the Financial Statements of subsidiaries are provided in the prescribed form AOC-1, which forms part of the Annual Report. The Company does not have any Associate Company within the meaning of Section 2(6) of the Act. Further, there were no material changes in the nature of business of the subsidiaries.

The Financial Statements in respect of the subsidiary viz., R.B.G. Minerals Industries Ltd., will be kept for inspection of Members at the Registered Office and Corporate Office of the Company till the ensuing AGM. Members, interested in obtaining a copy of Audited Financial Statements of the subsidiary, may write to the Company Secretary, who shall provide a copy of the same upon receipt of such request.

RBG has not yet commenced its business operations for want of allocation of mines.

Directors' Responsibility Statements

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2014-15 and of the profit and loss of the Company for the financial year ended 31st March, 2015;

- The Directors have 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 fraud and other irregularities;
- The Directors have prepared the annual accounts on a going concern basis; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Other disclosures as per the provisions of the Act

- An extract of the annual return in Form MGT-9 as on 31st March, 2015, is enclosed as Annexure D and forms part of this Report.
- Since the operations at plant were shut for most part of the year under review, the Company has nothing specific to report relating to Conservation of Energy and Technology Absorption.
- The details of Foreign Exchange Earnings and Outgo for the year 2014-15 are as below:

(₹ in Lakhs)

Particulars	2014-15	2013-14
Foreign exchange earned	216.56	197.74
Foreign Exchange outgo	63.63	277.90

- During the year under review, the Company incurred ₹ 64.91 lacs on Research and Development.
- In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules, is attached as Annexure A forming part of this Annual Report.
- No order was passed by any Regulator or Court or Tribunal impacting the going concern status and Company's operations in future.
- The Company has not issued any equity shares with differential rights, sweat equity shares or granted any ESOP to its employees. Therefore, no disclosure is required to be given in respect thereof.

The Directors wish to express their appreciation for the continued co-operation of the Central and State Governments, Bankers, Financial Institutions, Customers, Dealers, Suppliers and Shareholders. The Directors also wish to thank all the employees for their contribution, support and continued co-operation throughout the year.

For and on behalf of the Board of Directors
For **Binani Zinc Limited**

Braj Binani
Chairman

Place : Mumbai
Date : 10th August, 2015

ANNEXURE – A

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules, are as under:

Sr. No.	Name	Age	Designation	Remuneration received (₹ in lacs)	Nature of employment, whether contractual or otherwise	Qualifications and experience	Date of commencement of employment	The last employment held before joining the Company
1	Mr. Sushil Bhatler	58	Managing Director	117.18	Contractual	B.E. Chem (Hons) 37 years	1 st February, 2013	Sr. Executive Director of Binani Industries Ltd
2	Mr. Roshan K.	54	Sr. Vice President (Commercial)	62.12	Regular	M.A. (Eco), PGDIM 32 years	7 th July, 1993	Purchase Manager of FACT Ltd

Notes :-

- None of the above employees is relative of any Director nor holds alongwith spouse and dependent children 2% or more in the issued and paid-up share capital of the Company.
- Gross remuneration shown above comprises of salary, allowances, monetary value of perquisites, leave encashment and Company's contribution to Mediclaim and Group Term Life Term Policy, Provident Fund and Loyalty Bonus paid, if any.
- The tenure of the contract with Mr. Sushil Bhatler was upto 31st January, 2016. However, upon superannuation, Mr. Bhatler retired from the services of the Company on 31st March, 2015.

ANNEXURE -B

NOMINATION AND REMUNERATION POLICY

1. BACKGROUND

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

2. OBJECTIVES

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

The Key Objectives of the Committee would be:

- 2.1 To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management Personnel;
- 2.2 To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation by the Board;
- 2.3 To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management Personnel;
- 2.4 To determine remuneration commensurate with the Company's size and financial position and trends with respect to that adopted by the peers in the industry;
- 2.5 To formulate a Policy which will ensure long term sustainability and retention of talented managerial personnel.
- 2.6 To develop a succession plan for the Board and to regularly review thereof.

3. DEFINITIONS

- 3.1 "Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 3.2 "Board" means Board of Directors of the Company.
- 3.3 "Directors" mean Directors of the Company.
- 3.4 "Key Managerial Personnel" (KMP) means
 - 3.4.1 Chief Executive Officer or the Managing Director or the Manager or in their absence a Whole time Director;

3.4.2 Company Secretary;

3.4.3 Chief Financial Officer; and

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

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

4. ROLE OF COMMITTEE

4.1 Terms of Reference

- 4.1.1 To identify persons who are competent to become Directors and who may be appointed as Key Managerial Personnel and Senior Management Personnel in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- 4.1.2 To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board the policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Committee shall ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- 4.1.3 To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance;
- 4.1.4 To formulate criteria for evaluation of Independent Directors and the Board;
- 4.1.5 To carry out evaluation of every Director's performance;
- 4.1.6 To carry out any other function, as may be mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

5. COMPOSITION AND FUNCTIONING OF THE COMMITTEE

5.1 Composition

- 5.1.1 The Committee shall be comprised of a minimum of three Non-Executive Directors, majority of them being Independent Directors.
- 5.1.2 Any two members of the Committee shall constitute a quorum for the Committee meetings.
- 5.1.3 Term of the Committee shall be continued unless terminated by the Board of Directors

5.2 Chairperson of the Committee

5.2.1 Chairperson of the Committee shall be an Independent Director.

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

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

5.3 Frequency of Meetings

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

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

5.4 Secretary

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

5.5 Voting

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

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

5.6 Interested Committee Member not to participate in the meeting.

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

6. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL.**6.1 Appointment Criteria and Qualifications**

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

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

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

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

6.2 Term /Tenure**6.2.1. Managing Director / Whole-time Director:**

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

6.2.2 Independent Director

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on the Company passing of a Special Resolution by the Company and disclosure of such appointment in the Board's Report to the Shareholders.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. .

6.3 Evaluation

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

6.4 Removal

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

6.5 Retirement

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

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

7.1 Remuneration to the Managing Director, Whole-time Director, KMPs and SMPs:

7.1.1. Fixed pay:

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

7.1.2 Minimum Remuneration:

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

7.1.3 Provisions for excess remuneration:

If any Managing / Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the

prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold the same in trust for the Company.

7.2 Remuneration to Non-Executive/ Independent Director.

7.2.1 Remuneration:

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

7.2.2 Sitting Fees:

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

7.3 General

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

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

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

ANNEXURE -C
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

[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,
Binani Zinc Limited
Kolkata, West Bengal.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Binani Zinc Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verifications of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Binani Zinc Limited** as given in **Annexure I** for the financial year ended on 31st March, 2015 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 is not applicable to the company as the Company is an unlisted Company.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder are not applicable for the Company is an unlisted Company.
- (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) We have relied on the Representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major Acts, Laws and Regulations as applicable to the Company is given in **Annexure II**

- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company since Company is an unlisted company.
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Company is not listed on any of the Stock Exchanges; accordingly the Listing Agreement requirements are not applicable to the Company.

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

- a) As on 31st March, 2015, the Company is required to appoint One Woman Director in order to comply with the provisions of Section 149 of the Act. The Company is also required to appoint one more Independent Director. As a result of this, the Audit Committee, Nomination and Remuneration Committee are not

constituted in accordance with the provisions of Section 177 and 178 of the Act.

- b) As per Schedule IV of the Act the Company is required to hold atleast one separate meeting of Independent Director in a year, which could not happen in view of there being only One Independent Director.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors except Independent Director. 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 is given to all Directors to Schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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.

During the audit period the company has given all the details of specific events / actions having a major bearing on the company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc. referred to above.

1. Shifting of Registered Office of the Company from "601, Axis Mall, 6th Floor, Block - C, Action Area - I, New Town, Rajarhat , Kolkata - 700 156" to "37/2, Chinar Park, New Town, Rajarhat Main Road, P.O. Hatiara, Kolkata-700157",w.e.f 7th August, 2014.
2. The Company is a Sick Company as per the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) and accordingly an application was made by the Company to the Board for Industrial & Financial Reconstruction (BIFR) on 3rd November, 2014.

FOR AABID & CO.

Place : Mumbai
Date : 27/05/2015

(DIPA KUDALKAR)
PARTNER
A.C.S. : 22283
C.P. No. : 14244

ANNEXURE-I TO SECRETARIAL AUDIT REPORT**LIST OF DOCUMENTS VERIFIED**

1. Memorandum of Association & Articles of Association of the Company.
2. Annual Report for the Financial Year ended 31st March 2014.
3. Minutes of the Meetings of the Board of Directors, Audit Committee along with Attendance Register held.
4. Minutes of General Body Meetings held during the Financial Year under report.
5. Statutory Registers viz.
 - Register of Directors & Key Managerial Personnel.
 - Register of Members and their shareholding.
 - Register of Transfer of Shares.
 - Register of Contracts with Related party and contracts and Bodies etc in which directors are interested.
 - Register of Directors Attendance for Board Meetings and Audit Committee.
 - Register of charges.
6. Agenda papers submitted to all the Directors / Members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions 184 (1) and Rule 9 (1) of the Companies Act, 2013.
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of Companies Act, 2013 and attachments thereof during the Financial Year under report.
9. Documents for Shifting of Registered office of the Company.

FOR AABID & CO.

Place : Mumbai
Date : 27/05/2015

(DIPA KUDALKAR)
PARTNER
A.C.S. : 22283
C.P. No. : 14244

ANNEXURE - II TO SECRETARIAL AUDIT REPORT**List of applicable Laws to the Company****List of applicable Laws to the Company and its plants situated at:**

Registered Office: 37/2, Chinar Park, New Town, Rajarhat Main Road, P.O. Hatiara, Kolkata- 700157

Corporate office: Mercantile Chambers, 12, J.N. Heredia Marg ,Ballard Estate, Mumbai – 400 001

Plant Location: Binanipuram, Ernakulam District ,Kerala – 683 502

Under the Major Group and Head:

1. Factories Act, 1960.
2. Central Excise Act, 1944.
3. The Minimum Wages Act, 1948.
4. Acts prescribed under Prevention and Control of Pollution.
5. Acts prescribed under Environmental Protection.
6. Land Revenue Laws of respective States.
7. Secretarial Standards issued by The Institute of Company Secretaries of India;
8. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
9. The Employee's State Insurance Act, 1948;
10. Income –Tax Act, 1961, Rules and Regulations made thereunder;
11. Service Tax Laws as applicable;
12. The Profession Tax Act, 1975.
13. Local Laws as applicable to the Company.
14. Other Acts as prescribed under Direct Tax and Indirect Tax.
15. Other incidental laws related to the Employees appointed by the Company as related to Gratuity, Compensation etc.;

FOR AABID & CO.

Place : Mumbai
Date : 27/05/2015

(DIPA KUDALKAR)
PARTNER
A.C.S. : 22283
C.P. No. : 14244

ANNEXURE -D Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31st March, 2015

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

I REGISTRATION AND OTHER DETAILS

i)	CIN	U27204WB2000PLC091214
ii)	Registration Date	25/02/2000
iii)	Name of the Company	Binani Zinc Limited
iv)	Category/Sub-Category of the Company	Public Company/limited by shares
v)	Address of the Registered office and contact details	37/2. Chinar Park, New Town, Rajarhat, Main Road, P.O. Hatiara, West Bengal - 700157
vi)	Whether Listed Company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agents, if any	Link Intime India Pvt. Ltd C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078 Tel: 022-25946970 Fax: 022-25946969 Email: rnt.helpdesk@linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/Service	% to total turnover of the Company
1	Zinc and its alloys	24203	96.79

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
1	Binani Industries Limited 37/2. Chinar Park, New Town, Rajarhat, Main Road, P.O. Hatiara, West Bengal - 700157.	L24117WB1962PLC025584	Holding Company	89.9	2(46)
2	R.B.G. Minerals Industries Limited 22, Shubham Enclave, Parivahan Marg, C-Scheme, Jaipur, Rajasthan-302 001.	U27101RJ1997PLC014021	Subsidiary	100	2(87)

IV SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	6,07,88,138	6,07,88,138	89.899	-	6,07,88,138	6,07,88,138	89.899	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	-	6,07,88,138	6,07,88,138	89.899	-	6,07,88,138	6,07,88,138	89.899	-
(2) Foreign									
(a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp	-	-	-	-	-	-	-	-	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	6,07,88,138	6,07,88,138	89.899	-	6,07,88,138	6,07,88,138	89.899	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	103	103	0.000	-	103	103	0.000	-
b) Banks / FI	6,54,117	5,119	6,59,236	0.975	6,54,117	5,119	6,59,236	0.975	-
c) Central Govt	-	20	20	0.000	-	20	20	0.000	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	1,793	-	1,793	0.003	1,793	-	1,793	0.003	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)									
Foreign Financial Institution	-	1,042	1,042	0.002	-	1,042	1,042	0.002	-
Sub-total (B)(1):-	6,55,910	6,284	6,62,194	0.979	6,55,910	6,284	6,62,194	0.979	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	42,785	31,46,981	31,89,766	4.717	52,778	32,10,202	32,62,980	4.826	0.108
ii) Overseas	576	2,793	3,369	0.005	576	3,369	3,369	0.005	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	8,93,890	11,42,997	20,36,887	3.012	9,13,483	11,23,495	20,36,978	3.012	0.000
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	25,161	32,500	57,651	0.085	25,161	32,490	57,651	0.085	-
c) Others (specify)									
Clearing member	2,240	-	2,240	0.003	2,160	-	2,160	0.003	(0.000)
Non-Resident Indians	41,964	5,46,691	5,88,655	0.871	40,158	4,75,936	5,16,094	0.763	(0.107)
Hindu Undivided Family	-	2,88,502	2,88,502	0.427	-	2,88,484	2,88,484	0.427	(0.000)
Trusts	646	34	680	0.001	-	34	34	0.000	(0.001)
Sub-total (B)(2):-	10,07,262	51,60,498	61,67,750	9.121	10,34,316	51,34,010	61,67,750	9.121	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	16,63,172	51,66,782	68,29,944	10.101	16,90,226	51,40,294	68,29,944	10.101	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	16,63,172	6,59,54,920	6,76,18,082	100.000	16,90,226	6,59,28,432	6,76,18,082	100.000	-

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	BINANI INDUSTRIES LIMITED	6,07,88,138	89.899	-	6,07,88,138	89.899	-	-

iii) Change in Promoters' Shareholding

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	BINANI INDUSTRIES LIMITED				
	At the beginning of the year	6,07,88,138	89.899	6,07,88,138	89.899
	No change	-	-	6,07,88,138	89.899
	At the end of the year	6,07,88,138	89.899	6,07,88,138	89.899

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	DHARMIK COMMODEAL PVT LTD				
	At the beginning of the year	10,98,173	1.624	10,98,173	1.624
	30.09.2014 (pursuant to Scheme of Amalgamation)	(10,98,173)	(1.624)	-	-
	At the end of the year	-	-	-	-
2	VIJAYSHREE HOLDINGS PVT LTD				
	At the beginning of the year	8,79,000	1.300	8,79,000	1.300
	30.09.2014 (pursuant to Scheme of Amalgamation)	(8,79,000)	(1.300)	-	-
	At the end of the year	-	-	-	-
3	K.B. VYAPAR PVT LTD				
	At the beginning of the year	8,75,317	1.295	8,75,317	1.295
	30.09.2014 (pursuant to Scheme of Amalgamation)	(8,75,317)	(1.295)	-	-
	At the end of the year	-	-	-	-
4	LIFE INSURANCE CORPORATION OF INDIA				
	At the beginning of the year	3,66,794	0.542	3,66,794	0.542
	No change	-	-	3,66,794	0.542
	At the end of the year	3,66,794	0.542	3,66,794	0.542
5	THE NEW INDIA ASSURANCE COMPANY LIMITED				
	At the beginning of the year	2,47,373	0.366	2,47,373	0.366
	No change	-	-	2,47,373	0.366
	At the end of the year	2,47,373	0.366	2,47,373	0.366
6	MIRACLE SECURITIES PVT LTD				
	At the beginning of the year	1,02,000	0.151	1,02,000	0.151
	No change	-	-	1,02,000	0.151
	At the end of the year	1,02,000	0.151	1,02,000	0.151

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
7	MIRACLE COMPOSITES PVT. LTD				
	At the beginning of the year	1,00,000	0.148	1,00,000	0.148
	30.09.2014 (pursuant to Scheme of Amalgamation)	(1,00,000)	(0.148)	-	-
	At the end of the year	-	-	-	-
8	PORNTHPE SRICHAWLA				
	At the beginning of the year	69,951	0.103	69,951	0.103
	6/3/2015 (Transfer)	(69,951)	(0.103)	-	-
	At the end of the year	-	-	-	-
9	"SUSHIL BHATTER & V SUBRAMANIAN A/C CONSOLIDATION OF FRACTIONS"				
	At the beginning of the year	32,490	0.048	32,490	0.048
	No change	-	-	32,490	0.048
	At the end of the year	32,490	0.048	32,490	0.048
10	SAJJID A KHAN				
	At the beginning of the year	25,211	0.037	25,211	0.037
	No change	-	-	25,211	0.037
	At the end of the year	25,211	0.037	25,211	0.037
11	LOK PRAKASHAN LTD				
	At the beginning of the year	25,136	0.037	25,136	0.037
	No change	-	-	25,136	0.037
	At the end of the year	25,136	0.037	25,136	0.037
12	ORIENTAL BANK OF COMMERCE				
	At the beginning of the year	23,076	0.034	23,076	0.034
	No change	-	-	23,076	0.034
	At the end of the year	23,076	0.034	23,076	0.034
13	BANK OF BARODA				
	At the beginning of the year	11,538	0.017	11,538	0.017
	No change	-	-	11,538	0.017
	At the end of the year	11,538	0.017	11,538	0.017
14	NAVADIA MANJIBHAI HARJIBHAI				
	At the beginning of the year	8,232	0.012	8,232	0.012
	No change	-	-	8,232	0.012
	At the end of the year	8,232	0.012	8,232	0.012

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
15	MAYUR ENCLAVE PRIVATE LIMITED				
	At the beginning of the year	3,054	0.005	3,054	0.005
	20-03-2015(Transfer)	10,960	0.016	14,014	0.021
	At the end of the year	14,014	0.021	14,014	0.021
16	TRITON TRADING CO PVT. LTD				
	At the beginning of the year	4,995	0.007	4,995	0.007
	30.09.2014 (pursuant to scheme of Amalgamation)	29,52,490	4.366	29,57,485	4.374
	06.03.2015(Transfer)	69,951	0.103	30,27,436	4.477
	At the end of the year	30,27,436	4.477	30,27,436	4.477

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	BRAJ BINANI (Chairman)				
	At the beginning of the year	12,259	0.018	12,259	0.018
	No change in holding	-	-	12,259	0.018
	At the End of the year	12,259	0.018	12,259	0.018
2	SUSHIL BHATTER (Managing Director)				
	At the beginning of the year	46	0.000	46	0.000
	11.04.2014 (Transfer)	(46)	(0.000)	-	-
	At the End of the year	-	-	-	-

V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (1-4-2014)				
i) Principal Amount	6,226	-	-	6,226
ii) Interest due but not paid	10	-	-	10
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	6,236	-	-	6,236
Change in Indebtedness during the financial year				-
Addition	16,884	-	-	16,884
Reduction	2,150	-	-	2,150
Net Change	14,734	-	-	14,734

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the financial year (31-3-2015)				-
i) Principal Amount	18,705	-	-	18,705
ii) Interest due but not paid	2,255	-	-	2,255
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	20,960	-	-	20,960

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD
		Sushil Bhatler
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,13,80,615*
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3,37,347
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	-
5	Others	-
	Total (A)	1,17,17,962
	Ceiling as per the Act	84,00,000

* The amount includes leave encashment and gratuity paid to Mr. Bhatler on his retirement

B. Remuneration to other Directors:

Particulars of Remuneration Name of Directors	Name of Directors				Total Amount
	Braj Binani	V. Subramanian	TRC Nair	Rahul Asthana	
Category	Non-Executive Chairman	Non-Executive Director	Non-Executive Director	Independent Director	
Fee for attending Board / Committee meetings	70,000	1,95,000	25,000	1,60,000	4,50,000
Commission	-	-	-	-	-
Others	-	-	-	-	-
Total (B)	70,000	1,95,000	25,000	1,60,000	4,50,000
Total Managerial Remuneration*					1,17,17,962
Overall Ceiling as per the Act					84,00,000

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

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,55,206	8,00,280	20,55,486
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
5	Others	-	-	-
	Total	12,55,206	8,00,280	20,55,486

VIII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To
The Members of Binani Zinc Limited
Kolkata

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Binani Zinc Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015, and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

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

- a) Note No.32 of the financial statements stating that the net worth of the company has been fully eroded and a reference has been made by the company to the Board for Industrial and Financial Reconstruction, which, along with other matters as stated in the Note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, for the reasons stated in the said Note, the management is of the opinion that it is possible to revive and turnaround the Company and to continue as a going concern, and accordingly the accounts of the company are drawn up on a going concern basis.
- b) Note No.33 of the financial statements stating that in the opinion of the management, there is no impairment in the value of the fixed assets to be recognized in the accounts at this stage, within the meaning of Accounting Standard

(AS) 28 – Impairment of Assets, notified by the Companies Accounting Standards Rules 2006, which is however dependant on various uncertainties over its ability to continue as a going concern, as stated therein.

Our report is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2015 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) In our opinion, the matters described in sub paragraphs(a) and (b), under the Emphasis of Matters paragraph above regarding the ability of the Company to continue as a going concern and regarding the impairment in the value of the fixed assets, may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27, Note 27.2, Note 27.3 in the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Varma & Varma
Chartered Accountants
(FRN:004532S)

Vivek Krishna Govind
Partner
Membership No.208259

Place : Camp Mumbai
Date: 30th May, 2015

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BINANI ZINC LIMITED FOR THE YEAR ENDED 31ST MARCH 2015

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) We are informed that all the fixed assets have been physically verified by the management during the year, which, in our opinion is reasonable having regard to the size of the Company and the nature of operations of the Company and that no material discrepancies were noticed on such verification.
2. (a) We are informed that the inventory have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) In our opinion and according to the explanations given to us, the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanation given to us, the Company is maintaining proper records of inventory and discrepancies noticed on physical verification were properly dealt with in the books of account by the management.
3. (a) According to the information and explanations given to us and the records of the company examined by us, the company has placed inter-corporate deposits with its holding company, Binani Industries Limited. The Company has not granted any other loans to the parties covered in the register maintained under Section 189 of Act.
- (b) The principal amount of the inter-corporate deposits is repayable on demand. According to the information and explanations given to us no demands have been made by the Company for the repayment of the principal. The party has not been regular in remitting the amount of interest, which is repayable half yearly and an amount of ₹ 635.97 lakhs is outstanding towards interest as at 31st March, 2015.
- (c) According to the information and explanations given to us, the Company has taken reasonable steps for recovery of the overdue interest amounts in respect of the above inter-corporate deposits.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the internal control systems.
5. The Company has not accepted any deposits from the public during the year and hence, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder are not applicable.
6. The maintenance of cost records had been prescribed by the Central Government under Section 2(13) read with section 148 of the Act. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148 of the Act, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determine whether they are accurate or complete.
7. (a) As per the information and explanations furnished to us and according to our examination of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employee’s State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues as applicable to the Company with the appropriate authorities during the year.
There are no arrears of undisputed statutory dues outstanding at the last day of the financial year for a period of more than six months from the date on which they became payable except for import duties amounting to ₹ 2,944.68 lakhs which are not paid pending the final assessment thereof.

- (b) According to the information and explanations given to us and the records of the Company examined by us, the following disputed amounts of tax demanded (including those related to the erstwhile Zinc Division of the holding company Binani Industries Limited) have not been deposited with the authorities as at 31st March, 2015 as per the details given below.

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty including penalty (Service tax credit on forward exchange contracts)	1.35	2007-08	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty (Modvat credit)	2.40	2000-01* 2001-02* 2002-03*	High Court of Kerala, Ernakulam
	Excise duty including penalty (Service tax credit on forward exchange contracts)	0.70	2009-10	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on forward exchange contracts)	0.71	2009-10	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Public Welfare Activities)	0.44	2008-09	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on forward exchange contracts)	1.19	2012-13	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on forward exchange contracts)	1.22	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on forward exchange contracts)	1.13	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on forward exchange contracts)	0.39	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on forward exchange contracts)	0.31	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty penalty (service tax credit on supplementary invoices)	31.83	2009-10	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Canteen Activities)	0.93	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on carriage outwards)	48.58	2008-09	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on carriage outwards)	90.88	2007-08	Customs, Excise and Service Tax, Appellate Tribunal, Bangalore
	Excise duty including penalty (service tax credit on selling commission)	26.96	2005-06	Customs, Excise and Service Tax, Appellate Tribunal, Bangalore
	Excise duty penalty (service tax credit on rent & hire charges)	1.10	2010-11 2011-12	Commissioner of Central Excise, Customs & Service Tax (Appeals)

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Indian Customs Act, 1962	Customs duty(Concessional Duty)	78.40	1984-85*	Asst. Commissioner of Customs, Kochi
	Customs duty(Item classification)	0.56	1995-96*	Customs, Excise and Service Tax, Appellate Tribunal, Chennai
	Customs duty (Item classification)	11.09	1993-94*	Customs, Excise and Service Tax, Appellate Tribunal, Chennai
Income Tax Act ,1961	Income Tax and interest thereon	6.29	2009-10	Commissioner of Income Tax (Appeals), Kolkata
Kerala VAT Act, 2005	Sales Tax dues and interest thereon	194.69	2007-08	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax dues and interest thereon	243.75	2006-07	Asst. Commissioner (Appeals), Commercial Taxes, Ernakulam
	Central Sales Tax dues and Interest thereon	62.04	2007-08	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax dues and interest thereon	178.34	2008-09	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax dues and interest thereon	92.44	2009-10	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam

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

- (c) As per the information and explanations furnished to us by the management, there are no amounts to be deposited towards Investor Education and Protection Fund and hence the reporting requirements under clauses (vii) (c) of the paragraph 3 of the Order are not applicable.
8. The company's accumulated losses as at 31st March,2015 are more than fifty per cent of its net worth and the company has incurred cash losses both in the current year ended 31st March,2015 and in the immediately preceding financial year, as per the accounts of the Company read with the Notes thereon.
9. According to the information and explanations given to us and the records of the Company examined by us, the Company has defaulted in repayment of dues to banks,particulars of which are as follows:

Name of bank	Nature of Instrument	Period of default (in Days)	Amount of Default (₹ in lakhs)
Punjab National Bank	Letter of credit	378	4,141.12
Oriental Bank of Commerce	Letter of credit	377	3,481.83
Punjab National Bank	Letter of credit	303	4,581.98
Oriental Bank of Commerce	Letter of credit	236	5,401.33
Punjab National Bank	Letter of credit	107	4,211.19*

(*Net of repayment of ₹ 434 lakhs)

10. According to the information and explanations given to us and as stated in Note No.27.1 to the financial statements, the Company has given irrevocable and unconditional corporate guarantees to financial institutions and banks in respect of loans availed by the Holding company, Binani Industries Limited and by other subsidiaries/step down subsidiaries of the Holding company aggregating to ₹ 2,06,354 Lakhs. In our opinion, the terms and conditions on which such guarantees have been given are not prima facie prejudicial to the interests of the company.
11. According to the information and explanations given to us and the records of the Company examined by us, the Company has not availed any term loan and hence reporting requirements under clause (xi) of paragraph 3 of the Order are not applicable.
12. 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, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

Place : Camp Mumbai
Date : 30th May, 2015

For Varma & Varma
Chartered Accountants
(FRN:004532S)

Vivek Krishna Govind
Partner
Membership No.208259

BALANCE SHEET AS AT 31ST MARCH, 2015

(₹ in Lakhs)

PARTICULARS	Note No.	31st March, 2015	31st March, 2014
I. EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
(a) Share Capital	2	6,761.81	6,761.81
(b) Reserves and Surplus	3	(9,809.95)	(4,505.32)
		(3,048.14)	2,256.49
2. NON-CURRENT LIABILITIES			
(a) Long -Term Provisions	4	162.20	98.48
		162.20	98.48
3. CURRENT LIABILITIES			
(a) Short-Term Borrowings	5	20,960.54	6,235.71
(b) Trade Payables	6	2,625.31	16,164.18
(c) Other Current Liabilities	7	2,225.31	3,437.54
(d) Short-Term Provisions	8	269.77	223.53
		26,080.93	26,060.96
TOTAL		23,194.99	28,415.93
II. ASSETS			
1. NON-CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible Assets	9	6,951.42	7,866.47
(ii) Intangible Assets	9	3.85	5.53
(iii) Capital Work-in-Progress	10	3,124.48	3,073.18
(b) Non-Current Investments	11	522.89	523.27
(c) Deferred Tax Assets (net)	12	-	-
(c) Long-Term Loans and Advances	13	847.16	981.26
		11,449.80	12,449.71
2. CURRENT ASSETS			
(a) Inventories	14	2,731.53	4,688.87
(b) Trade Receivables	15	0.74	0.71
(c) Cash and Cash Equivalents	16	867.97	2,333.85
(d) Short-Term Loans and Advances	17	8,096.24	8,666.05
(e) Other Current Assets	18	48.71	276.74
		11,745.19	15,966.22
TOTAL		23,194.99	28,415.93
Summary of Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our separate report of even date attached

For Varma & Varma
Chartered Accountants
(FRN:004532S)

Vivek Krishna Govind
Partner
Membership No.208259

Place : Camp Mumbai
Date : 30th May, 2015

Rajesh Hegde
Company Secretary

For and on behalf of
the Board of Directors

Braj Binani
Chairman
DIN : 00009165

V. Subramanian
Director
DIN : 00010994

Place : Mumbai
Date : 30th May, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in Lakhs)

PARTICULARS		Note No.	31st March, 2015	31st March, 2014
I	REVENUE FROM OPERATIONS	19		
	Sale of Products		11,322.93	38,922.30
	Other Operating Revenue		227.32	462.77
	Less: Excise Duty		1,140.43	4,350.02
	Total Revenue from Operations		10,409.82	35,035.05
II	OTHER INCOME	20	905.17	1,060.77
III	Total Revenue		11,314.99	36,095.82
IV	EXPENSES			
	Cost of Materials Consumed	21	5,906.91	22,731.46
	Changes in Inventories of Finished Goods and Work-In Process	22	1,737.17	(1,208.85)
	Employee Benefits Expense	23	2,257.27	2,345.85
	Finance Costs	24	2,560.21	611.38
	Depreciation and Amortisation Expense	9	814.40	763.23
	Other Expenses	25	3,241.55	13,601.15
V	Total Expenses		16,517.51	38,844.22
VI	Loss before tax		(5,202.52)	(2,748.40)
VII	Tax Expense:			
	Deferred tax		-	244.00
VIII	Loss for the Period		(5,202.52)	(2,504.40)
IX	Earnings per Share(Basic/Diluted) (in ₹) (Nominal value of share ₹10/-)	26	(7.69)	(3.70)
Summary of Significant Accounting Policies		1		
The accompanying notes are an integral part of the Financial Statements.				

As per our separate report of even date attached

For Varma & Varma
Chartered Accountants
(FRN:004532S)

Vivek Krishna Govind
Partner
Membership No.208259

Place : Camp Mumbai
Date : 30th May, 2015

Rajesh Hegde
Company Secretary

For and on behalf of
the Board of Directors

Braj Binani
Chairman
DIN : 00009165

V. Subramanian
Director
DIN : 00010994

Place : Mumbai
Date : 30th May, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
A. Cash Flow From Operating Activities		
Earnings before exceptional and extraordinary items and tax	(5,202.52)	(2,748.40)
Adjustments for :		
Depreciation / Amortization	422.72	763.23
Impairment of Fixed Assets	391.68	-
Interest and Finance Charges	2,560.21	937.38
Liabilities no longer payable written back	(30.22)	12.87
Investments in Foreign Subsidiary written off	-	16.06
Loss/(Profit) on repatriation of capital of Foreign Subsidiary	(0.54)	-
Dividend income received from Foreign Subsidiary	(31.64)	-
Tax on dividend income	2.37	-
Unrealised (Gain) / Loss on Exchange Rate Fluctuation (Net)	(0.01)	(160.45)
Loss/(Profit) on sale/disposal of Fixed Assets	-	(3.08)
Interest Income	(836.07)	(1,052.61)
Operating Profit Before Working Capital Changes	(2,724.02)	(2,235.00)
Adjustments for :		
Inventories	1,957.34	5,181.74
Trade and Other Receivables	656.42	719.99
Trade and Other Payables	(14,550.01)	(6,659.71)
Cash Generated from Operations	(14,660.27)	(2,992.98)
Extra-ordinary Item	-	-
Direct Taxes Paid (including TDS)	(22.61)	(104.28)
Net Cash from/(used in) Operating Activities	(14,682.88)	(3,097.26)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (including capital work - in - progress)	232.14	(2,415.49)
Sale of Fixed Assets	0.22	3.70
Investment in subsidiary	-	(5.00)
Inter - Corporate Deposits (given)/received back(net)	339.00	85.00
Other Current Assets	9.41	(254.02)
Repatriation of Investment from Foreign subsidiary (including foreign exchange gain)	0.48	0.88
Dividend received from foreign subsidiary (net of tax)	29.25	-
Interest Income Received	151.00	1,040.72
Net Cash from/(used in) Investing Activities	761.50	(1,544.21)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long Terms Borrowing	-	(1,125.00)
Interest & Finance Charges paid	(1,396.13)	(964.73)
Proceeds / Repayment from Short Term Borrowings (Net)	13,851.63	5,111.67
Net Cash from / (used in)Financing Activities	12,455.50	3,021.94
D. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(1,465.88)	(1,619.53)
E. OPENING CASH & CASH EQUIVALENTS	2,333.85	3,953.38
F. CLOSING CASH & CASH EQUIVALENTS (D+E)	867.97	2,333.85

Note : Cash and Cash Equivalents at the end of the year includes ₹ 176.06 Lakhs (₹ 2,046.64 Lakhs) under lien which is not available for use as on the Balance Sheet date.

As per our separate report of even date attached

For Varma & Varma
 Chartered Accountants
 (FRN:004532S)

Vivek Krishna Govind
 Partner
 Membership No.208259
 Place : Camp Mumbai
 Date : 30th May, 2015

Rajesh Hegde
 Company Secretary

For and on behalf of
 the Board of Directors

Braj Binani
 Chairman
 DIN : 00009165

V. Subramanian
 Director
 DIN : 00010994
 Place : Mumbai
 Date : 30th May, 2015

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1. BASIS OF ACCOUNTING

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act 2013 ("the 2013 Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1.2. USE OF ESTIMATES

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are based on the management's best knowledge of current events and actions. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

1.3. REVENUE RECOGNITION

Sales are recognised on transfer of title of the goods to the customers. Other incomes are recognised on accrual basis except when there are significant uncertainties.

1.4. TANGIBLE FIXED ASSETS

Tangible Fixed Assets are stated at cost, net of cenvat, less accumulated depreciation and impairment in value, if any. Interest and Finance costs, if any in respect of loan for financing Fixed Assets, are capitalized till the date the assets are ready for use. Subsequent expenditure related to an item of tangible fixed assets is added to its book value only if it increases the future benefits arising from the existing assets beyond its previously assessed standard of performance. Costs include trial run, stabilization expenses and incidental expenses up to the date of capitalisation.

1.5. INTANGIBLE FIXED ASSETS

Intangible Assets acquired separately are measured on initial recognition at cost. Intangible assets are amortised on a straight line basis over the estimated useful economic life. Expenditure on major computer software is amortised over the period of expected benefit not exceeding five years.

1.6. DEPRECIATION AND AMORTISATION

Depreciation on plant and machinery (except office equipments and transport equipment) is provided on Straight Line Method on the basis of the useful life in the manner prescribed as per Schedule II of The Companies Act, 2013.

Depreciation on other fixed assets, office equipments and transport equipments is provided on Written Down Value Method on the basis of the useful life in the manner prescribed as per Schedule II of The Companies Act, 2013.

1.7. IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

Impairment loss is charged to the Statement of Profit and Loss in the period in which, an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. At the end of each reporting period, the Company determines whether a provision should be made for impairment loss on tangible and intangible assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets" issued under Accounting Standards Rules, 2006. The impairment loss recognised in the prior accounting periods is reversed, if there has been a change in the estimate of recoverable amount.

1.8. VALUATION OF INVENTORIES

Raw Materials are valued at lower of weighted average cost (net of cenvat) and net realisable value. Work-in-process is valued at lower of cost and net realisable value.

Stores and Spares have been valued at lower of weighted average cost (net of cenvat) and net realisable value.

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

By-products are valued at estimated selling price.

1.9. INVESTMENTS

Long term investments are stated at cost. Provision is made to recognize any diminution other than temporary in the value of such investments. Current investments are carried at lower of cost and fair value.

1.10. EXPORT INCENTIVES

Export incentives are recognised on exports on accrual basis, and based on the estimated realisable value of such entitlements.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

1.11. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are accounted at the exchange rate prevailing on the date of each transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss. In the case of forward contracts, the premium/discount is dealt with in the Statement of Profit and Loss over the period of the contracts and exchange difference on such contracts are recognised in the reporting period in which the exchange rates change.

1.12. EMPLOYEE BENEFITS

Defined Contribution Plans

The company has defined contribution plans for employees comprising of Government administered Provident Fund, Employees State Insurance and Pension Plans. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year.

Defined Benefit Plans

(i) Gratuity

The company makes contributions to the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India. The net present value of the obligation for gratuity benefits as determined on actuarial valuation conducted annually using the projected unit credit method, as adjusted for unrecognised past services cost, if any, and as reduced by the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

(ii) Loyalty

The company has a scheme for payment of loyalty on retirement to eligible employees. The scheme is unfunded and the present value of obligation as determined on actuarial valuation conducted annually using the projected unit credit method is recognised in the accounts. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

Other Long term employee benefits

Compensated absences

The company has a scheme for compensated absences for employees, the liability of which is determined

on the basis of an actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

Short-term employee benefits

All employee benefits which are wholly due within twelve months of rendering the services are recognised in the period in which the employee rendered the related services.

1.13. BORROWING COSTS

Borrowing costs which are directly attributable to acquisition, construction or production of a qualifying asset are capitalized as a part of the cost of that asset. Other borrowing costs are recognised as expenses in the period in which they are incurred.

1.14. INCOME TAX

Income tax is accounted in accordance with Accounting Standard 22 'Accounting for taxes on income', issued under Accounting Standards Rules 2006, which includes current tax and deferred tax. Deferred income tax reflect the impact of the current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available, except that deferred tax assets arising due to unabsorbed losses are recognised only if there is a virtual certainty that sufficient future taxable income will be available to realize the same.

1.15. PROVISIONS AND CONTINGENT LIABILITIES

Provision is made in the accounts if it becomes probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Contingent liabilities are not provided for, but are disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the accounts.

1.16. RISK MANAGEMENT TRANSACTIONS

The company uses derivative instruments to hedge the risk of movements in commodity prices. The use of these instruments reduces the risk or cost to the company and the company does not use such instruments for trading or speculation purposes. The company recognises gain or loss on effective hedges on settlement. Unrealised gain/loss as at the Balance sheet date is not recognised.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 2. SHARE CAPITAL

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Authorised:		
7,50,00,000 (Previous Year 7,50,00,000) Equity Shares Par Value of ₹10/- per Share	7,500.00	7,500.00
	<u>7,500.00</u>	<u>7,500.00</u>
Issued, Subscribed and Fully Paid up:		
6,76,18,082 (Previous Year 6,76,18,082) Equity Shares Par Value of ₹10/- per Share (Refer Notes 2.1 to 2.4 below)	6,761.81	6,761.81
Total	<u>6,761.81</u>	<u>6,761.81</u>

2.1 RECONCILIATION OF NUMBER OF SHARES

PARTICULARS	31st March, 2015	31st March, 2014
Number of shares outstanding at the beginning of the year	6,76,18,082	6,76,18,082
Number of shares outstanding at the end of the year	6,76,18,082	6,76,18,082

2.2 TERMS/RIGHTS ATTACHED TO EQUITY SHARES

The company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share.

2.3 Number of shares held by Holding Company, Binani Industries Limited are given in Note 2.4 below:

2.4 Details of Shareholders holding more than 5% shares in the Company as at the end of the year:

NAME OF SHAREHOLDER	No. of Shares Held	% of Holding
Binani Industries Limited, Holding Company		
As at 31.03.2015	6,07,88,138	89.90%
As at 31.03.2014	6,07,88,138	89.90%

NOTE NO. 3. RESERVES AND SURPLUS

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Surplus/(Deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	(4,505.32)	(2,000.92)
Add: Profit/(Loss) for the year as per Statement of Profit and Loss	(5,202.52)	(2,504.40)
Add/(Less): Depreciation on transition to Schedule II of the Companies Act, 2013 on fixed assets with nil remaining useful life (Refer Note 9.4)	(102.11)	-
Total	<u>(9,809.95)</u>	<u>(4,505.32)</u>

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 4. LONG -TERM PROVISIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Provision for Employee Benefits: (Refer Note 4.1 below)		
For Leave Encashment	63.75	57.54
For Loyalty (Refer Note 30.2.2)	47.32	40.94
For Gratuity (Refer Note 30.2.1)	51.13	-
Total	162.20	98.48

4.1 Short-Term components of provision for employee benefits are disclosed under 'Short-term Provisions' in Note 8.

NOTE NO. 5. SHORT- TERM BORROWINGS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Loans Repayable on Demand		
From Banks:		
Cash Credit (Secured, Refer Note 5.1 below)	13,521.98	4,635.80
Temporary Loan (Secured, Refer Note 5.1 below)	7,438.56	1,599.91
Total	20,960.54	6,235.71

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

5.2. Period and amount of default as on the balance sheet date in respect of loans and devolved letters of credit (excluding interest):

PARTICULARS	31st March, 2015	Period (In months)
Letters of Credit devolved during the year 2013-14 (₹ In Lakhs)	4,141.12	13
	3,481.83	13
Letters of Credit devolved during the year 2014-15 (₹ In Lakhs)	4,581.98	10
	5,401.33	8
	4,211.19	4

PARTICULARS	31st March, 2014	Period (In months)
Letters of Credit devolved during the year 2013-14 (₹ In Lakhs)	4,141.12	1
	3,481.83	1

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 6. TRADE PAYABLES

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Trade Payables (including acceptances) (Refer Note 6.1 below)	2,625.31	16,164.18
Total	2,625.31	16,164.18

6.1 AMOUNT DUE TO MICRO AND SMALL ENTERPRISES

The Company has initiated the process of identifying the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March, 2015, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

NOTE NO. 7. OTHER CURRENT LIABILITIES

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Other Payables:		
Security Deposit Received	61.88	61.88
Advance from Customers	152.87	1,308.71
Other Liabilities (Refer Note 7.1 below)	2,010.56	2,066.95
Total	2,225.31	3,437.54

7.1. OTHER LIABILITIES

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Customs Duty on Zinc Concentrate	474.88	351.69
Other Statutory Dues	63.95	56.15
Forward Contract Premium Payable	-	473.18
Creditors for Capital Goods	565.51	274.44
Retention Money	381.30	380.59
Others	524.92	530.90
Total	2,010.56	2,066.95

NOTE NO. 8. SHORT -TERM PROVISIONS

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Provision for Employee Benefits: (Refer Note 4.1)		
For Leave Encashment	4.47	3.43
For Gratuity (Refer Note 30.2.1)	44.77	-
For Loyalty (Refer Note 30.2.2)	0.49	0.06
Other Provisions:		
Provision for Disputed Electricity Demands	220.04	220.04
Total	269.77	223.53

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 9. FIXED ASSETS

(₹ in Lakhs)

Particulars	Gross Block (At Cost)				Accumulated Depreciation					Net Block	
	01-04-2014	Additions	Deletions	31-03-2015	01-04-2014	Adjusted to Reserves	For the year	Deletions/ Adjustments	31-03-2015	01-04-2014	31-03-2015
Tangible Assets											
Land (Refer Note 9.1)	274.73 (274.73)	- (-)	- (-)	274.73 (274.73)	- (-)	- (-)	- (-)	- (-)	- (-)	274.73 (274.73)	274.73 (274.73)
Buildings (Including Roads)	1,625.32 (1,625.32)	- (-)	- (-)	1,625.32 (1,625.32)	1,008.58 (952.59)	27.32 (-)	57.73 (55.99)	- (-)	1,093.63 (1,008.58)	616.74 (672.73)	531.69 (616.74)
Plant and Equipment (Refer Note 9.2)	22,951.53 (22,910.12)	- (46.08)	0.83 (4.67)	22,950.70 (22,951.53)	16,030.55 (15,341.02)	68.50 (-)	733.63 (693.58)	0.61 (4.05)	16,832.07 (16,030.55)	6,920.98 (7,569.10)	6,118.63 (6,920.98)
Furniture and Fixtures (Refer Note 9.3)	204.32 (203.38)	- (0.94)	- (-)	204.32 (204.32)	173.25 (167.20)	6.10 (-)	10.99 (6.05)	- (-)	190.34 (173.25)	31.07 (36.18)	13.98 (31.07)
Vehicles	146.37 (164.70)	- (-)	- (18.33)	146.37 (146.37)	123.42 (135.82)	0.19 (-)	10.37 (5.93)	- (18.33)	133.98 (123.42)	22.95 (28.88)	12.39 (22.95)
Total	<u>25,202.27</u>	<u>-</u>	<u>0.83</u>	<u>25,201.44</u>	<u>17,335.80</u>	<u>102.11</u>	<u>812.72</u>	<u>0.61</u>	<u>18,250.02</u>	<u>7,866.47</u>	<u>6,951.42</u>
Previous Year	<u>(25,178.25)</u>	<u>(47.02)</u>	<u>(23.00)</u>	<u>(25,202.27)</u>	<u>(16,596.63)</u>	<u>(-)</u>	<u>(761.55)</u>	<u>(22.38)</u>	<u>(17,335.80)</u>	<u>(8,581.62)</u>	<u>(7,866.47)</u>
Intangible Assets											
Computer Software	8.41 (8.41)	- (-)	- (-)	8.41 (8.41)	2.88 (1.20)	- (-)	1.68 (1.68)	- (-)	4.56 (2.88)	5.53 (7.21)	3.85 (5.53)
Total	<u>8.41</u>	<u>-</u>	<u>-</u>	<u>8.41</u>	<u>2.88</u>	<u>-</u>	<u>1.68</u>	<u>-</u>	<u>4.56</u>	<u>5.53</u>	<u>3.85</u>
Previous Year	<u>(8.41)</u>	<u>(-)</u>	<u>(-)</u>	<u>(8.41)</u>	<u>(1.20)</u>	<u>(-)</u>	<u>(1.68)</u>	<u>(-)</u>	<u>(2.88)</u>	<u>(7.21)</u>	<u>(5.53)</u>
Grand Total	<u>25,210.68</u>	<u>-</u>	<u>0.83</u>	<u>25,209.85</u>	<u>17,338.68</u>	<u>102.11</u>	<u>814.40</u>	<u>0.61</u>	<u>18,254.58</u>	<u>7,872.00</u>	<u>6,955.27</u>
Previous Year	<u>(25,186.66)</u>	<u>(47.02)</u>	<u>(23.00)</u>	<u>(25,210.68)</u>	<u>(16,597.83)</u>	<u>(-)</u>	<u>(763.23)</u>	<u>(22.38)</u>	<u>(17,338.68)</u>	<u>(8,588.83)</u>	<u>(7,872.00)</u>

(Figures in brackets represent previous year figures)

- Land includes freehold land amounting to ₹ 41.42 Lakhs (₹ 41.42 Lakhs) taken possession of for which documentation / registration formalities are being completed.
- Includes ₹ 391.69 Lakhs (Nil) provided towards impairment/writeoff of assets.
- Furniture and Fixtures include office equipments, the amount of which is not material.
- Consequent to Section 123 and Schedule II of The Companies Act, 2013 (the Act) becoming applicable with effect from 1.4.2014, depreciation for the year ended 31.03.2015 has been provided on the basis of the useful lives as prescribed in Schedule II of the Act. This had the impact of decreasing the depreciation for the year by ₹ 220 lakhs (Nil). An amount of ₹102.11 lakhs (Nil) has been adjusted against the opening balance of retained earnings in respect of the assets which have no remaining useful life as per the transitional provisions specified in Schedule II of the Act.

NOTE NO. 10. CAPITAL WORK- IN PROGRESS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Projects - In Progress	3,124.48	3,071.99
Materials at Site	-	1.19
Total	<u>3,124.48</u>	<u>3,073.18</u>

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 11. NON CURRENT INVESTMENTS

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Trade Investments (valued at cost)		
Investment in Equity Instruments of Subsidiaries, fully paid up		
50,00,000 (Previous Year 50,00,000) Shares of ₹10/- each in R.B.G. Minerals Industries Limited	505.39	505.39
NIL (Previous Year 85,25,929) Shares of AUD 0.0001/- each in BZ Minerals (Australia) Pty. Limited	-	0.38
NIL (Previous Year 15,001) Shares of USD 1.00/- each in BZ Resources Mauritius Limited	-	7.89
Provision for diminution in value of investment	-	(7.89)
	-	-
Other Investments (valued at cost)		
Investment in Equity Instruments of Other Companies, fully paid up		
1,75,000 (Previous Year 1,75,000) Shares of ₹10/- each in Kerala Enviro Infrastructure Limited	17.50	17.50
Aggregate amount of unquoted investments	522.89	523.27
Aggregate provision for diminution in value of investments	-	7.89

NOTE NO. 12. DEFERRED TAX ASSET (NET)

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
A. Deferred Tax Liabilities		
On difference between written down value of Fixed Assets as per Income Tax Act and as per books	(1,256.81)	(1,376.21)
Others	(127.21)	(109.52)
	(1,384.02)	(1,485.73)
B. Deferred Tax Assets		
Unabsorbed Depreciation	1,691.29	1,505.21
	1,691.29	1,505.21
Net Deferred tax Asset*	307.27	19.48

*Deferred tax asset in respect of unabsorbed depreciation has been recognized only to the extent of deferred tax liability. In terms of accounting standard on 'Accounting for taxes on income' (AS 22), deferred tax asset (Net) has not been recognised by the company as a matter of prudence, in the absence of virtual/reasonable certainty of future taxable profit.

NOTE NO. 13. LONG TERM LOANS AND ADVANCES

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Unsecured, Considered good		
Capital Advances	264.25	256.62
Security Deposits	406.72	571.06
Advance Tax/TDS (Net of Provision for Tax)	176.19	153.58
Total	847.16	981.26

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 14. INVENTORIES

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Raw Materials	1,421.18	1,311.68
Work-In Process (Refer Note 14.3 below)	304.09	162.53
Finished Goods (Refer Note 14.2 below)	93.37	2,115.30
Stores and Spares	912.89	1,080.33
Stores and Spares- In Transit	-	19.03
Total	2,731.53	4,688.87

14.1 Method of Valuation of Inventories - Refer Note 1.8

14.2 BREAK-UP OF INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Zinc Ingots	0.04	1,303.48
Sulphuric Acid	32.54	58.89
Cadmium	-	7.25
Zinc Alloy	60.79	727.14
Zinc Dust	-	2.55
Zinc Oxide	-	15.99
Total	93.37	2,115.30

14.3 BREAK-UP OF INVENTORIES OF WORK-IN PROCESS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Calcine	299.99	97.60
Zinc Dust	4.10	12.21
Cathode Zinc	-	52.72
Total	304.09	162.53

NOTE NO. 15. TRADE RECEIVABLES

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	-	-
Other debts	0.74	0.71
Total	0.74	0.71

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 16. CASH AND CASH EQUIVALENTS

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Balances with Banks		
- In Current Accounts	46.07	286.17
- In Deposit Accounts	643.51	-
Cash on hand	2.33	1.04
Balances with banks in deposit accounts to the extent held as security against letter of credit facilities and guarantees	176.06	2,046.64
Total	867.97	2,333.85

NOTE NO. 17. SHORT- TERM LOANS AND ADVANCES

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Loans and advances to Related Parties (Unsecured, considered good)		
Due from Subsidiary Companies -R.B.G. Minerals Industries Limited	1.00	10.41
Due from Holding Company:		
- Inter Corporate Deposits with Binani Industries Limited	4,416.00	4,755.00
Others (Unsecured, considered good)		
Advances Recoverable in cash or in kind	1,314.63	1,551.63
Deposits	70.40	70.47
Balance with Customs and Excise Authorities	2,294.21	2,278.54
Total	8,096.24	8,666.05

NOTE NO. 18. OTHER CURRENT ASSETS

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Interest Accrued on Deposits	48.71	86.56
Unamortised Premium on Forward Exchange Contracts	-	190.18
Total	48.71	276.74

NOTE NO. 19. REVENUE FROM OPERATIONS

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Sale of Products		
Zinc Ingots	8,283.32	28,194.60
Zinc Alloy:		
Zamak 3	2,238.13	6,509.44
Zamak 5	435.85	2,324.42
Zinc Dust	2.74	20.09
Sulphuric Acid	340.58	1,807.20
Cadmium	22.31	66.55
Total	11,322.93	38,922.30
Other Operating Revenue		
Industrial Waste Sales/Scrap Sales	42.94	294.41
Income from Risk Management Transactions (Net)	184.38	168.36
Total	227.32	462.77

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

19.1 QUANTITATIVE DETAILS

PARTICULARS	UoM	31st March, 2015	31st March, 2014
Zinc Ingots	MT	4,567	18,210
Zinc Alloy:			
Zamak 3	MT	1,142	3,929
Zamak 5	MT	228	1,362
Zinc Dust	MT	1	12
Sulphuric Acid	MT	7,306	33,308
Cadmium	MT	14	45

NOTE NO. 20. OTHER INCOME

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Interest Income	836.07	1,052.61
Other Non Operating Income	69.10	8.16
Total	905.17	1,060.77

NOTE NO. 21. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Raw Materials Consumed - Zinc Concentrate/Oxides (Refer Note 34.1)	5,413.60	22,514.65
Raw Materials Consumed - Alloy Production (Refer Note 34.1)	493.31	216.81
Total	5,906.91	22,731.46

NOTE NO. 22. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN PROCESS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Inventories as at the beginning of the year		
Finished Goods (Refer Note 14.2)	2,115.30	746.80
Work -In Process (Refer Note 14.3)	162.53	219.20
	2,277.83	966.00
Inventories as at the end of the year		
Finished Goods (Refer Note 14.2)	93.37	2,115.30
Work- In Process (Refer Note 14.3)	304.09	162.53
	397.46	2,277.83
Changes in Inventories of Finished Goods and Work- In Process	1,880.37	(1,311.83)
Excise Duty on Stock Adjustment	(143.20)	102.98
Total	1,737.17	(1,208.85)

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 23. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Salaries and Wages	1,816.48	1,960.84
Contribution to Provident and Other Funds (Refer Note 30)	335.39	213.42
Workmen and Staff Welfare Expenses	105.40	171.59
Total	2,257.27	2,345.85

NOTE NO. 24. FINANCE COSTS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Interest Expenses	2,546.65	577.19
Other Borrowing Costs	13.56	34.19
Total	2,560.21	611.38

NOTE NO. 25. OTHER EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Power and Fuel	1,763.02	5,320.94
Consumption of Stores and Spares (Refer Note 25.2 & 34.2)	258.93	1,758.65
Repairs to:		
Buildings	0.59	12.59
Machinery	145.82	941.44
Others	30.59	104.62
Other Operating Expenses	37.79	530.72
Freight and Transport	120.28	529.95
Insurance	40.24	34.91
Rates and Taxes	26.95	75.87
Directors' Sitting Fees	4.90	2.20
Exchange Rate Difference (Net)	325.55	1,193.44
Rent	1.92	4.61
Management Service Fees (Refer Note 31.3)	-	777.50
Royalty (Refer Note 31.2)	-	1,036.44
Bank Charges	37.29	326.00
Commission to Selling Agents	116.78	340.16
Miscellaneous Expenses (Refer Note 25.1)	330.90	611.11
Total	3,241.55	13,601.15

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

25.1 MISCELLANEOUS EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Legal & Professional Expenses	96.46	158.63
Travelling & Conveyance	44.55	109.64
Security Expenses	39.58	47.81
Other Miscellaneous Expenses	140.37	286.29
Payment to Auditors*		
- For Statutory Audit	5.75	5.75
- For Tax Audit	0.60	0.60
- For Half Yearly Audit	2.00	-
- For Other Services	0.40	0.95
- For Reimbursement of Expenses	1.19	1.44
Total	330.90	611.11

*Exclusive of Service Tax

25.2 CONSUMPTION OF STORES AND SPARES

Consumption of Stores and Spares does not include consumption for repairs classified under the head 'Repairs' ₹62.18 Lakhs (Previous Year - ₹573.71 Lakhs).

NOTE NO. 26. EARNINGS PER SHARE (BASIC/DILUTED)

PARTICULARS	31st March, 2015	31st March, 2014
Loss for the year as per Statement of Profit and Loss (₹ in Lakhs)	(5,202.52)	(2,504.40)
Weighted Average number of Equity Shares of ₹10/- each (fully paid)	6,76,18,082	6,76,18,082
Earnings Per Share (Basic/Diluted)(₹)	(7.69)	(3.70)

NOTE NO. 27. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Contingent Liabilities:		
Claims against the company not acknowledged as debt (Disputed Tax/duty and other demands)	1,524.53	1,447.31
Guarantees (Refer Note 27.1)	2,06,862.79	1,97,991.69
Commitments:		
Estimated amount of Contracts remaining to be executed on capital account and not provided for	2,126.96	2,260.63
Other commitments (Refer Note 27.4)	693.06	591.55
Total	2,11,207.34	2,02,291.18

27.1. DETAILS OF GUARANTEES

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Corporate Guarantees given to Financial Institutions and Banks in respect of loans availed by the Holding Company, Binani Industries Limited and by other subsidiaries/step down subsidiaries of the Holding Company.	2,06,354.00	1,97,209.00
Other Guarantees	508.79	782.69
Total	2,06,862.79	1,97,991.69

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

27.2. The Single Bench of the Hon'ble High Court of Kerala, had in December 2009, disposed the Company's Petition against the Order of the Appellate Authority (Dy. Chief Engineer KSEB) and quashed the order levying penalty for unauthorised additional load. Matter was remanded with a direction to take a decision afresh in accordance with Law considering the bonafide conduct of the Company. The Company had obtained all the necessary approvals as stipulated in the conditions of supply of KSEB and since there was no violation, the penal charges are not payable and hence no provision is considered necessary at this stage. The Company had also filed a further writ petition before the Division Bench, challenging that portion of the order, relating to remand. As informed by the legal counsel, the Division Bench of the Hon'ble High Court has ordered in favour of the Company, fully accepting the contentions in Writ Appeal.

27.3 In respect of electricity charges payable for certain years in the prior period, KSEB had withdrawn the concessional tariff eligible for the company as per a government notification, resulting in an additional liability for ₹816.88 Lakhs for those years, which was provided for. The Company had taken up the matter before the Hon'ble High Court of Kerala, which was admitted. Since the matter remained as such for a long number of years, based on the legal advice obtained, the said amount of ₹816.88 Lakhs provided for, was considered no longer payable and written back in the accounts of the Company in the year 2003-04. Subsequently the Hon'ble Single Bench of the Kerala High Court disposed the company's appeal with a direction to KSEB to reconsider the claim of the company for concessional tariff for the earlier years. The Company filed a writ appeal before the Hon'ble Division Bench, praying that the claim of the Company to cancel the demand be allowed, which was heard and reserved for judgement. The Company, as legally advised, is hopeful of a favourable decision on final settlement of the issues involved in the matter and hence no provision is made for the said amount, which is included under contingent liabilities.

27.4 In respect of capital goods imported at concessional rate of duty under the Export Promotion Capital Goods Scheme, the Company has an export obligation of ₹693.06 Lakhs (₹591.55 Lakhs), which is required to be met at different dates, before November 2019. In the event of non fulfillment of the export obligation, the Company will be liable to refund the availment of concessional customs duties and penalties as applicable.

NOTE NO. 28. SEGMENT REPORTING

The Company operates in a single segment i.e. 'Production and Sales of Zinc in India'. The company's entire Zinc sales are in India. Hence no additional disclosures under Accounting Standard 17- "Segment Reporting" are required in these financial statements.

NOTE NO. 29. RISK MANAGEMENT TRANSACTIONS

29.1 The company has undertaken hedging against the risk in commodity prices (zinc prices) through derivative instruments in London Metal Exchange. The gain/losses are recognised in the Statement of Profit and Loss on settlement of the transaction.

29.2 In pursuance of the announcement dated 29.03.2008 of the Institute of Chartered Accountants of India on accounting for derivatives, mark to market gains (net) on outstanding derivative instruments as at 31st March, 2015 stood at ₹ Nil (Previous Year ₹2.30 Lakhs), which is not recognised in the accounts.

29.3 Particulars of foreign currency exposures as at 31st March, 2015 not hedged by derivative instruments or otherwise are given below:

(₹ in Lakhs)

Particulars	Amount in Foreign Currency	Currency	Exchange Rate	Amount
Receivables	0.27	USD	62.22	17.10
	(0.23)	(USD)	(60.49)	(13.65)
Trade Payables	3.26	USD	63.06	205.47
	(93.09)	(USD)	(60.49)	(5,630.91)

(Figures in brackets pertain to previous year)

NOTE NO. 30 EMPLOYEE BENEFITS

(Disclosure under Accounting Standard 15 – 'Employee Benefits', Revised 2005)

30.1 Defined Contribution Plans

During the year the company has recognised ₹133.73 Lakhs (Previous Year ₹131.13 Lakhs) in the Statement of Profit and Loss on account of defined contribution plans.

30.2 Defined Benefit Plans**30.2.1 Gratuity (Funded)**

(i)	Actuarial Assumptions	31st March, 2015	31st March, 2014
	Discount Rate (per annum)	8.25% p.a.	8.25% p.a.
	Expected return on plan assets	8.00% p.a.	8.00% p.a.
	Salary escalation rate *	4.00% p.a.	4.00% p.a.
	Mortality rate	LIC (1994-1996) rate	LIC (1994-1996) rate

*The assumption of future salary increases takes into account the inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

(ii)	Reconciliation of present value of obligation:	31st March, 2015	31st March, 2014
	Present value of obligation at the beginning of the year	396.07	325.52
	Current Service Cost	31.84	21.83
	Interest Cost	33.99	27.76
	Actuarial (gain)/loss	152.37	60.88
	Benefits Paid	(62.12)	(39.91)
	Curtailements	-	-
	Settlements	-	-
	Present value of obligation at the end of the year	552.15	396.08

(₹ in Lakhs)

(iii)	Reconciliation of fair value of plan assets :	31st March, 2015	31st March, 2014
	Fair value of plan assets at the beginning of the year	471.78	458.23
	Expected return on plan assets	37.74	36.66
	Actuarial gain/(loss)	(3.69)	3.70
	Contributions	12.54	13.10
	Benefits paid	(62.12)	(39.91)
	Assets distributed on settlement	-	-
	Fair value of plan assets at the end of the year	456.25	471.78

(₹ in Lakhs)

(iv)	Net (Asset)/Liability recognised in the Balance Sheet as at year end:	31st March, 2015	31st March, 2014
	Present value of obligation	552.15	396.08
	Fair value of plan assets	456.25	471.78
	Net present value of unfunded obligation recognised as (asset)/liability in the Balance Sheet	95.90	(75.70)

(₹ in Lakhs)

(v)	Expenses recognised in the Statement of Profit and Loss:	31st March, 2015	31st March, 2014
	Current Service Cost	31.84	21.83
	Interest Cost	33.99	27.76
	Expected return on plan assets	(37.74)	(36.66)
	Actuarial (gain) /loss recognised in the period	156.05	57.18
	Past Service Cost	-	-
	Curtailement cost	-	-
	Settlement cost	-	-
	Total expenses recognised in the Statement of Profit and Loss	184.14	70.11
	Actual return on plan assets	34.05	40.36

30.2.2 Defined Benefit Plans – Loyalty (Unfunded)

The company has a scheme of payment of loyalty to employees if they have rendered a minimum of 10 years of service at the company.

(i)	Actuarial Assumptions	31st March, 2015	31st March, 2014
	Discount Rate (per annum)	8.25%	8.25%
	Salary escalation rate	4%	4%
	Mortality rate	LIC (1994-1996) rate	LIC (1994-1996) rate

(₹ in Lakhs)

(ii)	Reconciliation of present value of obligation:	31st March, 2015	31st March, 2014
	Present value of obligation at the beginning of the year	41.00	36.67
	Current Service Cost	7.90	11.00
	Interest Cost	3.71	3.48
	Actuarial (gain)/loss	5.41	(2.58)
	Benefits Paid	(10.21)	(7.57)
	Present value of obligation at the end of the year	47.81	41.00

(₹ in Lakhs)

(iii)	Net (Asset)/Liability recognised in the Balance Sheet as at year end:	31st March, 2015	31st March, 2014
	Present value of obligation at end of the year	47.81	41.00
	Fair value of plan assets at end of the year	-	-
	Net (Asset)/liability recognised in Balance Sheet	47.81	41.00

(₹ in Lakhs)

(iv)	Expenses recognised in the Statement of Profit and Loss for the year:	31st March, 2015	31st March, 2014
	Current Service Cost	7.90	11.00
	Interest Cost	3.71	3.48
	Expected return on plan assets	-	-
	Actuarial (gain) /loss recognised in the period	5.41	(2.58)
	Total expenses recognised in the Statement of Profit and Loss for the year	17.02	11.90

The above disclosures are based on information certified by the independent actuary and relied upon by the auditors.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

Note No. 31 Related Party disclosure as per Accounting Standard-18 issued by the Institute of Chartered Accountants of India.

31.1 The Company has entered into transactions in ordinary course of business with related parties at arm's length as per details below:

(₹ in Lakhs)

Particulars	Subsidiaries	Fellow Subsidiaries (including step down subsidiaries)	Holding Company	KMP#	Enterprises where KMP have got significant influence	Total
A. TRANSACTIONS						
Interest Income	- (-)	- (-)	642.40 (763.39)	- (-)	- (-)	642.40 (763.39)
Advertisement Expenses	- (-)	- (-)	- (-)	- (-)	2.57 (7.95)	2.57 (7.95)
Royalty expenses	- (-)	- (-)	- (1036.44)	- (-)	- (-)	- (1036.44)
Fees for Management Services Rendered	- (-)	- (-)	- (777.50)	- (-)	- (-)	- (777.50)
Payment Towards Remuneration (Net)	- (-)	- (-)	- (-)	210.12 (78.05)	- (-)	210.12 (78.05)
Director's Sitting Fees	- (-)	- (-)	- (-)	0.70 (0.40)	- (-)	0.70 (0.40)
Rent Expenses	- (-)	- (-)	- (-)	- (-)	- (2.91)	- (2.91)
Service Charges Expenses	- (-)	- (-)	- (-)	- (-)	24.48 (1.39)	24.48 (1.39)
Advance written off	- (11.62)	- (-)	- (-)	- (-)	- (-)	- (11.62)
Repatriation of investment	0.48 (0.88)	- (-)	- (-)	- (-)	- (-)	0.48 (0.88)
Investment written off	8.27 (8.61)	- (-)	- (-)	- (-)	- (-)	8.27 (8.61)
Advances Paid	1.00 (5.00)	- (-)	- (-)	- (-)	- (-)	1.00 (5.00)
Inter Corporate Deposit placed	- (-)	- (-)	- (7,440.00)	- (-)	- (-)	- (7,440.00)
Inter Corporate Deposit Received Back	- (-)	- (-)	339.00 (7,525.00)	- (-)	- (-)	339.00 (7,525.00)
Dividend from foreign subsidiary	31.64 (-)	- (-)	- (-)	- (-)	- (-)	31.64 (-)

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Subsidiaries	Fellow Subsidiaries (including step down subsidiaries)	Holding Company	KMP#	Enterprises where KMP have got significant influence	Total
B.BALANCES AS ON 31.03.2015						
Assets:						
Investment in Equity Shares	505.39 (505.77)	- (-)	- (-)	- (-)	- (-)	505.39 (505.77)
Short Term Loans & Advances (including ICDs and interest on ICDs)	1.00 (10.41)	- (-)	5,051.97 (4,755.01)	- (99.42)	- (-)	5,052.97 (4,864.84)
Liabilities:						
Trade Payables	- (-)	- (-)	1,069.41 (1,084.55)	- (-)	6.16 (-)	1,075.57 (1,084.55)
Corporate Guarantees Given	- (-)	1,61,241.00* (1,47,635.00)	45,113.00 (42,192.00)	- (-)	- (-)	2,06,354.00 (1,89,827.00)
Corporate Guarantees Received	- (-)	- (-)	21,470.00 (20,827.00)	- (-)	- (-)	21,470.00 (20,827.00)

[Figures in brackets pertain to previous year]

KMP refers to Key Management Personnel

* Jointly and Severally with the Holding Company and Fellow subsidiaries

- 31.2 The company had entered into a trademark licensing agreement with the Holding Company, Binani Industries Limited, which is effective from 01.04.2011. As per the terms of the agreement, Binani Industries Limited will undertake and incur expenditure on advertisement and corporate brand building and development exercise for the company and its products for achieving sustained growth. The company has been licensed to use the trademark/logo registered by Binani Industries Limited on payment of royalty at a specified percentage based on the turnover of the company. As per decision taken by the Holding Company, in the Board Meeting dated 7th August, 2014, royalty has not been charged from 01.04.2014.
- 31.3 Management service fee paid to Binani Industries Limited, the Holding Company is towards providing corporate support services relating to Corporate Strategy, Project Management, Forex/Commodity Risk Management, Purchases, Finance/Treasury, Media Services, Taxation etc. As per decision taken by the Holding Company, in the Board Meeting dated 7th August, 2014, management service fee has not been charged from 01.04.2014.
- 31.4 NAMES OF RELATED PARTIES AND DESCRIPTION OF RELATIONSHIP:
- Holding Company: Binani Industries Limited
 - Fellow Subsidiary (including step down subsidiaries): Binani Cement Limited, Goa Glass Fibre Limited, 3B Binani Glassfibre SARL and 3B Fibreglass Norway AS.
 - Subsidiaries: R.B.G. Minerals Industries Limited, BZ Minerals (Australia) Pty. Limited (wound up during the current year), BZ Minerals (Luxembourg) SARL (wound up during the previous year) and BZ Resources Mauritius Limited (wound up during the current year).
 - Key Management Personnel: Mr. Braj Binani and Mr. Sushil Bhatler
 - Enterprises where Key Management Personnel have got significant influence: (excluding holding company, subsidiaries and fellow subsidiaries)
 - Mr. Braj Binani in Binani Metals Limited, Triton Trading Private Limited, Asian Industry And Information Services Pvt. Ltd and Nirbhay Management Services Private Limited.

NOTE NO. 32

On account of the operational losses and the consequent negative net worth, the company made a reference under the Sick Industrial Companies (Special Provisions) Act, 1985 to the Board for Industrial and Financial Reconstruction (BIFR) during October 2014. The operations of the company were adversely affected in the current year due to critical liquidity position leading to stoppage of production for a significant portion of the year and the Company has incurred a net loss of ₹ 5,202.52 lakhs during the year. The company is pursuing

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

active steps for resumption of full scale operations. In the opinion of the management, due to various factors including improving market conditions, operational and technical innovations for reducing the cost of production, the future prospects and financial viability as assessed by the management and as per the Techno Economic Viability report given by an independent expert agency for proposed restructuring of loans, it is possible to revive and turnaround the Company and to continue as a going concern. However the management recognizes the uncertainty related to the acceptance of the company's revival package by the bankers and the outcome of the proceedings pending before the BIFR, as also raising funds for the immediate resumption of operation in the interregnum. As per the valuation report of an independent valuer, the fixed assets have value in a distress sale value far in excess of the total liability.

In the opinion of the management, the assets of the company are sufficient to discharge the liabilities in the normal course of the business, at this stage. Accordingly the financial statements for the current year are drawn up on a going concern basis.

NOTE NO. 33

The management is of the opinion, taking due consideration of the factors stated in Note No. 32 above and on the basis of prudential estimates of the value in use of the assets of the company as a cash generating unit in accordance with the provisions of Accounting Standard – AS 28 (of the Companies Accounting Standards Rules 2006)-Impairment of Assets, the recoverable amount of the assets of the company as a cash generating unit is more than its carrying amount in the accounts. Also, the net selling price of the fixed assets of the company as valued by an independent valuer is more than its carrying amount in the accounts. Hence, in the opinion of the management, there is no impairment in the value of the fixed assets to be recognized in the accounts at this stage.

NOTE NO. 34 ADDITIONAL INFORMATION

34.1 Raw Material Consumption

(₹ in Lakhs)

Particulars	31st March, 2015	%	31st March, 2014	%
Zinc Concentrate/Oxide - Imported	5,413.60	92	22,514.65	99
Raw Material for Alloy - Indigenous	493.31	8	216.81	1
Total	5,906.91	100	22,731.46	100

As per our separate report of even date attached

For Varma & Varma
Chartered Accountants
(FRN:004532S)

Vivek Krishna Govind
Partner
Membership No.208259

Place : Camp Mumbai
Date : 30th May, 2015

Rajesh Hegde
Company Secretary

For and on behalf of
the Board of Directors

Braj Binani
Chairman
DIN : 00009165

V. Subramanian
Director
DIN : 00010994

Place : Mumbai
Date : 30th May, 2015

34.2 Stores and Spares Consumption

(₹ in Lakhs)

Particulars	31st March, 2015	%	31st March, 2014	%
Stores and Spares - Imported	43.57	27	412.79	18
Stores and Spares - Indigenous	153.65	73	1,919.57	82
Total	197.22	100	2,332.36	100

34.3 Value of Imports calculated on CIF basis

(₹ in Lakhs)

Particulars	31st March, 2015	31st March, 2014
Raw Materials	5,311.08	15,803.55
Stores and Spares	26.25	308.80
Capital Goods	-	271.68
Total	5,337.33	16,384.03

34.4 Expenditure in Foreign Currency (on accrual basis)

(₹ in Lakhs)

Particulars	31st March, 2015	31st March, 2014
Professional & Consultancy fees	2.92	24.40
Interest	58.32	231.06
Others	2.39	10.82
Advance written off	-	11.62
Total	63.63	277.90

34.5 Earnings in Foreign Exchange (on accrual basis)

(₹ in Lakhs)

Particulars	31st March, 2015	31st March, 2014
Income from Risk Management Transactions (Net)	184.38	168.36
Others	32.18	29.38
Total	216.56	197.74

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To
The Members of Binani Zinc Limited
Kolkata

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Binani Zinc Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report

under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

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

- a) Note No. 33 of the consolidated financial statements stating that the net worth of the Holding Company has been fully eroded and a reference has been made by the Holding Company to the Board for Industrial and Financial Reconstruction, which, along with other matters stated in the Note, indicate the existence of a material uncertainty that may cast significant doubt about the Holding Company's ability to continue as a going concern. However for the

reasons stated in the said Note, the management is of the opinion that it is possible to revive and turn around the Holding Company and to continue as a going concern, and accordingly the accounts of the Holding Company are drawn up on going concern basis.

- b) Note No.34 of the financial statements stating that in the opinion of the management, there is no impairment in the value of fixed assets to be recognized in the accounts of the Holding Company at this stage, within the meaning of Accounting Standard (AS) 28 – Impairment of Assets, notified by the Companies Accounting Standards Rules 2006, which is however dependant on various uncertainties over its ability to continue as a going concern, as stated therein.

Our report is not qualified in respect of these matters.

Other Matters

We did not audit the financial statements of the subsidiary company M/s R.B.G. Minerals Industries Limited, whose financial statements reflect total assets of ₹ 501.19 Lakhs as at 31st March, 2015 and net cash outflows amounting to ₹ 14.19 Lakhs for the year ended on that date, as considered in the consolidated financial statements.

The financial statements have been audited by the other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's reports of the Holding Company and subsidiary company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears

from our examination of those books and the report of the other auditor.

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) In our opinion, the matters described in sub paragraphs (a) and (b), under the Emphasis of Matters paragraph above regarding the ability of the Holding Company to continue as a going concern and regarding the impairment in the value of fixed assets of the Holding Company, may have an adverse effect on the functioning of the Holding Company.
- (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company, none of the directors of the Group companies is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note No.28, Note No. 28.2, Note No. 28.3 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

For Varma & Varma
Chartered Accountants
(FRN:004532S)

Vivek Krishna Govind
Partner
Membership No.208259

Place : Camp Mumbai
Date: 30th May, 2015

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BINANI ZINC LIMITED AND ITS SUBSIDIARY FOR THE YEAR ENDED 31ST MARCH 2015

Our reporting on the Order includes a subsidiary company incorporated in India, to which the Order is applicable, which has been audited by another auditor and our report in respect of this entity is based solely on the report of the other auditor to the extent considered applicable for reporting under the Order in- case of the Consolidated financial statements

1. (a) The respective companies have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) According to the information and explanations given to us and the other auditor, all the fixed assets have been physically verified by the management of the respective companies during the year, which, in our opinion and the opinion of other auditor, is reasonable having regard to the size of the respective companies and the nature of their operations of the companies and that no material discrepancies have been noticed on such verification.
2. (a) We are informed that the inventory has been physically verified by the management of the Holding Company during the year. In our opinion, the frequency of such verification is reasonable.
 - (b) In our opinion and according to the explanations given to us, the procedures for physical verification of inventory followed by the management of the Holding Company are reasonable and adequate in relation to the size of the Holding Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Holding Company is maintaining proper records of inventory and discrepancies noticed on physical verification were properly dealt with in the books of account by the management.

In the opinion of the other auditor, the subsidiary company has no inventories as on balance sheet date and hence the reporting requirements under clause (ii) of paragraph 3 of the Order are not applicable.
3. (a) According to the information and explanations given to us and the records of the Holding Company examined by us, Binani Zinc Limited has placed inter-corporate deposits with its holding company, Binani Industries Limited. According to the information and explanations given to us and to the other auditor, the Holding Company and subsidiary company have not granted any other loans, to the parties covered in the register maintained under Section 189 of the Companies Act, 2013.
 - (b) The principal amount of the inter-corporate deposits is repayable on demand. According to the information and explanations given to us no demands have been made by the Holding Company for the repayment of the principal. The party has not been regular in remitting the amount of interest, which is repayable half yearly and an amount of ₹ 635.97 lakhs is outstanding towards interest as at 31st March, 2015.
 - (c) According to the information and explanations given to us, the Holding Company has taken reasonable steps for recovery of the overdue interest amounts in respect of the above inter- corporate deposit.
4. In our opinion and in the opinion of the other auditor and according to the information and explanations given to us and to the other auditor, there is adequate internal control system in the Holding Company and the subsidiary company, commensurate with the size of the respective entities and nature of their business for the purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit and the other auditor’s audit, no continuing failure to correct major weaknesses in the internal control systems has been observed.
5. In our opinion and the opinion of the other auditor and according to the information and explanations given to us and to the other auditor, the Holding Company and the subsidiary company have not accepted any deposits from the public during the year and hence, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder are not applicable.
6. In our opinion and according to the information and explanations given to us, the Holding Company has, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules 2014, as amended prescribed by the Central Government under Subsection (1) of Section 148 of the Companies Act, 2013. We have, however, not made a detailed examination of these records with a view to determine whether they are accurate or complete.

According to the information and explanations given to the other auditor and in the opinion of the other auditor, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the subsidiary company at this stage.

7. (a) As per the information and explanations furnished to us and to the other auditor and the records of the Holding Company examined by us and records of the subsidiary company examined by the other auditor, the respective companies have been generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service tax, Customs Duty, Excise Duty, Cess and other statutory dues, as applicable to the respective companies with the appropriate authorities during the year. There are no arrears of undisputed statutory dues outstanding at the last day of the financial year for a period of more than six months from the date on which they became payable except for import duties of the Holding Company, amounting to ₹ 2,944.68 lakhs which is not paid pending the final assessment thereof.
- (b) According to the information and explanations given to us and the records of the Holding Company examined by us, the following disputed amounts of tax demanded (including those related to the erstwhile Zinc Division of Binani Industries Limited) have not been deposited with the authorities as at 31st March, 2015 as per the details given below.

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Year to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty including penalty (Service tax credit on forward exchange contracts)	1.35	2007-08	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty (Modvat credit)	2.40	2000-01* 2001-02* 2002-03*	High Court of Kerala
	Excise duty including penalty (Service tax credit on forward exchange contracts)	0.70	2009-10	Commissioner of Central Excise, Customs & Service Tax (Appeals)
Central Excise Act, 1944	Excise duty including penalty (Service tax credit on forward exchange contracts)	0.71	2009-10	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Public Welfare Activities)	0.44	2008-09	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on forward exchange contracts)	1.19	2012-13	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on forward exchange contracts)	1.22	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Canteen Services)	1.13	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on forward exchange contracts)	0.39	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on forward exchange contracts)	0.31	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty penalty (service tax credit on supplementary invoices)	31.83	2009-10	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Canteen Activities)	0.93	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on carriage outwards)	48.58	2008-09	Commissioner of Central Excise, Customs & Service Tax (Appeals)

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Year to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty including penalty (Service tax credit on carriage outwards)	90.88	2007-08	Customs, Excise and Service Tax, Appellate Tribunal, Bangalore
	Excise duty including penalty (service tax credit on selling commission)	26.96	2005-06	Customs, Excise and Service Tax, Appellate Tribunal, Bangalore
	Excise duty penalty (service tax credit on rent & hire charges)	1.10	2010-11 2011-12	Commissioner of Central Excise, Customs & Service Tax (Appeals)
Indian Customs Act, 1962	Customs duty(Concessional Duty)	78.40	1984-85*	Asst. Commissioner of Customs, Kochi
	Customs duty(Item classification)	0.56	1995-96*	Customs, Excise and Service Tax, Appellate Tribunal, Chennai
	Customs duty (Item classification)	11.09	1993-94*	Customs, Excise and Service Tax, Appellate Tribunal, Chennai
Income Tax Act ,1961	Income Tax and interest thereon	6.29	2009-10	Commissioner of Income Tax (Appeals), Kolkata
Kerala VAT Act, 2005	Sales Tax dues and interest thereon	243.75	2006-07	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax dues and interest thereon	194.69	2007-08	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
	Central Sales Tax dues and interest thereon	62.04	2007-08	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax dues and interest thereon	178.34	2008-09	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax dues and interest thereon	92.44	2009-10	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam

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

According to the information and explanations given to the other auditor, there were no disputed amounts of taxes and duties outstanding to be deposited with appropriate authorities by the subsidiary company as at 31st March 2015.

- (c) As per the information and explanations furnished to us and to the other auditor, by the management of the respective companies, there are no amounts to be deposited towards Investor Education and Protection Fund by the companies and hence the reporting requirements under clause (vii) (c) of the paragraph 3 of the Order are not applicable.
8. The consolidated accumulated losses of the Group as at end of the financial year are more than fifty percent of its net worth and the Group has incurred cash losses on a consolidated basis in the current year ended 31st March , 2015 and in the immediately preceding financial year.
9. According to the information and explanations given to us and the records of the Holding Company examined by us, the Holding Company has defaulted in repayment of dues to banks, particulars of which are as follows:

Name of bank	Nature of Instrument	Period of default (in Days)	Amount of Default (₹ in lakhs)
Punjab National Bank	Letter of credit	378	4,141.12
Oriental Bank of Commerce	Letter of credit	377	3,481.83
Punjab National Bank	Letter of credit	303	4,581.98
Oriental Bank of Commerce	Letter of credit	236	5,401.33
Punjab National Bank	Letter of credit	107	4,211.19*

(*Net of repayment of ₹ 434 lakhs)

According to the information and explanations given to the other auditor and the records of the subsidiary company examined by the other auditor, the subsidiary company has not defaulted in repayment of dues to any financial institution or bank as on the balance sheet date.

10. According to the information and explanations given to us and as stated in Note No.28.1 to the financial statements, Binani Zinc Limited has given an irrevocable and unconditional corporate guarantee to financial institutions and banks in respect of loans availed by its holding company, Binani Industries Limited and by other subsidiaries/step down subsidiaries of Binani Industries Limited aggregating to ₹ 2,06,354 lakhs. In our opinion, the terms and conditions on which such guarantees have been given are not prima facie prejudicial to the interests of the Holding Company.

According to the information and explanations given to the other auditor, the subsidiary company has not given any guarantee for loans taken by others from banks or financial institution.

11. According to the information and explanations given to us and to the other auditor, Holding Company and the subsidiary company have not availed any term loan and hence reporting requirements under clause (xi) of paragraph 3 of the Order are not applicable.
12. During the course of the examination of the books and records of the respective companies, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us and to the other auditor, we have neither come across any instances of material fraud on or by the respective companies, noticed or reported during the year, nor have been informed of such case by the Management of the respective companies.

Place : Camp Mumbai
Date: 30th May, 2015

For Varma & Varma
Chartered Accountants
(FRN:004532S)

Vivek Krishna Govind
Partner
Membership No.208259

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

(₹ in Lakhs)

PARTICULARS		Note No.	31st March, 2015	31st March, 2014
I. EQUITY AND LIABILITIES				
1. SHAREHOLDERS' FUNDS				
(a)	Share Capital	2	6,761.81	6,761.81
(b)	Reserves and Surplus	3	(9,810.11)	(4,505.32)
			(3,048.30)	2,256.49
2. NON-CURRENT LIABILITIES				
(a)	Long -Term Provisions	4	162.20	98.48
			162.20	98.48
3. CURRENT LIABILITIES				
(a)	Short-Term Borrowings	5	20,960.54	6,235.71
(b)	Trade Payables	6	2,625.48	16,164.36
(c)	Other Current Liabilities	7	2,225.34	3,437.57
(d)	Short-Term Provisions	8	269.77	223.53
			26,081.13	26,061.17
	TOTAL		23,195.03	28,416.14
II. ASSETS				
1. NON-CURRENT ASSETS				
(a)	Fixed Assets			
(i)	Tangible Assets	9	6,983.39	7,898.49
(ii)	Intangible Assets	9	3.85	5.53
(iii)	Capital Work-in-Progress	10	3,577.73	3,521.55
(b)	Goodwill on consolidation		5.39	5.39
(c)	Non-Current Investments	11	17.50	17.91
(d)	Deferred Tax Assets (net)	12	-	-
(e)	Long-Term Loans and Advances	13	847.72	982.01
(f)	Other Non-Current Assets	14	4.08	4.08
			11,439.66	12,434.96
2. CURRENT ASSETS				
(a)	Inventories	15	2,731.53	4,688.87
(b)	Trade Receivables	16	0.74	0.71
(c)	Cash and Cash Equivalents	17	874.05	2,354.12
(d)	Short-Term Loans and Advances	18	8,100.34	8,660.74
(e)	Other Current Assets	19	48.71	276.74
			11,755.37	15,981.18
	TOTAL		23,195.03	28,416.14
Summary of Significant Accounting Policies		1		
The accompanying notes are an integral part of the Financial Statements.				

As per our separate report of even date attached

For and on behalf of
the Board of Directors

For Varma & Varma
Chartered Accountants
(FRN:004532S)

Vivek Krishna Govind
Partner
Membership No.208259

Place : Camp Mumbai
Date : 30th May, 2015

Rajesh Hegde
Company Secretary

Braj Binani
Chairman
DIN : 00009165

V. Subramanian
Director
DIN : 00010994

Place : Mumbai
Date : 30th May, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in Lakhs)

PARTICULARS	Note No.	31st March, 2015	31st March, 2014
I REVENUE FROM OPERATIONS	20		
Sale of Products		11,322.93	38,922.30
Other Operating Revenue		227.32	462.77
Less: Excise Duty		1,140.43	4,350.02
Total Revenue from Operations		10,409.82	35,035.05
II OTHER INCOME	21	905.17	1,060.77
III Total Revenue		11,314.99	36,095.82
IV EXPENSES			
Cost of Materials Consumed	22	5,906.91	22,731.46
Changes in Inventories of Finished Goods and Work-In Process	23	1,737.17	(1,208.85)
Employee Benefits Expense	24	2,257.27	2,345.85
Finance Costs	25	2,560.21	611.38
Depreciation and Amortisation Expense	9	814.40	763.23
Other Expenses	26	3,241.71	13,601.15
V Total Expenses		16,517.67	38,844.22
VI Loss before tax		(5,202.68)	(2,748.40)
VII Tax Expense:			
Deferred tax		-	244.00
VIII Loss for the Period		(5,202.68)	(2,504.40)
IX Earnings per Share (Basic/Diluted) (in ₹) (Nominal value of share ₹10/-)	27	(7.69)	(3.70)
Summary of Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our separate report of even date attached

For Varma & Varma
Chartered Accountants
(FRN:004532S)

Vivek Krishna Govind
Partner
Membership No.208259

Place : Camp Mumbai
Date : 30th May, 2015

Rajesh Hegde
Company Secretary

For and on behalf of
the Board of Directors

Braj Binani
Chairman
DIN : 00009165

V. Subramanian
Director
DIN : 00010994

Place : Mumbai
Date : 30th May, 2015

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
A. Cash Flow From Operating Activities		
Earnings before exceptional and extraordinary items and tax	(5,202.68)	(2,748.40)
Adjustments for :		
Depreciation / Amortization	422.72	763.23
Impairment of fixed assets	391.68	-
Interest and Finance Charges	2,560.21	937.38
Liabilities no longer required written back	(30.22)	12.87
Write off of Investments in Foreign Subsidiary	-	16.06
Loss/(Profit) on repatriation of capital of foreign subsidiary	(0.54)	-
Unrealised (Gain) / Loss on Exchange Rate Fluctuation (Net)	(0.01)	(160.45)
Loss/(Profit) on sale/discard of Fixed Assets	-	(3.08)
Dividend income received from BZ Minerals (Australia) Pty Ltd	(31.64)	-
Tax on dividend income	2.37	-
Interest and Dividend Income	(836.07)	(1,052.61)
Operating Profit Before Working Capital Changes	(2,724.18)	(2,235.00)
Adjustments for :		
Inventories	1,957.34	5,181.74
Trade and Other Receivables	656.42	719.93
Trade and Other Payables	(14,550.02)	(6,659.63)
Cash Generated from Operations	(14,660.44)	(2,992.97)
Extra-ordinary Item	-	-
Direct Taxes Paid (including TDS)	(22.42)	(104.28)
Net Cash from/(used in) Operating Activities	(14,682.86)	(3,097.25)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (including capital work - in progress)	227.34	(2,426.31)
Sale of Fixed Assets	0.22	3.70
Investment in subsidiary	-	-
Intercompany Deposits (given)/received back (net)	339.00	85.00
Other Current Assets	-	(254.02)
Repatriation of Investment from Foreign subsidiary (including foreign exchange gain)	0.48	0.88
Dividend received from foreign subsidiary (net of tax)	29.25	-
Interest and Dividend Income Received	151.00	1,041.23
Net Cash from/(used in) Investing Activities	747.29	(1,549.52)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long Term Borrowings	-	(1,125.00)
Interest & Finance Charges paid	(1,396.13)	(964.73)
Proceeds / Repayment from Short Term Borrowings (Net)	13,851.63	5,111.67
Net Cash from / (used in)Financing Activities	12,455.50	3,021.94
D. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(1,480.07)	(1,624.83)
E. OPENING CASH & CASH EQUIVALENTS	2,354.12	3,978.95
F. CLOSING CASH & CASH EQUIVALENTS (D+E)	874.05	2,354.12

Note : Cash and Cash Equivalents at the end of the year includes ₹ 176.06 Lakhs (₹ 2,046.64 Lakhs) under lien which is not available for use as on the Balance Sheet date.

As per our separate report of even date attached

For Varma & Varma
Chartered Accountants
(FRN:004532S)

Vivek Krishna Govind
Partner
Membership No.208259
Place : Camp Mumbai
Date : 30th May, 2015

Rajesh Hegde
Company Secretary

For and on behalf of
the Board of Directors

Braj Binani
Chairman
DIN : 00009165

V. Subramanian
Director
DIN : 00010994
Place : Mumbai
Date : 30th May, 2015

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1. BASIS OF PREPARATION

The consolidated financial Statements of Binani Zinc Limited (The Company) and its subsidiary R.B.G. Minerals Industries Limited, collectively referred to as the 'Group' have been prepared in accordance with Accounting Standard - 21 (AS 21), "Consolidated Financial Statements" notified under the Companies (Accounting Standards) Rules, 2006

1.2. BASIS OF ACCOUNTING

The consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act 2013 ("the 2013 Act") read with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1.3. USE OF ESTIMATES

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are based on the management's best knowledge of current events and actions. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

1.4. REVENUE RECOGNITION

Sales are recognised on transfer of title of the goods to the customers. Other incomes are recognised on accrual basis except when there are significant uncertainties.

1.5. TANGIBLE FIXED ASSETS

Tangible Fixed Assets are stated at cost, net of cenvat, less accumulated depreciation and impairment in value, if any. Interest and Finance costs, if any in respect of loan for financing Fixed Assets, are capitalized till the date the assets are ready for use. Subsequent expenditure related to an item of tangible fixed assets is added to its book value only if it increases the future benefits arising from the existing assets beyond its previously assessed standard of performance. Costs

include trial run, stabilization expenses and incidental expenses up to the date of capitalisation.

1.6. INTANGIBLE FIXED ASSETS

Intangible Assets acquired separately are measured on initial recognition at cost. Intangible assets are amortised on a straight line basis over the estimated useful economic life. Expenditure on major computer software is amortised over the period of expected benefit not exceeding five years

1.7. DEPRECIATION AND AMORTISATION

Depreciation on plant and machinery (except office equipments and transport equipment) is provided on Straight Line Method on the basis of the useful life in the manner prescribed as per Schedule II of The Companies Act, 2013.

Depreciation on other fixed assets, office equipments and transport equipments is provided on Written Down Value Method on the basis of the useful life in the manner prescribed as per Schedule II of The Companies Act, 2013.

1.8. IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

Impairment loss is charged to the Statement of Profit and Loss in the period in which, an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. At the end of each reporting period, the Company determines whether a provision should be made for impairment loss on tangible and intangible assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets". The impairment loss recognised in the prior accounting periods is reversed, if there has been a change in the estimate of recoverable amount.

1.9. VALUATION OF INVENTORIES

Raw Materials are valued at lower of weighted average cost (net of cenvat) and net realisable value. Work-in-process is valued at lower of cost and net realisable value.

Stores and Spares have been valued at lower of weighted average cost (net of cenvat) and net realisable value.

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

By-products are valued at estimated selling price.

1.10 INVESTMENTS

Long term investments are stated at cost. Provision

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

is made to recognize any diminution other than temporary in the value of such investments. Current investments are carried at lower of cost and fair value.

1.11 EXPORT INCENTIVES

Export incentives are recognised on exports on accrual basis, and based on the estimated realisable value of such entitlements.

1.12 FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are accounted at the exchange rate prevailing on the date of each transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss. In the case of forward contracts, the premium/discount is dealt with in the Statement of Profit and Loss over the period of the contracts and exchange difference on such contracts are recognised in the reporting period in which the exchange rates change.

1.13 EMPLOYEE BENEFITS

Defined Contribution Plans

The company has defined contribution plans for employees comprising of Government administered Provident Fund, Employees State Insurance and Pension Plans. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year.

Defined Benefit Plans

(i) Gratuity

The company makes contributions to the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India. The net present value of the obligation for gratuity benefits as determined on actuarial valuation conducted annually using the projected unit credit method, as adjusted for unrecognised past services cost, if any, and as reduced by the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

(ii) Loyalty

The company has a scheme for payment of loyalty on retirement to eligible employees. The scheme is unfunded and the present value of obligation as determined on actuarial valuation conducted annually using the projected unit credit method is recognised in the accounts. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

Other Long term employee benefits

Compensated absences

The company has a scheme for compensated absences for employees, the liability of which is determined on the basis of an actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

Short-term employee benefits

All employee benefits which are wholly due within twelve months of rendering the services are recognised in the period in which the employee rendered the related services.

1.14 BORROWING COSTS

Borrowing costs which are directly attributable to acquisition, construction or production of a qualifying asset are capitalized as a part of the cost of that asset. Other borrowing costs are recognised as expenses in the period in which they are incurred.

1.15 INCOME TAX

Income tax is accounted in accordance with Accounting Standard 22 'Accounting for taxes on income', which includes current tax and deferred tax. Deferred income tax reflect the impact of the current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available, except that deferred tax assets arising due to unabsorbed losses are recognised only if there is a virtual certainty that sufficient future taxable income will be available to realize the same.

1.16. PROVISIONS AND CONTINGENT LIABILITIES

Provision is made in the accounts if it becomes probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Contingent liabilities are not provided for, but are disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the accounts.

1.17. RISK MANAGEMENT TRANSACTIONS

The company uses derivative instruments to hedge the risk of movements in commodity prices. The use of these instruments reduces the risk or cost to the company and the company does not use such instruments for trading or speculation purposes. The company recognises gain or loss on effective hedges on settlement. Unrealised gain/loss as at the Balance sheet date is not recognised.

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 2. SHARE CAPITAL

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Authorised:		
7,50,00,000 (Previous Year 7,50,00,000) Equity Shares Par Value of ₹10/- per Share	7,500.00	7,500.00
	<u>7,500.00</u>	<u>7,500.00</u>
Issued, Subscribed and Fully Paid up:		
6,76,18,082 (Previous Year 6,76,18,082) Equity Shares Par Value of ₹10/- per Share (Refer Notes 2.1 to 2.4 below)	6,761.81	6,761.81
Total	<u>6,761.81</u>	<u>6,761.81</u>

2.1 RECONCILIATION OF NUMBER OF SHARES

PARTICULARS	31st March, 2015	31st March, 2014
Number of shares outstanding at the beginning of the year	6,76,18,082	6,76,18,082
Number of shares outstanding at the end of the year	6,76,18,082	6,76,18,082

2.2 TERMS/RIGHTS ATTACHED TO EQUITY SHARES

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

2.3 Number of shares held by Holding Company, Binani Industries Limited are given in Note 2.4 below:

2.4 Details of Shareholders holding more than 5% shares in the Company as at the end of the year:

NAME OF SHAREHOLDER	No. of Shares Held	% of Holding
Binani Industries Limited, Holding Company		
As at 31.03.2015	6,07,88,138	89.90%
As at 31.03.2014	6,07,88,138	89.90%

NOTE NO. 3. RESERVES AND SURPLUS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Surplus/(Deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	(4,505.32)	(2,000.92)
Add: Profit/(Loss) for the year as per Statement of Profit and Loss	(5,202.68)	(2,504.40)
Add/(Less): Depreciation on transition to Schedule II of The Companies Act, 2013 on fixed assets with nil remaining useful life (Refer Note 9.4)	(102.11)	-
Total	<u>(9,810.11)</u>	<u>(4,505.32)</u>

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 4. LONG -TERM PROVISIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Provision for Employee Benefits: (Refer Note 4.1 below)		
For Leave Encashment	63.75	57.54
For Loyalty (Refer Note 31.2.2)	47.32	40.94
For Gratuity (Refer Note 31.2.1)	51.13	-
Total	162.20	98.48

4.1 Short-Term components of provision for employee benefits are disclosed under 'Short-term Provisions' in Note 8.

NOTE NO. 5. SHORT- TERM BORROWINGS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Loans Repayable on Demand		
From Bank:		
Cash Credit (Secured, Refer Note 5.1 below)	13,521.98	4,635.80
Temporary Loan (Secured, Refer Note 5.1 below)	7,438.56	1,599.91
Total	20,960.54	6,235.71

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

5.2. Period and amount of default as on the balance sheet date in respect of loans and devolved letters of credit (excluding interest) :

PARTICULARS	31st March, 2015	Period (In months)
Letter of Credit devolved during the year 2013- 14 (₹ in Lakhs)	4,141.12	13
	3,481.83	13
Letter of Credit devolved during the year 2014-15 (₹ in Lakhs)	4,581.98	10
	5,401.33	8
	4,211.19	4

PARTICULARS	31st March, 2014	Period (In months)
Letter of Credit devolved during the year 2013 -14 (₹ in Lakhs)	4,141.12	1
	3,481.83	1

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 6. TRADE PAYABLES

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Trade Payables (including acceptances) (Refer Note 6.1 below)	2,625.48	16,164.36
Total	2,625.48	16,164.36

6.1 AMOUNT DUE TO MICRO AND SMALL ENTERPRISES

The Group has initiated the process of identifying the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March 2015, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

NOTE NO. 7. OTHER CURRENT LIABILITIES

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Other Payables:		
Security deposit received	61.88	61.88
Advance from Customers	152.87	1,308.71
Other Liabilities (Refer Note 7.1 below)	2,010.59	2,066.98
Total	2,225.34	3,437.57

7.1. OTHER LIABILITIES

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Customs Duty on Zinc Concentrate	474.88	351.69
Other Statutory Dues	63.98	56.18
Forward Contract Premium Payable	-	473.18
Creditors for Capital Goods	565.51	274.44
Retention Money	381.30	380.59
Others	524.92	530.90
Total	2,010.59	2,066.98

NOTE NO. 8. SHORT -TERM PROVISIONS

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Provision for Employee Benefits: (Refer Note 4.1)		
For Leave Encashment	4.47	3.43
For Gratuity (Refer Note 31.2.1)	44.77	-
For Loyalty (Refer Note 31.2.2)	0.49	0.06
Other Provisions:		
Provision for Disputed Electricity Demands	220.04	220.04
Total	269.77	223.53

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 9. FIXED ASSETS

(₹ in Lakhs)

Particulars	Gross Block (At Cost)				Accumulated Depreciation					Net Block	
	01-04-2014	Additions	Deletions	31-03-2015	01-04-2014	Adjusted to Reserves	For the year	Deletions/ Adjustments	31-03-2015	01-04-2014	31-03-2015
Tangible Assets											
Land (Refer Note 9.1)	306.40 (306.40)	- [-]	- [-]	306.40 (306.40)	- [-]	- [-]	- [-]	- [-]	- [-]	306.40 (306.40)	306.40 (306.40)
Buildings (Including Roads)	1,625.32 (1,625.32)	- [-]	- [-]	1,625.32 (1,625.32)	1,008.58 (952.59)	27.32 [-]	57.73 (55.99)	- [-]	1,093.63 (1,008.58)	616.74 (672.73)	531.69 (616.74)
Plant and Equipment (Refer Note 9.2)	22,955.82 (22,914.42)	- (46.08)	1.69 (4.67)	22,954.13 (22,955.83)	16,034.50 (15,344.92)	68.50 [-]	733.68 (693.63)	1.47 (4.05)	16,835.21 (16,034.50)	6,921.33 (7,569.50)	6,118.93 (6,921.33)
Furniture and Fixtures (Refer Note 9.3)	204.32 (203.38)	- (0.94)	- [-]	204.32 (204.32)	173.25 (167.20)	6.10 [-]	10.99 (6.05)	- [-]	190.34 (173.25)	31.07 (36.18)	13.98 (31.07)
Vehicles	146.37 (164.70)	- [-]	- (18.33)	146.37 (146.37)	123.42 (135.82)	0.19 [-]	10.37 (5.93)	- (18.33)	133.98 (123.42)	22.95 (28.88)	12.39 (22.95)
Total	<u>25,238.24</u>	<u>-</u>	<u>1.69</u>	<u>25,236.55</u>	<u>17,339.75</u>	<u>102.11</u>	<u>812.77</u>	<u>1.47</u>	<u>18,253.16</u>	<u>7,898.49</u>	<u>6,983.39</u>
Previous Year	<u>(25,214.22)</u>	<u>(47.02)</u>	<u>(23.00)</u>	<u>(25,238.24)</u>	<u>(16,600.53)</u>	<u>[-]</u>	<u>(761.60)</u>	<u>(22.38)</u>	<u>(17,339.75)</u>	<u>(8,613.69)</u>	<u>(7,898.49)</u>
Intangible Assets											
Computer Software	8.41 (8.41)	- [-]	- [-]	8.41 (8.41)	2.88 (1.20)	- [-]	1.68 (1.68)	- [-]	4.56 (2.88)	5.53 (7.21)	3.85 (5.53)
Total	<u>8.41</u>	<u>-</u>	<u>-</u>	<u>8.41</u>	<u>2.88</u>	<u>-</u>	<u>1.68</u>	<u>-</u>	<u>4.56</u>	<u>5.53</u>	<u>3.85</u>
Previous Year	<u>(8.41)</u>	<u>[-]</u>	<u>[-]</u>	<u>(8.41)</u>	<u>(1.20)</u>	<u>[-]</u>	<u>(1.68)</u>	<u>[-]</u>	<u>(2.88)</u>	<u>(7.21)</u>	<u>(5.53)</u>
Grand Total	<u>25,246.65</u>	<u>-</u>	<u>1.69</u>	<u>25,244.96</u>	<u>17,342.63</u>	<u>102.11</u>	<u>814.45</u>	<u>1.47</u>	<u>18,257.72</u>	<u>7,904.02</u>	<u>6,987.24</u>
Previous Year	<u>(25,222.63)</u>	<u>(47.02)</u>	<u>(23.00)</u>	<u>(25,246.65)</u>	<u>(16,601.73)</u>	<u>[-]</u>	<u>(763.28)</u>	<u>(22.38)</u>	<u>(17,342.63)</u>	<u>(8,620.90)</u>	<u>(7,904.02)</u>

[Figures in brackets represent previous year figures]

- 9.1 Land includes freehold land amounting to ₹ 41.42 Lakhs (₹ 41.42 Lakhs) taken possession of for which documentation / registration formalities are being completed.
- 9.2 Includes ₹ 391.68 Lakhs (Nil) provided towards impairment/writeoff of assets.
- 9.3 Furniture and Fixtures include office equipments, the amount of which is not material.
- 9.4 Consequent to Section 123 and Schedule II of The Companies Act 2013 (the Act) becoming applicable with effect from 1.4.2014, depreciation for the year ended 31.03.2015 has been provided on the basis of the useful lives as prescribed in Schedule II of the Act. This had the impact of decreasing the depreciation for the year of ₹ 220 lakhs (Nil). An amount of ₹ 102.11 lakhs (Nil) has been adjusted against the opening balance of retained earnings in respect of the assets which have no remaining useful life as per the transitional provisions specified in Schedule II of the Act.

NOTE NO. 10. CAPITAL WORK- IN PROGRESS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Projects -In Progress	3,577.73	3,520.36
Materials at Site	-	1.19
Total	<u>3,577.73</u>	<u>3,521.55</u>

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 11. NON CURRENT INVESTMENTS

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Trade Investments (valued at cost)		
Investment in Equity Instruments of Subsidiaries, fully paid up		
NIL(Previous Year 85,25,929 Shares of AUD 0.0001/- each) in BZ Minerals (Australia) Pty.Limited	-	0.38
NIL(Previous Year 15,001 Shares of USD 1.00/- each) in BZ Resources Mauritius Limited .	-	7.89
Provision for dimution in value of investment	-	(7.89)
	-	-
Other Investments (valued at cost)		
Investment in Equity Instruments of Other Companies, fully paid up		
1,75,000 (Previous Year 1,75,000) Shares of ₹ 10/- each in Kerala Enviro Infrastructure Limited	17.50	17.50
Investment in government securities		
National Savings Certificate	-	0.03
Aggregate amount of unquoted investments	17.50	17.91
Aggregate provision for diminution in value of investments	-	7.89

NOTE NO. 12. DEFERRED TAX ASSET (NET)

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
A. Deferred Tax Liabilities		
On difference between written down value of Fixed Assets as per Income Tax Act and as per books	(1,256.81)	(1,376.21)
Others	(127.21)	(109.52)
	(1,384.02)	(1,485.73)
B. Deferred Tax Assets		
Unabsorbed Depreciation	1,691.29	1,505.21
	1,691.29	1,505.21
Net Deferred tax Asset *	307.27	19.48

*Deferred tax asset in respect of unabsorbed depreciation has been recognized only to the extent of deferred tax liability. In terms of accounting standard on 'Accounting for taxes on income' (AS 22), deferred tax asset (Net) has not been recognised by the company in the account for the year as a matter of prudence, in the absence of virtual/reasonable certainty of future taxable profit.

NOTE NO. 13. LONG TERM LOANS AND ADVANCES

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Unsecured, Considered good		
Capital Advances	264.25	256.62
Security Deposits	406.72	571.06
Advance Tax/TDS (Net of Provision for Tax)	176.75	154.33
Total	847.72	982.01

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO.14. OTHER NON CURRENT ASSET

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Miscellaneous Expenditure (to the extent not written off adjusted)	4.08	4.08
Total	4.08	4.08

NOTE NO. 15. INVENTORIES

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Raw Materials	1,421.18	1,311.68
Raw Materials- In Transit	-	-
Work-In Process (Refer Note 15.3 below)	304.09	162.53
Finished Goods (Refer Note 15.2 below)	93.37	2,115.30
Stores and Spares	912.89	1,080.33
Stores and Spares- In Transit	-	19.03
Total	2,731.53	4,688.87

15.1 Method of Valuation of Inventories - Refer Note 1.9

15.2 BREAK-UP OF INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Zinc Ingots	0.04	1,303.48
Sulphuric Acid	32.54	58.89
Cadmium	-	7.25
Zinc Alloy	60.79	727.14
Zinc Dust	-	2.55
Zinc Oxide	-	15.99
Total	93.37	2,115.30

15.3 BREAK-UP OF INVENTORIES OF WORK-IN PROCESS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Calcine	299.99	97.60
Zinc Dust	4.10	12.21
Cathode Zinc	-	52.72
Total	304.09	162.53

NOTE NO. 16. TRADE RECEIVABLES

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Unsecured, considered good		
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment	-	-
Other debts	0.74	0.71
Total	0.74	0.71

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 17. CASH AND CASH EQUIVALENTS

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Balances with Banks		
- In Current Accounts	48.81	286.70
- in Deposit Accounts	646.79	19.68
Cash on hand	2.39	1.10
Balances with banks in deposit accounts to the extent held as security against letter of credit facilities and guarantees	176.06	2,046.64
Total	874.05	2,354.12

NOTE NO. 18. SHORT- TERM LOANS AND ADVANCES

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Loans and advances to Related Parties (Unsecured, considered good)		
Due from Holding Company:		
- Inter Corporate Deposits with Binani Industries Limited	4,416.00	4,755.00
Others (Unsecured, considered good)		
Advances Recoverable in cash or in kind	1,314.63	1,551.63
Deposits	75.50	75.57
Balance with Customs and Excise Authorities	2,294.21	2,278.54
Total	8,100.34	8,660.74

NOTE NO. 19. OTHER CURRENT ASSETS

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Interest Accrued on Deposits	48.71	86.56
Unamortised Premium on Forward Exchange Contracts	-	190.18
Total	48.71	276.74

NOTE NO. 20. REVENUE FROM OPERATIONS

[₹ in Lakhs]

PARTICULARS	31st March, 2015	31st March, 2014
Sale of Products		
Zinc Ingots	8,283.32	28,194.60
Zinc Alloy:		
Zamak 3	2,238.13	6,509.44
Zamak 5	435.85	2,324.42
Zinc Dust	2.74	20.09
Sulphuric Acid	340.58	1,807.20
Cadmium	22.31	66.55
Total	11,322.93	38,922.30
Other Operating Revenue		
Industrial Waste Sales/Scrap Sales	42.94	294.41
Income from Risk Management Transactions (Net)	184.38	168.36
Total	227.32	462.77

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

20.1 QUANTITATIVE DETAILS

PARTICULARS	UoM	31st March, 2015	31st March, 2014
Zinc Ingots	MT	4,567	18,210
Zinc Alloy:			
Zamak 3	MT	1,142	3,929
Zamak 5	MT	228	1,362
Zinc Dust	MT	1	12
Sulphuric Acid	MT	7,306	33,308
Cadmium	MT	14	45

NOTE NO. 21. OTHER INCOME

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Interest Income	836.07	1,052.61
Other Non Operating Income	69.10	8.16
Total	905.17	1,060.77

NOTE NO. 22. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Raw Materials Consumed - Zinc Concentrate/Oxides (Refer Note 35.1)	5,413.60	22,514.65
Raw Materials Consumed - Alloy Production (Refer Note 35.1)	493.31	216.81
Total	5,906.91	22,731.46

NOTE NO. 23. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN PROCESS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Inventories as at the beginning of the year		
Finished Goods (Refer Note 15.2)	2,115.30	746.80
Work -In Process (Refer Note 15.3)	162.53	219.20
	2,277.83	966.00
Inventories as at the end of the year		
Finished Goods (Refer Note 15.2)	93.37	2,115.30
Work- In Process (Refer Note 15.3)	304.09	162.53
	397.46	2,277.83
Changes in Inventories of Finished Goods and Work-In Process	1,880.37	(1,311.83)
Excise Duty on Stock Adjustment	(143.20)	102.98
Total	1,737.17	(1,208.85)

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 24. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Salaries and Wages	1,816.48	1,960.84
Contribution to Provident and Other Funds (Refer Note 30)	335.39	213.42
Workmen and Staff Welfare Expenses	105.40	171.59
Total	2,257.27	2,345.85

NOTE NO. 25. FINANCE COSTS

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Interest Expenses	2,546.65	577.19
Other Borrowing Costs	13.56	34.19
Total	2,560.21	611.38

NOTE NO. 26. OTHER EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Power and Fuel	1,763.02	5,320.94
Consumption of Stores and Spares (Refer Note 26.2 & 35.2)	258.93	1,758.65
Repairs to:		
Buildings	0.59	12.59
Machinery	145.82	941.44
Others	30.59	104.62
Other Operating Expenses	37.79	530.72
Freight and Transport	120.28	529.95
Insurance	40.24	34.91
Rates and Taxes	26.95	75.87
Directors' Sitting Fees	4.90	2.20
Exchange Rate Difference (Net)	325.55	1,193.44
Rent	1.92	4.61
Management Service Fees (Refer Note 32.3)	-	777.50
Royalty (Refer Note 32.2)	-	1,036.44
Bank Charges	37.29	326.00
Commission to Selling Agents	116.78	340.16
Miscellaneous Expenses (Refer Note 26.1)	331.06	611.11
Total	3,241.71	13,601.15

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

26.1 MISCELLANEOUS EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Legal & Professional Expenses	96.46	158.63
Travelling & Conveyance	44.55	109.64
Security Expenses	39.58	47.81
Other Miscellaneous Expenses	140.37	286.29
Payment to Auditors*		
For Statutory Audit	5.87	5.75
For Tax Audit	0.64	0.60
For Half Yearly Audit	2.00	-
For Other Services	0.40	0.95
For Reimbursement of Expenses	1.19	1.44
Total	331.06	611.11

*Exclusive of Service tax

26.2 CONSUMPTION OF STORES AND SPARES

Consumption of Stores and Spares does not include consumption for repairs classified under the head 'Repairs' ₹ 62.18 Lakhs (Previous Year - ₹ 573.71 Lakhs).

NOTE NO. 27. EARNINGS PER SHARE (BASIC/DILUTED)

PARTICULARS	31st March, 2015	31st March, 2014
Loss for the year as per Statement of Profit and Loss (₹ in Lakhs)	(5,202.68)	(2,504.40)
Weighted Average number of Equity Shares of ₹ 10/- each (fully paid)	6,76,18,082	6,76,18,082
Earnings Per Share (Basic/Diluted)(₹)	(7.69)	(3.70)

NOTE NO. 28. CONTINGENT LIABILITIES AND COMMITMENTS - IN THE RESPECT OF THE COMPANY

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Contingent Liabilities:		
Claims against the company not acknowledged as debt (Disputed Tax/duty and other demands)	1,524.53	1,447.31
Guarantees (Refer Note 28.1)	2,06,862.79	1,97,991.69
Commitments:		
Estimated amount of Contracts remaining to be executed on capital account and not provided for	2,126.96	2,260.63
Other commitments (Refer Note 28.4)	693.06	591.55
Total	2,11,207.34	2,02,291.18

28.1. DETAILS OF GUARANTEES

(₹ in Lakhs)

PARTICULARS	31st March, 2015	31st March, 2014
Corporate Guarantees given to Financial Institutions and Banks in respect of loans availed by the Holding Company Binani Industries Limited and by other subsidiaries/step down subsidiaries of the Holding Company.	2,06,354.00	1,97,209.00
Other Guarantees	508.79	782.69
Total	2,06,862.79	1,97,991.69

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

28.2. The Single Bench of the Hon'ble High Court of Kerala, had in December 2009, disposed the Company's Petition against the Order of the Appellate Authority (Dy. Chief Engineer KSEB) and quashed the order levying penalty for unauthorised additional load. Matter was remanded with a direction to take a decision afresh in accordance with Law considering the bonafide conduct of the Company. The Company had obtained all the necessary approvals as stipulated in the conditions of supply of KSEB and since there was no violation, the penal charges are not payable and hence no provision is considered necessary at this stage. The Company had also filed a further writ petition before the Division Bench, challenging that portion of the order, relating to remand. As informed by the legal counsel, the Division Bench of the Hon'ble High Court has ordered in favour of the Company, fully accepting the contentions in Writ Appeal.

28.3 In respect of electricity charges payable for certain years in the prior period, KSEB had withdrawn the concessional tariff eligible for the company as per a government notification, resulting in an additional liability for ₹ 816.88 Lakhs for those years, which was provided for. The Company had taken up the matter before the Hon'ble High Court of Kerala, which was admitted. Since the matter remained as such for a long number of years, based on the legal advice obtained, the said amount of ₹ 816.88 Lakhs provided for, was considered no longer payable and written back in the accounts of the Company in the year 2003-04. Subsequently the Hon'ble Single Bench of the Kerala High Court disposed the company's appeal with a direction to KSEB to reconsider the claim of the company for concessional tariff for the earlier years. The Company filed a writ appeal before the Hon'ble Division Bench, praying that the claim of the Company to cancel the demand be allowed, which was heard and reserved for judgement. The Company, as legally advised, is hopeful of a favourable decision on final settlement of the issues involved in the matter and hence no provision is made for the said amount, which is included under contingent liabilities.

28.4 In respect of capital goods imported at concessional rate of duty under the Export Promotion Capital Goods Scheme, the Company has an export obligation of ₹ 693.06 Lakhs (₹ 591.55 Lakhs), which is required to be met at different dates, before November 2019. In the event of non fulfillment of the export obligation, the Company will be liable to refund the availment of concessional customs duties and penalties as applicable.

NOTE NO. 29. SEGMENT REPORTING

The Company operates in a single segment i.e. 'Production and Sales of Zinc in India'. The company's entire Zinc sales are in India. Hence no additional disclosures under Accounting Standard 17- "Segment Reporting" are required in these financial statements.

NOTE NO. 30. RISK MANAGEMENT TRANSACTIONS

- 30.1 The company has undertaken hedging against the risk in commodity prices (zinc prices) through derivative instruments in London Metal Exchange. The gain/losses are recognised in the Statement of Profit and Loss on settlement of the transaction.
- 30.2 In pursuance of the announcement dated 29.03.2008 of the Institute of Chartered Accountants of India on accounting for derivatives, mark to market gains (net) on outstanding derivative instruments as at 31st March, 2015 stood at ₹ Nil (Previous Year ₹ 2.30 Lakhs), which is not recognised in the accounts.
- 30.3 Particulars of foreign currency exposures as at 31st March, 2015 not hedged by derivative instruments or otherwise are given below:

(₹ in Lakhs)

Particulars	Amount in Foreign Currency	Currency	Exchange Rate	Amount
Receivables	0.27	USD	62.22	17.10
	(0.23)	(USD)	(60.49)	(13.65)
Trade Payables	3.26	USD	63.06	205.47
	(93.09)	(USD)	(60.49)	(5,630.91)

(Figures in brackets pertain to previous year)

NOTE NO. 31 EMPLOYEE BENEFITS – in respect of the Company

(Disclosure under Accounting Standard 15 – 'Employee Benefits', Revised 2005)

31.1 Defined Contribution Plans

During the year the company has recognised ₹ 133.73 Lakhs (Previous Year ₹ 131.13 Lakhs) in the Statement of Profit and Loss on account of defined contribution plans.

31.2 Defined Benefit Plans**31.2.1 Gratuity (Funded)**

(i)	Actuarial Assumptions	31st March, 2015	31st March, 2014
	Discount Rate (per annum)	8.25% p.a.	8.25% p.a.
	Expected return on plan assets	8.00% p.a.	8.00% p.a.
	Salary escalation rate *	4.00% p.a.	4.00% p.a.
	Mortality rate	LIC (1994-1996) rate	LIC (1994-1996) rate

*The assumption of future salary increases takes into account the inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

(ii)	Reconciliation of present value of obligation:	31st March, 2015	31st March, 2014
	Present value of obligation at the beginning of the year	396.07	325.52
	Current Service Cost	31.84	21.83
	Interest Cost	33.99	27.76
	Actuarial (gain)/loss	152.37	60.88
	Benefits Paid	(62.12)	(39.91)
	Curtailments	-	-
	Settlements	-	-
	Present value of obligation at the end of the year	552.15	396.08

(₹ in Lakhs)

(iii)	Reconciliation of fair value of plan assets :	31st March, 2015	31st March, 2014
	Fair value of plan assets at the beginning of the year	471.78	458.23
	Expected return on plan assets	37.74	36.66
	Actuarial gain/(loss)	(3.69)	3.70
	Contributions	12.54	13.10
	Benefits paid	(62.12)	(39.91)
	Assets distributed on settlement	-	-
	Fair value of plan assets at the end of the year	456.25	471.78

(₹ in Lakhs)

(iv)	Net (Asset)/Liability recognised in the Balance Sheet as at year end:	31st March, 2015	31st March, 2014
	Present value of obligation	552.15	396.08
	Fair value of plan assets	456.25	471.78
	Net present value of unfunded obligation recognised as (asset)/liability in the Balance Sheet	95.90	(75.70)

(₹ in Lakhs)

(v)	Expenses recognised in the Statement of Profit and Loss:	31st March, 2015	31st March, 2014
	Current Service Cost	31.84	21.83
	Interest Cost	33.99	27.76
	Expected return on plan assets	(37.74)	(36.66)
	Actuarial (gain) /loss recognised in the period	156.05	57.18
	Past Service Cost	-	-
	Curtailment cost	-	-
	Settlement cost	-	-
	Total expenses recognised in the Statement of Profit and Loss	184.14	70.11
	Actual return on plan assets	34.05	40.36

31.2.2 Defined Benefit Plans – Loyalty (Unfunded)

The company has a scheme of payment of loyalty to employees if they have rendered a minimum of 10 years of service at the company.

(i)	Actuarial Assumptions	31st March, 2015	31st March, 2014
	Discount Rate (per annum)	8.25%	8.25%
	Salary escalation rate	4%	4%
	Mortality rate	LIC (1994-1996) rate	LIC (1994-1996) rate

(₹ in Lakhs)

(ii)	Reconciliation of present value of obligation:	31st March, 2015	31st March, 2014
	Present value of obligation at the beginning of the year	41.00	36.67
	Current Service Cost	7.90	11.00
	Interest Cost	3.71	3.48
	Actuarial (gain)/loss	5.41	(2.58)
	Benefits Paid	(10.21)	(7.57)
	Present value of obligation at the end of the year	47.81	41.00

(₹ in Lakhs)

(iii)	Net (Asset)/Liability recognised in the Balance Sheet as at year end:	31st March, 2015	31st March, 2014
	Present value of obligation at end of the year	47.81	41.00
	Fair value of plan assets at end of the year	-	-
	Net (Asset)/liability recognised in Balance Sheet	47.81	41.00

(₹ in Lakhs)

(iv)	Expenses recognised in the Statement of Profit and Loss for the year:	31st March, 2015	31st March, 2014
	Current Service Cost	7.90	11.00
	Interest Cost	3.71	3.48
	Expected return on plan assets	-	-
	Actuarial (gain) /loss recognised in the period	5.41	(2.58)
	Total expenses recognised in the Statement of Profit and Loss for the year	17.02	11.90

The above disclosures are based on information certified by the independent actuary and relied upon by the auditors.

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note No. 32 Related Party disclosure as per Accounting Standard-18 issued by the Institute of Chartered Accountants of India.

32.1 The Company has entered into transactions in ordinary course of business with related parties at arm's length as per details below:

(₹ in Lakhs)

Particulars	Subsidiaries	Fellow Subsidiaries (including step down subsidiaries)	Holding Company	KMP#	Enterprises where KMP have got significant influence	Total
A. TRANSACTIONS						
Interest Income	- (-)	- (-)	642.40 (763.39)	- (-)	- (-)	642.40 (763.39)
Advertisement Expenses	- (-)	- (-)	- (-)	- (-)	2.57 (7.95)	2.57 (7.95)
Royalty expenses	- (-)	- (-)	- (1036.44)	- (-)	- (-)	- (1036.44)
Fees for Management Services Rendered	- (-)	- (-)	- (777.50)	- (-)	- (-)	- (777.50)
Payment Towards Remuneration (Net)	- (-)	- (-)	- (-)	210.12 (78.05)	- (-)	210.12 (78.05)
Director's Sitting Fees	- (-)	- (-)	- (-)	0.70 (0.40)	- (-)	0.70 (0.40)
Rent Expenses	- (-)	- (-)	- (-)	- (-)	- (2.91)	- (2.91)
Service Charges Expenses	- (-)	- (-)	- (-)	- (-)	24.48 (1.39)	24.48 (1.39)
Advance written off	- (11.62)	- (-)	- (-)	- (-)	- (-)	- (11.62)
Repatriation of investment	0.48 (0.88)	- (-)	- (-)	- (-)	- (-)	0.48 (0.88)
Investment written off	8.27 (8.61)	- (-)	- (-)	- (-)	- (-)	8.27 (8.61)
Inter Corporate Deposit placed	- (-)	- (-)	- (7,440.00)	- (-)	- (-)	- (7,440.00)
Inter Corporate Deposit Received Back	- (-)	- (-)	339.00 (7,525.00)	- (-)	- (-)	339.00 (7,525.00)
Dividend from foreign subsidiary	31.64 (-)	- (-)	- (-)	- (-)	- (-)	31.64 (-)
B. BALANCES AS ON 31.03.2015						
Assets:						
Short Term Loans & Advances (including ICDs and interest on ICDs)	- (-)	- (-)	5,051.97 (4,755.01)	- (99.42)	- (-)	5,052.97 (4,864.84)
Liabilities:						
Trade Payables	- (-)	- (-)	1,069.41 (1,084.55)	- (-)	6.16 (-)	1,075.57 (1,084.55)
Corporate Guarantees Given	- (-)	1,61,241.00* (1,47,635.00)	45,113.00 (42,192.00)	- (-)	- (-)	2,06,354.00 (1,89,827.00)
Corporate Guarantees Received	- (-)	- (-)	21,470.00 (20,827.00)	- (-)	- (-)	21,470.00 (20,827.00)

(Figures in brackets pertain to previous year)

KMP refers to Key Management Personnel

* Jointly and Severally with the Holding Company and Fellow subsidiaries

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

32.2 The company had entered into a trademark licensing agreement with the Holding Company, Binani Industries Limited, which is effective from 01.04.2011. As per the terms of the agreement, Binani Industries Limited will undertake and incur expenditure on advertisement and corporate brand building and development exercise for the company and its products for achieving sustained growth. The company has been licensed to use the trademark/logo registered by Binani Industries Limited on payment of royalty at a specified percentage based on the turnover of the company. As per decision taken by the Holding Company, in the Board Meeting dated 7th August 2014, royalty has not been charged from 01.04.2014.

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

32.4 NAMES OF RELATED PARTIES AND DESCRIPTION OF RELATIONSHIP:

- Holding Company: Binani Industries Limited
- Fellow Subsidiary (including step down subsidiaries): Binani Cement Limited, Goa Glass Fibre Limited, 3B Binani Glassfibre SARL and 3B Fibreglass Norway AS.
- Subsidiaries: BZ Minerals (Australia) Pty. Limited(wound up during the current year), BZ Minerals (Luxembourg) SARL(wound up during the previous year)and BZ Resources Mauritius Limited(wound up during the current year).
- Key Management Personnel: Mr. Braj Binani and Mr. Sushil Bhatler
- Enterprises where Key Management Personnel have got significant influence:
(excluding holding company, subsidiaries and fellow subsidiaries)
 - Mr. Braj Binani in Binani Metals Limited, Triton Trading Company Private Limited, Asian Industry And Information Services Pvt. Ltd and Nirbhay Management Services Private Limited.

NOTE NO. 33

On account of the operational losses and the consequent negative net worth, the company made a reference under the Sick Industrial Companies (Special Provisions) Act, 1985 to the Board for Industrial and Financial Reconstruction (BIFR) during October 2014. The operations of the company were adversely affected in the current year due to critical liquidity position leading to stoppage of production for a significant portion of the year and the Company has incurred a net loss of ₹ 5,202.52

lakhs during the year. The company is pursuing active steps for resumption of full scale operations. In the opinion of the management, due to various factors including improving market conditions, operational and technical innovations for reducing the cost of production, the future prospects and financial viability as assessed by the management and as per the Techno Economic Viability report given by an independent expert agency for proposed restructuring of loans, it is possible to revive and turnaround the Company and to continue as a going concern. However the management recognizes the uncertainty related to the acceptance of the company's revival package by the bankers and the outcome of the proceedings pending before the BIFR, as also raising funds for the immediate resumption of operation in the interregnum. As per the valuation report of an independent valuer, the fixed assets have value in a distress sale value far in excess of the total liability.

In the opinion of the management, the assets of the company are sufficient to discharge the liabilities in the normal course of the business, at this stage. Accordingly the financial statements for the current year are drawn up on a going concern basis.

NOTE NO. 34

The management is of the opinion, taking due consideration of the factors stated in Note No. 33 above and on the basis of prudential estimates of the value in use of the assets of the company as a cash generating unit in accordance with the provisions of Accounting Standard – AS 28 [of the Companies Accounting Standards Rules 2006]-Impairment of Assets, the recoverable amount of the assets of the company as a cash generating unit is more than its carrying amount in the accounts. Also, the net selling price of the fixed assets of the company as valued by an independent valuer is more than its carrying amount in the accounts. Hence, in the opinion of the management, there is no impairment in the value of the fixed assets of the Company to be recognized in the accounts at this stage.

NOTE NO. 35 ADDITIONAL INFORMATION in the respect of the Company

35.1 Raw Material Consumption

(₹ in Lakhs)

Particulars	31st March, 2015	%	31st March, 2014	%
Zinc Concentrate/Oxide - Imported	5,413.60	92	22,514.65	99
Raw Material for Alloy - Indigenous	493.31	8	216.81	1
Total	5,906.91	100	22,731.46	100

35.2 Stores and Spares Consumption

(₹ in Lakhs)

Particulars	31st March, 2015	%	31st March, 2014	%
Stores and Spares - Imported	43.57	27	412.79	18
Stores and Spares - Indigenous	153.65	73	1,919.57	82
Total	197.22	100	2,332.36	100

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

35.3 Value of Imports calculated on CIF basis

Particulars	[₹ in Lakhs]	
	31st March, 2015	31st March, 2014
Raw Materials	5,311.08	15,803.55
Stores and Spares	26.25	308.80
Capital Goods	-	271.68
Total	5,337.33	16,384.03

35.4 Expenditure in Foreign Currency (on accrual basis)

Particulars	[₹ in Lakhs]	
	31st March, 2015	31st March, 2014
Professional & Consultancy fees	2.92	24.40

Interest	58.32	231.06
Others	2.39	10.82
Advance written off	-	11.62
Total	63.63	277.90

35.5 Earnings in Foreign Exchange (on accrual basis)

Particulars	[₹ in Lakhs]	
	31st March, 2015	31st March, 2014
Income from Risk Management Transactions (Net)	184.38	168.36
Others	32.18	29.38
Total	216.56	197.74

35.6 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the Entity	For the year ended 31.03.2015				For the year ended 31.03.2014			
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ In Lakhs)	As % of consolidated profit or loss	Amount (₹ In Lakhs)	As % of consolidated net assets	Amount (₹ In Lakhs)	As % of consolidated profit or loss	Amount (₹ In Lakhs)
1	2	3	4	5	2	3	4	5
Binani Zinc Limited	116%	(3,548.14)	100%	(5,202.52)	78%	1,756.49	100%	(2,504.40)
R.B.G Minerals Industries Limited	(16%)	499.84	0%	(0.16)	22%	500.00	0%	-
TOTAL	100%	(3,048.30)	100%	(5,202.68)	100%	2,256.49	100%	(2,504.40)

As per our separate report of even date attached

For Varma & Varma
Chartered Accountants
(FRN:004532S)

Vivek Krishna Govind
Partner
Membership No.208259

Place : Camp Mumbai
Date : 30th May, 2015

Rajesh Hegde
Company Secretary

For and on behalf of
the Board of Directors

Braj Binani
Chairman
DIN : 00009165

V. Subramanian
Director
DIN : 00010994

Place : Mumbai
Date : 30th May, 2015

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures.

Part "A": Subsidiaries

(₹ in lakhs)

Sl. No	Name of the subsidiary	Reporting period	Reporting currency	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1	R.B.G. MINERALS INDUSTRIES LIMITED	April to March	INR	500.00	NIL	501.20	501.20	NIL	NIL	NIL	NIL	NIL	NIL	100

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

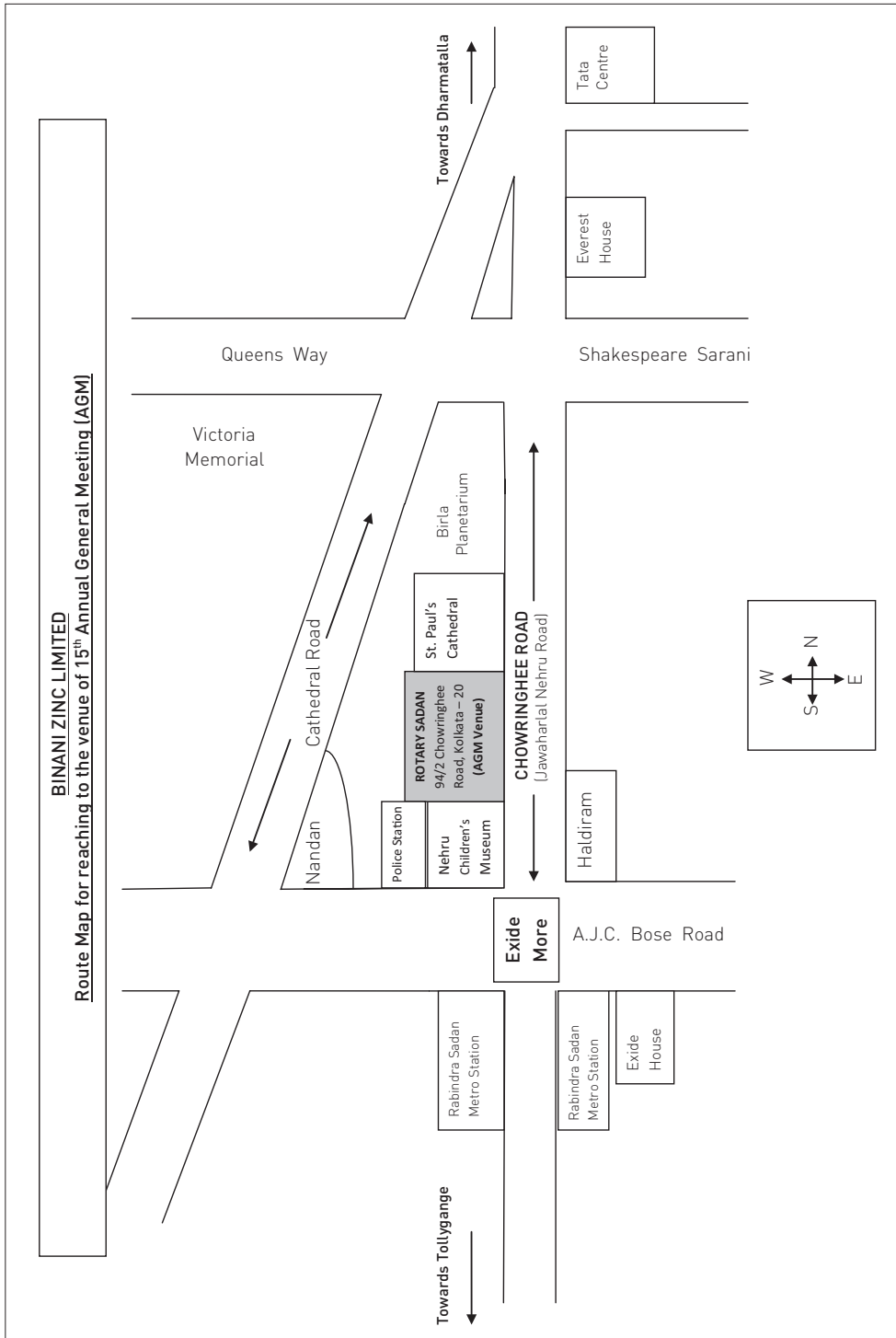
For and on behalf of the Board of Directors

Braj Binani
Chairman
DIN : 00009165

V. Subramanian
Director
DIN : 00010994

Rajesh Hegde
Company Secretary

Place: Mumbai
Date: 30th May, 2015



Binani

Binani Zinc Limited

(CIN : U27204WB2000PLC091214)

Registered Office : 37/2, Chinar Park, New Town, Rajarhat Main Road, P.O: Hatiara, Kolkata - 700157

Tel: 033-32626795/96 Fax: 033-40088802

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP ID*	
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Folio No.	
-----------	--

Client ID*	
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No. of Shares	
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Name of the Member / proxy _____

I hereby record my presence at the 15th Annual General Meeting of the Company to be held on Friday, 25th September, 2015 at 2.00 p.m. at Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700 020.

* Applicable for investors holding shares in electronic form.

Signature of Shareholder / proxy

Binani

Binani Zinc Limited

(CIN : U27204WB2000PLC091214)

Registered Office : 37/2, Chinar Park, New Town, Rajarhat Main Road, P.O: Hatiara, Kolkata - 700157

Tel: 033-32626795/96 Fax: 033-40088802

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s): _____

Registered address: _____

E-mail ID: _____

Folio No/ Client ID: _____

DP ID: _____

I/We, being the member (s) of Binani Zinc Limited holding _____ Share(s) of the Company, hereby appoint:

1. Name: _____ Address _____

E-mail ID _____ Signature _____ or failing him,

2. Name: _____ Address _____

E-mail ID _____ Signature _____ or failing him,

3. Name: _____ Address _____

E-mail ID _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Fifteenth Annual General Meeting of the Company, to be held on the Friday, 25th September, 2015 at 2.00 p.m. at Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolution
1	Adoption of Audited Financial Statements (including Audited Consolidated Financial Statements) for the Financial Year ended 31st March 2015 together with Reports of the Directors and the Auditors thereon
2	Re-appointment of Mr. Braj Binani, as a Director of the Company.
3	Appointment of M/s. Udeshi Shukla & Associates, Chartered Accountants as Statutory Auditors of the Company.
4	Ratification of Cost Auditors' remuneration.
5	Appointment of Mr. Sushil Bhatler as Managing Director of the Company.
6	Approval for change in name of the Company from 'Binani Zinc Ltd.' to 'Edayar Zinc Ltd.'

Signed this _____ day of _____ 2015

Signature of Member _____

Signature of Proxy holder(s) _____

**Affix
Revenue
Stamp**

Note

1. This form of proxy, in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Binani

BRAJ BINANI GROUP

BINANI ZINC LIMITED

Mercantile Chambers, 12, J.N. Heredia Marg, Ballard Estate, Mumbai-400001.