



## **BINANI METALS LIMITED**

### **BOARD OF DIRECTORS**

**SHRI BRAJ BINANI**  
(Chairman)

**SHRI P.R. DAMANI**

**DR. (Ms.) KALA PANT**

**MISS NIDHI BINANI**

**SHRI J.D. MEHTA**  
(Executive Vice Chairman)

**SHRI VINOD JUNEJA**  
(Managing Director)

**SHRI B. SRINIVASAN**  
Additional Director (w.e.f. 22.04.2009)

**SHRI V. SUBRAMANIAN**  
Additional Director (w.e.f. 22.04.2009)

### **AUDITORS**

M/s. ABROL & MAHESHWARY, MUMBAI

### **COMPANY SECRETARY**

RAKESH DARJI

### **BANKERS**

HDFC BANK LTD.  
SARASWAT CO-OP. BANK LTD.  
BANK OF BARODA  
BNP PARIBAS

### **REGISTERED OFFICE**

705, Om Tower  
32, Chowringhee Road,  
Kolkata - 700 071.

### **CORPORATE OFFICE**

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

### **REGISTRARS AND SHARE TRANSFER AGENTS**

**LINK INTIME INDIA PRIVATE LIMITED**  
(FORMERLY KNOWN AS INTIME SPECTRUM  
REGISTRY LIMITED)

C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai-400078

Tel.:022-25963838 Fax: 022-25946969

Email ID : rajesh.mishra@linkintime.co.in



## BINANI METALS LIMITED

### NOTICE TO SHAREHOLDERS

NOTICE IS HEREBY given that the Sixty Eighth Annual General Meeting of Binani Metals Limited will be held at 12.30 p.m. or immediately after the conclusion of Annual General Meeting of Binani Cement Limited if it concludes after 12.30 p.m. at "Rotary Sadan", 94/2, Chowringhee Road, Kolkata - 700 020 on Friday, the 26th June, 2009 to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and the Audited Accounts in respect of the year ended 31<sup>st</sup> March, 2009.
2. To declare dividend.
3. To appoint a Director in place of Shri Vinod Juneja, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri P. R. Damani, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

#### SPECIAL BUSINESS:

6. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:  
"RESOLVED THAT Shri B. Srinivasan, who was appointed as an Additional Director and who in terms of Section 260 of the Companies Act, 1956 read with Article 100 of the Articles of Association of the Company, holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member of the Company under Section 257 of the Companies Act, 1956, proposing his candidature for the office of the Director alongwith a deposit of Rs.500/-, be and is hereby appointed as a Director of the Company."
7. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:  
"RESOLVED THAT Shri V. Subramanian, who was appointed as an Additional Director and who in terms of Section 260 of the Companies Act, 1956 read with Article 100 of the Articles of Association of the Company, holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member of the Company under Section 257 of the Companies Act, 1956, proposing his candidature for the office of the Director alongwith a deposit of Rs.500/-, be and is hereby appointed as a Director of the Company."
8. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:  
"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals, if any, the Company hereby accords its approval for the re-appointment of Shri J. D. Mehta as Executive Vice Chairman effective from 1<sup>st</sup> April, 2009 to 31<sup>st</sup> March, 2010 upon the terms and conditions including remuneration and perquisites as set out in the agreement dated 4<sup>th</sup> February, 2009 entered into between the Company and Shri J. D. Mehta (copy of which is placed before the meeting) with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment as the Board of Directors may consider necessary and as may be agreed to by Shri J. D. Mehta within the overall limits specified in Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any amendments thereto or re-enactments thereof and/or any rules and regulations framed thereunder."  
"RESOLVED FURTHER THAT even in the event of loss or inadequacy of profits during the tenure, the Company may pay to Shri J. D. Mehta, the same Remuneration by way of salary and perquisites as set out in the agreement as minimum remuneration subject to such approvals as may be necessary including that of Central Government."

**Registered Office:**  
705, Om Tower,  
32, Chowringhee Road,  
Kolkata-700071

**Place : Mumbai**  
**Date : 22<sup>nd</sup> April , 2009**

By Order of the Board  
For **Binani Metals Limited**

**J. D. Mehta**  
**Executive Vice Chairman**



## NOTES FOR MEMBERS' ATTENTION:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Instruments appointing proxies should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.**
2. As required under Listing Agreement brief write-up of Shri Vinod Juneja and Shri P.R. Damani whose re-appointment is proposed at Item No.3 and 4 and Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 and in respect of Special Business at Item No. 6 and 7 with reference to the the appointment of Shri B. Srinivasan and Shri V. Subramanian are annexed hereto.
3. Explanatory Statement pursuant to Section 173(2) of the Companies Act read with Dept. of Company Affairs Notification F.No.5/48/2001-CL-V published in Gazette of India Extra Ordinary Part-II, Section 3, Sub-Section (i) dated 16.01.2002 in respect of Special Business as appearing at Item No. 8 of the Notice setting out material facts along with a brief write-up of Shri J. D. Mehta is annexed to the Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Friday the 19<sup>th</sup> June, 2009 till the date of Annual General Meeting, i.e. to Friday, the 26<sup>th</sup> June, 2009 (both days inclusive).
5. The Dividend, if declared, will be paid to the Members, whose names appear on the Company's Register of Members as on 26<sup>th</sup> June, 2009 on the fully paid up Equity Capital of the Company as on 31<sup>st</sup> March 2009. In respect of shares held in the Electronic Form, the dividend will be payable to the beneficial owners of shares as on 19<sup>th</sup> June, 2009 as per details furnished by the Depositories for this purpose.
6. Members are requested to note that the Equity Shares of the Company are eligible for Dematerialisation with both NSDL and CDSL and the ISIN No. for the script is INE129H01022.
7. Members who hold shares in the physical form are requested to send all correspondence relating to shares including requests for Dematerialisation, transfers, change of address, change of status, change of mandate, fresh mandate etc. to the Registrar and Share Transfer Agents:  
**M/s. Link Intime India Private Limited,**  
**Unit: Binani Metals Limited**  
C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai-400078  
Tel.:022-25963838 Fax: 022-25946969  
Contact Person: Shri Rajesh Mishra Email-ID: rajesh.mishra@linkintime.co.in
8. Shareholders who hold the shares in Dematerialised form are requested to notify change of address, change of mandate and bank particulars through their concerned Depository Participant only.
9. The Securities of the Company are listed at The Calcutta Stock Exchange Association Limited, Kolkata and the listing fees has been paid for the year 2009-2010.
10. Pursuant to the provisions of Section 109A of the Companies Act, 1956, shareholders may file Nomination in respect of their shareholdings. Any shareholder willing to avail of this facility may submit to the Company the prescribed Form 2B, if not already filed.
11. Members who are holding Shares in identical name(s) under different ledger folios are requested to apply for consolidation of such folios and send the relevant Equity Share Certificate(s) to the Company at its Registered Office.
12. The Accounts, reports and other documents required under the law to be annexed thereto will be available for inspection during working hours from 10.00 a.m. to 1.00 p.m. at the Registered Office of the Company on any working day except Saturdays and Sundays prior to the date of the Annual General Meeting.



13. Pursuant to the provisions of Section 205-A of the Companies Act, 1956, all unclaimed/unpaid dividends upto and inclusive of financial year 1995-96 have been transferred to the General Revenue Account of the Central Government and the unclaimed / unpaid dividend for the years 1996-97, 1997-98, 1998-99 and 1999-2000, 2000-01 have already been transferred to Investor Protection Fund. Shareholders who have not encashed the dividend warrants for the said period up to 1995-96 are requested to claim the amount from The Registrar of Companies, Maharashtra, 100, Everest Towers, Marine Drive, Mumbai - 400 002. Those members who have not encashed their dividend warrants for the financial years ended 31.03.2002, 31.03.2003, 31.3.2004, 31.03.2005, 31.3.2006, 31.3.2007 and 31.3.2008 may claim or approach the Company as the balance will be transferred to the fund established by the Central Government on or before the respective dates indicated below :

Dividend for the year ended 31.03.2002 - 05.09.2009  
Dividend for the year ended 31.03.2003 - 05.09.2010  
Dividend for the year ended 31.03.2004 - 16.08.2011  
Dividend for the year ended 31.03.2005 - 14.08.2012  
Dividend for the year ended 31.03.2006 - 10.08.2013  
Dividend for the year ended 31.03.2007 - 10.08.2014  
Dividend for the year ended 31.03.2008 - 30.07.2015

After the respective dates, the shareholders are not entitled to claim these amounts pursuant to the provisions of Section 205-C (2) of the Companies Act, 1956.

14. The practice of distributing copies of Annual Reports at the Annual General Meeting has been discontinued as a measure of economy. Members are therefore requested to bring their copy of the Annual Reports and Attendance Slip duly completed to the Meeting.
15. Those shareholders who have not paid allotment money inspite of several reminders are requested to pay the same immediately failing which the shares are likely to be forfeited.
16. Payment for Fractional Share entitlements arising out of consolidation of 10 Equity Shares of Rs.100/- each into 1 Equity Share of Rs.1000/- each have already been dispatched on 1<sup>st</sup> / 2<sup>nd</sup> April, 2009. Shareholders, who have not received the same for any reason, may contact the Company.
17. The payments under Buy-back Offer have also been sent to all shareholders, whose shares were accepted on 19<sup>th</sup> March, 2009. In case of any query in respect of the same, Shareholders may please contact the Registrar to the Offer M/s. Link Intime India Private Limited at the address given hereinabove.
18. Contact Telephone Numbers and E-mail ID of Compliance Officer are as under:

Name of Compliance officer: Shri Rakesh Darji  
Telephone No.: 022-30263000-01-02 | Email ID: rakesh@binani.net



## EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956 AND DETAILS AS REQUIRED UNDER LISTING AGREEMENT

As required under Clause 49 of the Listing Agreement, a brief write-up about the Directors coming up for re-appointment at Item No.3 and 4 are as under:

### ITEM NO 3

#### Re-appointment of Shri Vinod Juneja

Mr. Vinod Juneja aged about 59 years is M. Com. LL. B. & Ph. D. Mr. Vinod Juneja has wide experience of over 33 years in commercial banking, development banking, foreign banking and private sector banking. Starting his career with Syndicate Bank, he has worked in various capacities. He has also worked with Export Import Bank of India since its inception and worked on implementation of various schemes of financing to project exports, especially to Middle East countries till 1989. Amongst foreign banks, Mr. Juneja was the Deputy Chief Executive Officer in SANWA Bank of Japan (the fourth largest Bank of the World), having total business exposure of \$ 800 million in India, and also with Sumitomo Bank of Japan (presently known as Sumitomo Mitsui Banking) as Deputy Chief Executive Officer. Mr. Juneja, as a Deputy Managing Director of Bank of Rajasthan, has been recognised for the marketing and business development of the bank. Under his leadership the bank has witnessed exceptional growth in the recent past. The deposits of the Bank have registered an impressive growth being one of the highest in the Banking Industry in a particular financial year. He has represented the Bank of Rajasthan on the Board of leading public sector Bank, Bharat Overseas Bank Ltd. (now known as Indian Overseas Bank) as Chairman. His long experience will be beneficial for the Company's present activities and will also strengthen the higher management.

Shri Vinod Juneja is also Director in Shristi Infrastructure Development Corporation Ltd. and Kribhco Shyam Fertilizers Limited.

### ITEM NO 4

#### Re-appointment of Shri P. R. Damani

Shri P. R. Damani is a graduate and is an Industrialist with vast and varied experience and he has been closely associated with textile industry for a very long time. He is associated with the Company since 1984. He has fervent zeal to follow modern technology and has the ability to harness the best expertise. He is also active member in the organizations like Indian Red Cross Society- Solapur, Bombay Hospital Trust & Medical Research Centre, Young Ladies High School- Mumbai etc. Solapur Chamber of Commerce & Industries, Mathurabai Fatehchand Damani Charitable Trust, Bikaner Seva Sangh, Shree Gopinathji Mandir Trust and World Trade Centre, Mumbai

Shri P.R. Damani is a Managing Director in The Jamshri Ranjitsinghji Spg. & Wvg. Mills Co. Ltd. and Director in Sambhaw Holdings Limited, wholly owned subsidiary of the Company, Rashtriya Metals Industries Limited, Nandini Apartments Private Limited and Lotus Properties Limited.

### ITEM NO 6

Shri B. Srinivasan, (Age 61 years) is a Bachelor of Science (Mathematics) from Annamalai University and also done diploma in Automobile Engineering. He had retired from Sud Chemie, India Private Limited as Manufacturing Head with thirty five years of service. He is a natural leader adept in orchestrating dynamic and complex teams in creating and developing new strategic initiatives. He is also carrying transport business dealing in industrial Cargo, logistics and tourism since last twenty five years. He is a Director in several private limited companies. He is also associated with voluntary organisation Lions Club and was its President in the year 1979.

Shri B. Srinivasan was inducted as Additional Director at the Meeting of the Board of Directors held on 22<sup>nd</sup> April, 2009. Pursuant to Section 260 of the Companies Act, 1956 read with Article 100 of the Articles of Association of the Company he will hold office of Director upto the date of this Annual General Meeting. The Company has received



## BINANI METALS LIMITED

a notice in writing from a shareholder proposing the candidature of Shri B. Srinivasan for the office of Director of the Company along with a deposit of Rs.500/- as required under the Companies Act, 1956.

Your Directors recommend his appointment as a Director of the Company. Except Shri B. Srinivasan none of the Directors is in any way concerned or interested in the Resolution.

### ITEM NO 7

Mr. V. Subramanian is a commerce graduate and associate member of Institute of Cost and Works Accountants of India. He has long years of experience in the field of Accountancy, Taxation, Finance and Secretarial Fields. He has been in the service of Binani Industries Limited, upto 31/10/97 and retired as Executive Vice President (Corporate).

Shri V. Subramanian was inducted as Additional Director at the Meeting of the Board of Directors held on 22<sup>nd</sup> April, 2009. Pursuant to Section 260 of the Companies Act, 1956 read with Article 100 of the Articles of Association of the Company he will hold office of Director upto the date of this Annual General Meeting. The Company has received a notice in writing from a shareholder proposing the candidature of Shri V. Subramanian for the office of Director of the Company along with a deposit of Rs.500/- as required under the Companies Act, 1956.

Shri V. Subramanian is also Director in Binani Cement Limited, Wada Industrial Estate Limited, BT Composites Limited, Binani Zinc Limited and many other private limited Companies of the Group.

Your Directors recommend his appointment as a Director of the Company. Except Shri V. Subramanian none of the Directors is in any way concerned or interested in the Resolution.

### ITEM NO 8

The term of Shri J. D. Mehta as Executive Vice Chairman expired on 31.03.2009. He was re-appointed as Executive Vice Chairman for a period of 1 (One) year with effect from 1<sup>st</sup> April 2009 to 31<sup>st</sup> March 2010 at the Meeting of the Board of Directors of the Company held on 30<sup>th</sup> January 2009.

A statement containing information required to be provided to the shareholders as per the provision of Schedule XIII in respect of re-appointment of Shri J. D. Mehta and the details as required under the listing agreement are given below:

#### I. GENERAL INFORMATION

- (1) **Nature of Industry:** Binani Metals Limited was incorporated in the year 1941. The Company was previously engaged in the business of trading and commission agency of non ferrous metals. At present company is engaged in activities relating to leasing, dealing in commodities, investments in stocks and securities and real estate investment.
- (2) **Date of Commencement of commercial operations:** Not applicable.
- (3) **In case of new companies, expected date of commencement of activities as per the project approved by financial institutions appearing in the prospectus :** Not Applicable
- (4) **Financial Performance:**

(Rs. In Lakhs)

Financial Parameters	2004-05	2005-06	2006-07	2007-08	2008-09
Gross Income	597.74	142.28	460.96	938.39	1,265.41
Net Profit (PAT)	75.43	45.05	106.61	119.85	112.73
Total Amount of Dividend Paid	9.47	14.20	75.56	94.45	88.58
Dividend Declared %	10%	15%	20%	25%	25%



At present, the Company is focusing on new business opportunities, support to group business by providing ancillary services and consolidation of its existing Investment and Stock-in-Trade of shares and securities business. The Company also exploring various opportunities for investment in Residential / Industrial Complex, Hotels, Resorts etc. and is also exploring the new business opportunities in other fields.

(5) **Export performance and net foreign exchange collaborations:** NIL

(6) **Foreign investments or collaborators, if any :** Not applicable

## II. INFORMATION ABOUT THE APPOINTEE:

(1) **Background details:** Shri J. D. Mehta (84 years) is B.Com from Bombay University having more than 62 years of experience in various fields. He has been associated with the Company for more than 17 years. Shri Mehta was appointed as Managing Director in 1996. Prior to his joining the Company he had worked in Shipping Corporation of India (SCI) in very senior positions including that of Commercial Director and retired as its Executive Director. He has widely travelled and has been associated with various Government Committees and Boards connected with Shipping during his tenure with SCI. Beside this, he has got vast knowledge of the Stock Market operations. Shri J.D. Mehta possesses long years of experience and knowledge of the Investment business and Stock Market operations.

Apart from serving the Company he is also holding the position of Director in Sambhaw Holdings Limited, a non-listed material subsidiary of the Company, Asian Industry & Information Services Pvt. Ltd., Metal Refiners India Pvt. Limited, Spiral Travels Private Limited, Diwakar Infrastructure Private Ltd., Lucknow Properties & Finance Private Ltd., Atithi Tie-Up Private Limited, Dharmik Commodeal Private Limited and Bageshree Traders Private Limited.

(2) **Past remuneration:** The details of remuneration received by Shri J. D. Mehta during last three years are as under:

Remuneration	2006-07	2007-08	2008-09
Salaries and Allowances	8.37	8.37	9.27
Perquisites	0.70	0.67	0.40
<b>Total</b>	<b>9.07</b>	<b>9.04</b>	<b>9.67</b>

(3) **Recognition or awards:** N.A.

(4) **Job profile and his suitability:** Shri J.D. Mehta has been associated with the Company since 1992. He was appointed as Managing Director in the year 1996 and is successfully managing the day to day functions of the Company. He is well versed with the Business, Philosophy, Systems and Procedures of the Company. His understanding of Stock Market operations and real estate is very suitable for the Company's requirement.

(5) **Remuneration proposed:** Shri J. D. Mehta was re-appointed as Executive Vice Chairman of the Company with effect from 1<sup>st</sup> April 2009 by the Board of Directors of the Company at its meeting held on 30<sup>th</sup> January 2009 on the following terms and conditions, as recommended by the Remuneration Committee:

1. **Tenure:** : Shri J. D. Mehta shall hold office of Executive Vice Chairman for a period of 12 months w.e.f. 1<sup>st</sup> April 2009 till 31<sup>st</sup> March 2010 subject to the approval of the shareholders by Special Resolution and other approvals, if any, required.

He shall be paid remuneration including perquisites as follows :



2. **Salary** : Basic Rs.55,000/- ( Rupees Fifty Five Thousands only ) per month with yearly increment being determined by the Board.
3. **Perquisites** **Category – A**
- (A) **Housing / House Rent Allowance** : Rs.10,000/- ( Rupees Ten Thousands only ) per month.
- (B) **Medical Reimbursement** : Reimbursement of Medical Expenses actually incurred by Shri J. D. Mehta and his family in accordance with the rules of the Company for the time being in force, presently one month's salary or upto a maximum of Rs. 60,000 p.a. whichever is less, claimable on quarterly basis.
- (C) **Leave Travel Concession** : One month's Basic Salary subject to a maximum of Rs. 60,000/-.
- Category – B**
- (A) **Provident Fund** : NIL
- (B) **Superannuation** : NIL
- (C) **Gratuity** : NIL
- (D) **Leave** : Leave with full Salary as per the rules of the Company but not exceeding 30 days leave for every completed year of service. The leave accumulated but not availed including past service may be encashed as per the rules of the Company from time to time.
- Category – C**
- (A) **Transport / Car** : The use of Company owned Motor Car without Driver. All expenses for running and upkeep of Motor Car shall be borne and paid by the company. The use of Motor Car for private purposes shall be billed by the Company to Shri J. D. Mehta.
- (B) **Telephone** : Reimbursement of expenses at actuals. All personal calls will be reimbursed to the Company by Shri J. D. Mehta.
4. Income Tax, if any, on or in respect of the aforesaid remuneration shall be borne and paid by the incumbent.
5. In the event of loss or inadequacy of profits in any financial year, the Company may pay to Shri J. D. Mehta, the same remuneration by way of Salary and Perquisites as set out in the agreement as the Minimum Remuneration subject to such approvals including Central Government as may be necessary and required.
6. He will not be entitled to any sitting fee for attending the meetings of the Board / Committee.
- (6) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:** Taking in to consideration the experience, expertise, skill, long association with the Company and responsibilities shouldered the remuneration package offered is commensurate with the remuneration paid to the managerial position in the companies of similar size and business.
- (7) **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:** Beside the remuneration proposed, Shri Mehta does not have any other pecuniary relationship with the Company.





### III. OTHER INFORMATION:

- (1) **Reason of loss or inadequate profits:** At present the profits of the Company are adequate to meet the remuneration being offered to Shri J.D. Mehta. The Company has explored various business opportunities for increasing its revenue and the overall turnover and profitability of the Company is reasonably good considering the size and resources of the Company.
- (2) **Steps taken or proposed to be taken for improvement:** The Company had come out with Right Issue in the year 2006 which was well subscribed by the shareholders of the Company. The funds raised through the Right Issue are proposed to be invested in such activities which will help to generate additional revenue and accelerate the existing business activities. The Company is exploring the new business opportunities.
- (3) **Expected increase in productivity and profits in measurable terms:** The quantification of expected increase in profit is difficult to measure at present. However the Company has during last years entered into certain business arrangements which will help to increase the income as well profitability of the Company. In addition, new business activities are also being explored.

### IV. DISCLOSURES:

The remuneration package of managerial person Shri J.D. Mehta is provided hereinabove. The period of contract is one year, the notice period is six months and there are no severance fees or any other terminal benefits are payable.

Your Directors recommend the passing of this Resolution. Except Shri J. D. Mehta, none of the Directors is in any way concerned or interested in the Resolution.

The Agreement entered into with Shri J. D. Mehta and the notices received from the shareholders proposing the candidature of Shri B. Srinivasan and Shri V. Subramanian as Directors of the Company will be available for inspection during working hours from 10.00 a.m. to 1.00 p.m. at the Registered Office of the Company on any working day except Saturdays and Sundays prior to the date of the Annual General Meeting.

By Order of the Board  
**For Binani Metals Limited**

Place : Mumbai  
Date : 22<sup>nd</sup> April, 2009

**J. D. Mehta**  
Executive Vice Chairman

**DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT TO THE SHAREHOLDERS**

Your Directors have pleasure in presenting the Sixty Eighth Annual Report together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2009.

**1. FINANCIAL RESULTS :**

(Rs. in Lakhs)

<b>Particulars</b>	<b>Year Ended 31.03.2009</b>	<b>Year Ended* 31.03.2008</b>
Sales & Related Income	<b>892.51</b>	771.17
Other Income	<b>372.90</b>	167.22
<b>Profit before tax</b>	<b>133.41</b>	135.55
Provision for Taxation (Net)	<b>4.42</b>	15.70
Short / ( Excess ) Provision of Income Tax / FBT of Earlier Years (Net)	<b>16.26</b>	—
Balance b/f from previous year	<b>83.05</b>	85.70
<b>Balance of Profit available for Appropriations</b>	<b>195.78</b>	205.55
<b>Appropriations :</b>		
Proposed Dividend	<b>88.58</b>	94.45
Corporate Dividend Tax	<b>15.05</b>	16.05
Transfer to General Reserves	<b>12.00</b>	12.00
<b>Balance Carried Forward</b>	<b>80.15</b>	83.05
	<b>195.78</b>	205.55

\* Previous years figures have been regrouped

**2. DIVIDEND :**

Your Directors are pleased to recommend a Dividend of 25 % i.e. Rs.250/- (Rupees Two Hundred Fifty only) per Equity Share on Equity Share Capital of Rs.3,54,32,200/- divided into 35,432 Equity Shares of Rs.1000/- each payable out of the profits of the Company. The dividend if approved, at the Annual General Meeting will be paid to the Shareholders in accordance with the provisions of the law applicable at that time.

**3. REVIEW OF OPERATIONS :**

During the year under review the Company has earned gross total income of Rs.1265.41 Lakhs as against gross total income of Rs. 938.39 Lakhs during the previous year. However net profit for the year has remained 112.73 Lakhs as against net profit of Rs.119.85 Lakhs for the previous year. The total expenditure for the year has increased from Rs.802.84 Lakhs in the previous year to Rs.1132.00 Lakhs in the current year. The Company expects to maintain its profitability in the next year as well.

The non-listed material subsidiary Company (as per Clause 49 of the Listing Agreement) Sambhaw Holdings Limited has recorded a loss of Rs.10.71 Lakh as against loss of Rs.2.83 Lakhs in the previous year.

**4. RIGHT ISSUE FUND UTILISATION :**

It has been resolved at the Annual General Meeting held on 03.07.2007 to deploy the funds of Right Issue for acquiring Commercial / Residential property or land at Mumbai / Kolkata or such other purpose as the Board may consider most beneficial to the Company. However pending the finalization of identification of property, the funds have been parked as Fixed Deposit with Banks.



## 5. CHANGES IN SHARE CAPITAL :

During the year under review, as resolved at the last Annual General Meeting of the Company held on 23<sup>rd</sup> June, 2008, 10 Equity Shares of Rs.100/- each were consolidated into 1 Equity Share of Rs.1000/- each with effect from 25<sup>th</sup> August, 2008. In the process, fractional shares arisen were consolidated into whole shares and were issued to the trustees appointed for the disposal of the same. The Trustees have sold the shares and the net consideration realized was proportionately distributed amongst the shareholders on 1<sup>st</sup> / 2<sup>nd</sup> April, 2009.

During the year the Company has bought back 2350 Equity Shares of Rs.1000/- each at a price of Rs.4500/- per share under the Buy Back Offer as approved by the Board of Directors of the Company at its meeting held on 18<sup>th</sup> November, 2008 and in terms of Letter of Offer dated 28/01/2009. Consequent to the said Buy Back, the Paid-up Share Capital of the Company stands reduced from Rs.3,77,82,200 divided into 37,782 Equity Share of Rs.1000/- each to 3,54,32,200 divided into 35,432 Equity Shares of Rs.1000/- each.

## 6. RESTRUCTURING OF BUSINESS OF THE COMPANY :

The Company is considering the restructuring of its business activities through Scheme of Arrangement u/s 391 of the Companies Act, 1956 for hiving off its Investment Division (Other than investment in subsidiaries) to Dharmik Commodeal Private Limited a wholly owned subsidiary of the Company at a book value effective from 1<sup>st</sup> April, 2009 subject to the approval of the members and the Hon'ble High Court at Kolkata.

## 7. DIRECTORS :

In accordance with Article 111 of the Articles of Association of the Company, Shri Vinod Juneja and Shri P.R. Damani retires by rotation and being eligible offered themselves for re-appointment.

During the year under review Shri J.D. Mehta whose term of appointment expired on 31.03.2009 was re-appointed as Executive Vice Chairman as per the Resolution passed by the Board of Directors at their meeting held on 30.01.2009.

Shri B. Srinivasan and Shri V. Subramanian were appointed as Additional Directors w.e.f. 22<sup>nd</sup> April, 2008. In terms of Section 260 of the Companies Act, 1956 both the Additional Directors holds their office till the date of the ensuing Annual General Meeting. The Company has received notices from the members proposing their name as Directors of the Company and the proposal for their appointment as regular Directors have been placed before you for your approval at the Annual General Meeting.

In terms of appointment the Board of Directors have approved the increase in salary of Shri Vinod Juneja as Managing Director w.e.f. 01.04.2009 within the approved limit of 10% of Basic Salary as authorised by the Special Resolution passed at the Annual General Meeting of the members of the Company held on 23/06/2008 and the approval of Central Government vide its order dated 22<sup>nd</sup> September, 2008.

## 8. CORPORATE GOVERNANCE :

Binani Metals Limited is committed to conducting business of the Company with transparency. Report on Corporate Governance as required under Clause 49 of the Listing Agreement with the Stock Exchange forms a part of the Annual Report. The Auditors' certificate confirming compliance with Corporate Governance requirements by the Company is attached to the Report on Corporate Governance.

## 9. MANAGEMENT DISCUSSION AND ANALYSIS :

Management Discussion & Analysis report containing specified matters within the limits set by the Company's competitive position is as under:

- I. **Industry Structure and developments:** The Company has no manufacturing operations and is not engaged in any major industrial activity and as such we have nothing substantial to report. The Company's focus is exploring new business opportunities, moving towards consolidation of its existing Investment and Stock-in-trade of shares and securities business and commission for commercial services and to



support the group business. The Company is also exploring various opportunities for investment in Commercial / Residential properties at Mumbai / Kolkata or some other place as the Board of Directors may deem fit in the best interest of the Company.

- II. Opportunities and Threats:** The Company proposes to utilize the proceeds of the rights issue for acquiring the commercial and/or residential premises in Kolkata / Mumbai or in some other real estate. Such investment in real estates is likely to generate reasonable income for the Company in the future.
- III. Segment-wise or product-wise performance:** The Company is operating in investment, stock-in-trade, commercial services and business services, however the, segment wise or product-wise performance figures are not material in nature.
- IV. Outlook:** The Company is exploring the new avenues and lucrative business opportunities to deploy the funds of the Company in more revenue generating activities. During the year the Company had earned commission income of Rs.179.90 Lakhs, Service Charges of Rs.185.15 Lakhs, profit from commodities future contracts of and Rs.147.51 Lakhs. At present the funds of the Company have been judiciously invested in business and the management is actively looking out for right investment opportunity in the real estate or other long term investment.
- V. Risks and concerns:** Part of the funds of the Company is deployed in Equity Shares. Equity Shares are subject to market risk and the returns on the investments may fluctuate accordingly.
- VI. Internal Control Systems and their adequacy:** Internal Control Systems are adequate considering the nature of operations of the Company.
- VII. Discussion on financial performance with respect to operational performance:** With respect to operational performance they have already been discussed elsewhere in the report.
- VIII. Material development in Human Resources/Industrial Relations front, including number of people employed:** Since the Company has very limited number of people employed, there are no material developments with respect to Human Resources/Industrial front.

#### **10. AUDITORS & AUDITORS' OBSERVATIONS :**

M/s. Abrol & Maheshwary, Chartered Accountants, retire as Auditors and are eligible for re-appointment. Necessary certificate has been obtained from the Auditors as per Section 224 (1) of the Companies Act, 1956.

Observations made in the Auditors Report are dealt with in the Notes to Accounts at appropriate places and are self explanatory.

#### **11. SUBSIDIARY COMPANIES :**

The statement pursuant to Section 212 of the Companies Act 1956 relating to its subsidiary, Sambhaw Holdings Limited, Atithi Tie-up Private Limited and Dharmik Commoddeal Private Limited and its Audited Accounts are annexed to this report.

During the part of the year under review Asian Industry and Information Services Private Limited was wholly owned subsidiary of the Company. The Company has disposed off its holding in the said subsidiary and consequently it ceased to be a subsidiary and wholly owned subsidiary of the Company. The investment in 15,000 Equity Shares of Rs.10/- each held by the Company in Gallant Holdings Private Limited was also disposed off by the Company during the year.

#### **12. PARTICULARS OF EMPLOYEES :**

The information required to be given under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 is annexed to this report.



## **FOREIGN EXCHANGE EARNINGS & EXPENDITURE:**

During the year, foreign exchange earnings were NIL (Previous Year NIL) and expenditure were Rs.3.74 Lakh (Previous Year Rs. 3.38 Lakh), as per details furnished in the notes to the accounts.

Statement of particulars under Section 217(1) (e) regarding conservation of energy and technology absorption are not applicable to the Company.

## **13. DIRECTORS' RESPONSIBILITY STATEMENT :**

In accordance with the provisions of Section 217(2A) of the Companies Act, 1956, the Directors state that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed and proper explanation relating to material departures, if any, have been furnished.
- b. appropriate accounting policies as listed in Schedule 'O' have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2009 and of the profit of the Company for the Accounting year ended on that day.
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts have been prepared on a going concern basis.

## **14. STOCK EXCHANGE / COMPLIANCE OF LISTING AGREEMENT :**

The Equity shares of the Company are listed at The Calcutta Stock Exchange Ltd. Kolkata. We confirm that the Company has paid the Listing Fees for the year 2009-10 to The Calcutta Stock Exchange pursuant to the provisions of the Listing Agreement. Consolidated Audited Accounts as on 31<sup>st</sup> March, 2009 are annexed to this report as required under the Listing Agreement.

## **15. ACKNOWLEDGEMENTS :**

The Board of Directors wishes to express its appreciation to all the employees of the Company for their dedicated service and contribution to the operations of the Company during the year.

Your Directors acknowledge the co-operation received from all the concerned departments of the State and Central Governments, Bankers, Customers and the Shareholders.

### **Registered Office:**

705, Om Tower,  
32, Chowringhee Road,  
Kolkata-700071

For and on behalf of the Board  
**For Binani Metals Limited**

**Place : Mumbai**  
**Date : 22<sup>nd</sup> April, 2009**

**Braj Binani**  
**Chairman**



**Annexure to Director's Report**

**Statement of Particulars of Employees Under section 217 (2A) of the Companies Act, 1956 Read with the Companies (Particulars of Employees) Rules, 1975 as amended**

Sr. No.	Name	Age (Years)	Designation / Nature of Duties	Remuneration Received (Rs.)	Qualifi - cation	Exp. (Year)	Date of commencement of Employment	Previous Employment	
								Post Held	Name of Previous employer
1	Shri Vinod Juneja	59	Managing Director	107.44 Lakh	B.Com (Hon.), M. Com., LL. B. & Ph.D.	34	01.07.2007	Dy. Managing Director	Bank of Rajasthan

For and on behalf of the Board  
**For Binani Metals Limited**

**Braj Binani**  
Chairman



## CORPORATE GOVERNANCE REPORT

### Corporate Governance Philosophy

The management believes that corporate growth, goals, transparency and enhanced stakeholder value are to be achieved only through good corporate governance.

### Board of Directors

The Board of Directors of the Company comprises of Non-Executive Promoter Chairman, Non-Executive Promoter Director, Executive Non-Promoter Vice Chairman, Executive Non-Promoter Managing Director and Four Independent Directors.

The details of composition and category of Board of Directors as on the date of this report are as follows:

Category	Name of Director	Position held / Designation
Promoters & Non-Executive Directors	Shri Braj Binani Ms. Nidhi Binani	Chairman Director
Executive Directors	Shri J. D. Mehta Shri Vinod Juneja	Executive Vice Chairman Managing Director
Independent Directors	Shri P. R. Damani Dr. (Ms.) Kala Pant Shri B. Srinivasan Shri V. Subramanian	Director Director Additional Director (w.e.f. 22.04.2009) Additional Director (w.e.f. 22.04.2009)

The Company does not have any pecuniary relationships or transaction with any of the non-executive Directors. Shri J. D. Mehta, Shri P. R. Damani and Shri V. Subramanian are Directors of Sambhaw Holdings Limited a material non-listed Indian subsidiary of the Company.

The Board of Directors met 5 times during the period under review on 21.04.2008, 28.07.2008, 24.10.2008, 18.11.2008 and 30.01.2009. Attendance of each Director at the Board meeting, last Annual General Meeting (AGM) and Directorship held by them in other Companies are indicated below:

Name of Director	No. of Board Meeting attended	Whether attended last AGM	No. of Directorships in domestic public Companies (Incl. this Company)		No. of Committee * memberships in domestic public companies (including this Company)	
			As Chairman	As Director	As Chairman	As Member
Shri Braj Binani	5 / 5	Yes	6	-	2	3
Shri P.R. Damani	5 / 5	Yes	0	4	2	0
Dr.(Ms.) Kala Pant	5 / 5	Yes	0	4	4	2
Ms. Nidhi Binani	4 / 5	Yes	0	1	0	0
Shri J. D. Mehta	5 / 5	Yes	0	3	0	2
Shri Vinod Juneja	5 / 5	Yes	0	3	0	0

\* Only Audit Committee and Investor relations Committee considered.

A brief write up about the Directors coming up for re-appointment and the Executive Vice-Chairman and Managing Director and the remuneration being paid to them have been provided in the notice to the Shareholders. Details of remuneration paid to the Executive Vice-Chairman and Managing Director during the period under review are provided at Schedule "O" Note No. 10 of the Annual Accounts. During the period under review, Non-Executive Directors of the Company were paid sitting fees of Rs.2,500/- for attending each of the meetings of the Board of Directors and Rs.1,000/- for attending each of the Committee Meetings.

**Audit Committee**

Audit Committee of the Board was constituted during the year 2006-07. The Company has complied with the requirements of Clause 49 of the listing agreement relating to the composition and terms of reference of the Audit Committee. The Committee comprised of two independent non-Executive Directors one of whom is the Chairman of Audit Committee and one Executive Director. Audit Committee is responsible for the financial reporting and ensuring compliances with accounting standards and reviewing financial policies of the Company and to recommend the appointment of Statutory Auditors and Internal Auditors and to fix their fees.

The Committee examines in detail the reports of the Internal Auditors of the Company and its subsidiary. The Committee also reviews all the Unaudited Quarterly Financial Results and the Audited Results including that of subsidiary/ies before submission to the Board. Shri P.R. Damani, Chairman of Audit Committee, Dr. (Ms.) Kala Pant and Shri J.D. Mehta, Committee Members were present at the last Annual General Meeting (AGM) of the Company held on 23.06.2008. The Audit Committee met 4 (Four) times during the year under review on 21<sup>st</sup> April, 2008, 28<sup>th</sup> July, 2008, 24<sup>th</sup> October, 2008, and 30<sup>th</sup> January 2009. The names of the Directors who are members of the Audit Committee and their attendance at last AGM is given below.

Name of the Director	No. of Meetings attended/ held	Whether attended AGM
Shri P. R. Damani	4 /4	Yes
Shri J. D. Mehta	4 /4	Yes
Dr. (Ms.) Kala Pant	4 /4	Yes

The Company Secretary acts as the Secretary to the Audit Committee.

**Investor Relations Committee**

The Investor Relations Committee comprises of 2 Independent Directors and 1 non-promoter Executive Director to ensure speedy disposal of the share transfer requests and other Investor requests received by the Company. The Committee, apart from overseeing the Share transfer work also looks into various investor complaints in close interaction with the Registrar and Share Transfer Agent of the Company. The Committee met 9 times during the period under review. Attendance of Directors at the meetings of the said Committee is as under:-

Name of the Director	No. of Meetings attended/ held
Shri P. R. Damani	9 / 9
Shri J. D. Mehta	9 / 9
Dr. (Ms.) Kala Pant	9 / 9

**Remuneration Committee**

A Remuneration Committee was constituted in the year 2006-07 as required by Schedule XIII of the Companies Act, 1956 to consider and approve the remuneration package payable to the Executive Directors of the Company. The Committee comprised of Promoter and Chairman Shri Braj Binani and independent Director Shri P. R. Damani. The meeting of the Remuneration Committee was held on 30.01.2009 to recommend the payment of remuneration for Shri J. D. Mehta, Executive Vice Chairman of the Company. Both the committee members have attended the meeting.

The Non Executive Directors are remunerated by way of sitting fee, as decided by the Board of Directors of the Company from time to time. The sanction and approval of the members was sought at the last Annual General Meeting for payment of commission at such percentage of profit as may be determined by the Chairman / Board to the non-executive directors for a period of five years commencing from 01.04.2008. However, no remuneration by way of commission is being paid for the year 2008-09.





## Consolidation Committee

A Committee for consolidation of shares was constituted in the year 2008-09 to consider and approve the matters relating to consolidation of shares. The Committee comprised of Promoter and Chairman Shri Braj Binani, Independent Directors Shri P.R. Damani and Dr. (Ms) Kala Pant and Executive Directors Shri J. D. Mehta and Shri Vinod Juneja. The meeting of the Committee for consolidation of shares was held on 25.08.2008 to matters relating to consolidation of 10 Equity Shares of Rs.100/- each into 1 Equity Share of Rs.1000/- each and matters relating thereto. The Committee meeting for consolidation of shares was attended by Shri P.R. Damani, Dr. (Ms) Kala Pant and Shri J. D. Mehta.

## Buy Back Committee

A Committee for Buy Back of Shares was constituted in the year 2008-09 to consider the matters relating to Buy Back Offer of the Company for 2350 Equity Shares of Rs.1000/-each. The Committee comprised of Promoter and Chairman Shri Braj Binani, Independent Directors Shri P.R. Damani and Dr. (Ms) Kala Pant and Executive Directors Shri J. D. Mehta and Shri Vinod Juneja. The meetings of the Buy Back Committee were held on 18.12.2008, 28.01.2009 and 12.03.2009. Attendance of Directors at the meetings of the said Committee is as under:-

Name of the Director	No. of Meetings attended/ held
Shri Braj Binani	1 / 3
Shri P. R. Damani	3 / 3
Dr. (Ms.) Kala Pant	3 / 3
Shri J.D. Mehta	3 / 3
Shri Vinod Juneja	3 / 3

## Code of Conduct

As required by the amended Clause 49 of the Listing Agreement, the Board of Directors of the Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has been posted on the web site of Binani Group [www.binani.com](http://www.binani.com). The members of the Board of Directors and Senior Management have affirmed compliance of the said Code during the period under review.

## Subsidiary Companies

As required by Clause 49 of the Listing Agreement, Shri P. R. Damani an independent Director of the Company has already been inducted as a Director of Sambhaw Holdings Limited which is material non-listed Indian Subsidiary of the Company. The Audit Committee of the Company does review the Financial Statement of the subsidiary. At present there are no business in Atithi Tie-Up Private Limited and Dharmik Commodeal Private Limited, wholly owned subsidiaries of the Company.

The Minutes of the Meetings of the Board of Directors of the Subsidiary Companies are being regularly placed before the Board of Directors of the Company. A statement containing the significant transactions and arrangements of the unlisted subsidiary are also placed before the Board of Directors of the Company on a regular basis.

## Disclosures

As required by the Clause 49 of the Listing Agreement, a statement in summary form of transaction with related parties are being periodically placed before the Audit Committee. The Company does not have any materially significant related party transactions that may have a potential conflict with the interest of the Company.

## Disclosures of Accounting Policies and treatment

Disclosures of Accounting Policies and treatment wherever applicable have been made in the Audited Financial Accounts for the year ended 31<sup>st</sup> March 2009.

**Board Disclosures - Risk Management**

The Company has laid down procedures to inform the Board members about the risk assessment and minimization procedures of the Company and the material subsidiary and they are being reviewed periodically.

**CEO/CFO Certification**

A Certificate from the Executive Vice Chairman has been placed before the Board confirming that:-

- (a) He has reviewed financial statements and the cash flow statement for the year and that to the best of his knowledge and belief:
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of his knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) He accepts responsibility for establishing and maintaining internal controls for financial reporting and he has evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and he has disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which he is aware and the steps he has taken or proposes to take to rectify these deficiencies.
- (d) He has indicated to the Auditors and the Audit Committee
- significant changes in internal control over financial reporting during the year;
  - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements: and
  - he has not come across any instances of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Annual General Meetings (AGMs)**

The details of the last 3 Annual General Meetings are as under:-

Annual General Meeting	Date	Time	Special Resolution considered
65 <sup>th</sup>	03.07.2006	11.30 a.m.	<ul style="list-style-type: none"><li>● Appointment of Shri J. D. Mehta as Addl. Director Executive Director</li></ul>
66 <sup>th</sup>	03.07.2007	11.30 a.m.	<ul style="list-style-type: none"><li>● Appointment of Shri J. D. Mehta as Managing Director</li><li>● To approve use of Right Issue Funds for the purpose of acquisition / purchase of Flat/ commercial property / Land</li><li>● To keep Register and Index of Members/Debentures and Return of Allotment and Annual Return at the office of Share Transfer Agent at Mumbai</li></ul>
67 <sup>th</sup>	23.06.2008	02.30 p.m.	<ul style="list-style-type: none"><li>● Appointment of Shri J. D. Mehta as Executive Vice Chairman</li><li>● Appointment of Shri Vinod Juneja as Managing Director</li><li>● Amendment of Articles of Association of the Company by inserting new Article 106A relating payment of commission to non-executive Directors</li><li>● Approval under Section 309 of the Companies Act, 1956 for payment of Commission to non-executive Directors</li></ul>

# 68<sup>th</sup> Annual Report 2008-09



			<ul style="list-style-type: none"> <li>● Approval under Section 293(1)(e) of the Companies Act, 1956 for making donation up to a limit of Rs.1 Crore</li> <li>● Approval under Section 94(1) of the Companies Act, 1956 for consolidation of 10 Equity Shares of Rs.100/- each into 1 Equity Share of Rs.1000/- each and consequent change in Clause V of Memorandum of Association and Article 6 of Articles of Association</li> </ul>
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65<sup>th</sup> and 66<sup>th</sup> Annual General Meetings were held at M.C. Ghia Hall, Bhogilal Hargovindas Building, 2<sup>nd</sup> Floor, 18/20, Kaikhushru Dubhash Marg, Mumbai-400001 and 67<sup>th</sup> Annual General Meeting was held at Kala Mandir, 48, Shakespeare Sarani, Kolkata- 700017.

## Disclosures

None of the Directors had any pecuniary transaction or relationship with the Company. The related party transactions with the subsidiary and Promoter Group Companies have been disclosed in the Annual Accounts as per the accounting standards. No penalty or strictures have been imposed on the Company by The Calcutta Stock Exchange Association Limited, where the Company's Shares are listed or by SEBI or any other statutory authority on any matter relating to capital markets during the last three years.

## Means of Communication

The means of communications are quarterly, half yearly and annual results published in News Papers as per Clause 41 of the Listing Agreement and the results are also available on the Company's Website [www.binani.com](http://www.binani.com). The Company had sent the full annual report along with audited reports of subsidiary as required under the provisions of the Companies Act, 1956 to all the members.

The Company's results are normally published in Business Standard/Financial Express and Aajkal or Kalantar (Bengali daily) in Kolkata where the Company's Registered Office is located.

## General Shareholders Information

a) 68 <sup>th</sup> Annual General Meeting	Friday, the 26th June, 2009 at 12.30 p.m. or immediately after the conclusion of Annual General Meeting of Binani Cement Limited if it concludes after 12.30 p.m. at "Rotary Sadan", 94/2, Chowringhee Road, Kolkata- 700020
b) Financial Calendar	1 <sup>st</sup> April to 31 <sup>st</sup> March.
c) Date of Book Closure	Friday the 19th June, 2009 to Friday the 26th June, 2009 (both days inclusive).
d) Dividend Payment Date	On or before 25th July 2009
e) Listing on Stock Exchanges	The Calcutta Stock Exchange Association Ltd.
Stock Code	CSE 12049
f) Market Price Data(CSE)	Not quoted since February 2002 (Last quoted on 05.02.2002 @ Rs.450/- per share face value of Rs.100/- each)
g) Registrar and Transfer Agents and Share Transfer System	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400078 Tel.:022-25963838 Fax: 022-25946969
h) Compliance Officer & Contact Nos. and email-ID	Shri Rakesh Darji, DGM (Legal) & Company Secretary Tel. 022-30263000 /01/02 Fax No. 022-22619577 E-mail <a href="mailto:rakesh@binani.net">rakesh@binani.net</a>
Secretarial Department	Mercantile Chambers, 12, J. N. Heredia Marg, Ballard Estate, Mumbai-400001.
Registered Office	705, Om Tower, 32 Chowringhee Road, Kolkata- 700071 Tel. 033-28882508 Fax No.033-22882510



## BINANI METALS LIMITED

### i) (a) Distribution of Shareholding Pattern as on 31.03.2009

Category		No. of Shares held	Percentage of shareholding
<b>A</b>	<b>PROMOTERS' HOLDING</b>		
1	Promoters – Indian	25794	72.80
	– NRI	763	2.15
2	Persons acting in Concert	0	0.00
	<b>Sub-Total</b>	<b>26,557</b>	<b>74.95</b>
<b>B</b>	<b>NON-PROMOTERS' HOLDING</b>		
3	Institutional Investors		
a.	Mutual Funds and UTI	0	0.00
b.	Financial Institutions / Banks	10	0.03
c.	Insurance Companies	18	0.05
d.	Central / State Government Institutions	0	0.00
e.	Foreign Institutional Investors	0	0.00
	<b>Sub-Total</b>	<b>28</b>	<b>0.08</b>
4.	Others		
a.	Private Corporate Bodies	2088	5.89
b.	Indian Public	6749	19.05
c.	NRIs / OCBs	10	0.03
	<b>Sub-total</b>	<b>8847</b>	<b>24.97</b>
	<b>GRANDTOTAL</b>	<b>35,432</b>	<b>100.00</b>

### (b) Distribution of Shareholding as on 31.03.2009

No. of Shares held	No. of Shareholders	% Total	No. of Shares	% to Total
1 to 500	1753	99.5457	8324	23.4929
501 to 1000	2	0.1136	1218	3.4376
1001 to 2000	1	0.0568	1752	4.9447
2001 to 3000	2	0.1136	5368	15.1501
3001 to 4000	0	0	0	0
4001 to 5000	0	0	0	0
5001 to 10000	3	0.1704	18770	52.9747
Above 10000	0	0	0	0
<b>TOTAL</b>	<b>1761</b>	<b>100.00</b>	<b>35,432</b>	<b>100.00</b>

Note : Consequent upon buy-back of 2,350 equity shares as per Buy Back Offer made in terms of Letter of Offer dated 28/01/2009 the paid-up share capital of the Company is reduced from Rs.3,77,82,200 divided into 37,782 Equity Shares of Rs.1,000/- to Rs.3,54,32,200 divided into 35,432 Equity Shares of Rs.1,000/- each with effect from 20.03.2009.

### (c) Entities comprising "Group" under Regulation 3(1)(e) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 are :

Suryamukhi Vintrade Pvt. Ltd., K. B. Vyapar Pvt. Ltd., Manjushree Holdings Pvt. Ltd., Vijayshree Holdings Pvt. Ltd., Triton Trading Co. Pvt. Ltd., Bageshree Traders Pvt. Ltd., Lucknow Properties & Finance Private Limited, Lexus Holdings & Finance Pvt. Ltd., Ace Portfolio & Finance Pvt. Ltd., Miracle Composites Private Limited, Miracle Securities Private Limited, Atithi Tie-Up Pvt. Ltd., Dharmik Commodeal Pvt. Ltd. Binani Industries Limited, Binani Cement Limited, Binani Zinc Limited, R.B.G. Minerals Industries Limited, Binani Energy Private Limited, Ess Vee Alloys Private Limited, B T Composites Limited, Wada Industrial Estate Limited, Krishna Holdings Pte. Ltd., Singapore, Shandong Binani Rongan Cement Co. Ltd., China, Mukundan Holdings Limited, BVI, Binani Cement Factory LLC. Dubai, Murari Holdings Limited, BVI, Mr. Braj Binani, Mrs. Kalpana Binani, Ms. Nidhi Binani, Ms. Shradha Binani, Ms. Vidushi Binani (Minor)



j) Dematerialisation of shares and liquidity	The Company's shares are not under Compulsory demat mode. However as on 31.03.2009, 58.69% shares have been dematerialized. The ISIN No. of the Company is INE129H01022.
k) Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity	Not applicable.
l) Address of the Subsidiaries	<ol style="list-style-type: none"> <li>1. Sambhaw Holdings Limited Mercantile Chambers, 12, J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001</li> <li>2. Atithi Tie-Up Private Limited 705, Om Tower, 32, Chowringhee Road, Kolkata – 700071</li> <li>3. Dharmik Commodeal Private Limited 705, Om Tower, 32, Chowringhee Road, Kolkata – 700071</li> </ol>
m) Address for correspondence for Binani Metals Limited & its Subsidiary	Investor Relation

## DECLARATION

All the member of the Board of Directors of the Company and Senior Management of the Company have affirmed compliance of the code of conduct for the year ended 31<sup>st</sup> March, 2009.

**J. D. Mehta**  
**Executive Vice Chairman**



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**BINANI METALS LIMITED**

**AUDITORS' CERTIFICATE**

To,  
The Members of Binani Metals Limited,

We have examined the compliance of conditions of Corporate Governance by Binani Metals Limited, for the year ended March 31, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information, and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Share Registrar and reviewed by the Shareholders' / Investors' Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Abrol & Maheshwary**  
Chartered Accountants

**Anil Maheshwary**  
Partner  
Membership No.:30739

Place : Mumbai  
Date : 22<sup>nd</sup> April, 2009



## Auditors' Report to the Members of Binani Metals Limited

1. We have audited the attached Balance Sheet of Binani Metals Limited as at March 31, 2009 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - v. On the basis of written representations received from the Directors, as on March 31, 2009, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - a. in the case of the Balance Sheet, of the State of Affairs of the Company as at March 31, 2009;
    - b. in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
    - c. in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For **ABROL & MAHESHWARY**  
Chartered Accountants

**Anil Maheshwary**  
Partner  
Membership No.:30739

Place: Mumbai  
Date : 22<sup>nd</sup> April, 2009

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE  
RE: BINANI METALS LIMITED**

- 1) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) The Company has devised a programme to physically verify its assets during a period of three years and according to the programme, selected assets have been verified during the year. No discrepancies were noticed on such verification and, therefore, the question of discrepancies having been properly dealt with in the books of account did not arise.  
(c) During the year, the Company has disposed off a part of the fixed assets comprising only vehicles. On the basis of information and explanations given by the management, we are of the opinion that the sale / disposal of such fixed assets has not affected the going concern status of the Company.
- 2) (a) The management has conducted physical verification of inventories at the year end.  
(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) The Company is maintaining proper records of inventories and no material discrepancies were noticed on physical verification.
- 3) (a) The following are the particulars of loans taken and granted by the Company from / to companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956: (Rupees)

Sr. No	Name of Party	Relationship with Company	Maximum amount outstanding during the year	Year end Balance
1.	<u>Loans given</u> Goa Glass Fibre Limited	Company in which a Director is interested	20,220,822	20,000,000

- (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interests of the Company.
- (c) Payment of the principal amount has not been stipulated. However, interest payment is regular.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventories and fixed assets and for the sales. During the course of our audit, no major weakness has been noticed in the internal controls.
- 5) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.  
(b) In our opinion and according to the information and explanations given to us, there were no transactions with parties exceeding value of Rupees five lakhs, excluding those referred to under paragraph 3 above. Therefore, the question of prices being reasonable does not arise.
- 6) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies ( Acceptance of Deposits ) Rules, 1975 with regard to the deposits accepted from the public.





- 7) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- 8) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
- 9) (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth-tax, and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Wealth-tax, Sales-tax, Customs duty and Excise duty were outstanding, as on March 31, 2009 for a period of more than six months from the date they became payable.  
(b) According to the information and explanation given to us, there are no dues of Income tax, Wealth tax, Service tax, Customs duty and Cess which have not been deposited on account of any dispute.
- 10) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current year and immediately preceding financial year.
- 11) Based on our audit procedures and on the information and explanations given by the management, the Company has not defaulted in repayment of dues to banks. The Company does not have any borrowings from financial institutions or by way of debentures.
- 12) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies.
- 14) In respect of dealing / trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other securities have been held by the Company, in its own name.
- 15) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- 16) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- 17) As per the information and explanations given, the funds raised for short term have not been used for long term investment.
- 18) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 19) The Company has not issued any debentures.
- 20) The Company has not raised any money through a public issue during the year.
- 21) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **ABROL & MAHESHWARY**  
Chartered Accountants

**Anil Maheshwary**  
Partner  
Membership No.:30739

Place: Mumbai  
Date : 22<sup>nd</sup> April, 2009

**BINANI METALS LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2009**

(Rupees)

	Schedule	As at 31st March, 2009	As at 31st March, 2008
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' funds</b>			
Capital	A	35,413,500	37,760,000
Reserves & Surplus	B	84,838,505	92,153,684
		<u>120,252,005</u>	<u>129,913,684</u>
<b>Loan Funds</b>			
Secured Loans	C	28,458,882	49,217,530
<b>TOTAL</b>		<u>148,710,887</u>	<u>179,131,214</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	D	25,738,749	20,473,555
Less : Depreciation		7,165,108	2,788,754
<b>Net Block</b>		<u>18,573,641</u>	<u>17,684,801</u>
<b>Investments</b>	E	5,336,332	5,900,082
<b>Deferred Tax Assets</b>		967,000	123,000
<b>Current Assets, Loans &amp; Advances</b>			
Inventories	F	9,784,214	23,923,004
Sundry Debtors		1,517,461	2,500,986
Cash & Bank Balances		77,754,172	75,882,776
Loans & Advances		62,036,351	79,073,972
		<u>151,092,198</u>	<u>181,380,738</u>
<b>Less : Current Liabilities &amp; Provisions</b>	G		
Liabilities		16,232,577	14,412,247
Provisions		11,025,707	11,545,160
		<u>27,258,284</u>	<u>25,957,407</u>
<b>Net Current Assets</b>		<u>123,833,914</u>	<u>155,423,331</u>
<b>Miscellaneous Expenditure</b> (To the extent not written off or adjusted)	H	-	-
<b>TOTAL</b>		<u>148,710,887</u>	<u>179,131,214</u>
<b>Notes to the Accounts</b>	O		

In terms of our attached report of even date  
**For Abrol & Maheshwary**  
Chartered Accountants

Signatures to the Balance Sheet and Schedules A to H and O  
**For and on behalf of the Board of Directors**

**Anil Maheshwary**  
Partner  
Membership No.: 30739  
Place : Mumbai  
Dated : 22nd April, 2009

**J. D. MEHTA**  
Executive Vice Chairman

**BRAJ BINANI**  
**P. R. DAMANI**  
**NIDHI BINANI**  
**KALA PANT** } Directors

**RAKESH DARJI**  
Company Secretary

**VINOD JUNEJA** Managing Director

# 68<sup>th</sup> Annual Report 2008-09



## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rupees)

Schedule	For the Year Ended 31st March, 2009	For the Year Ended 31st March, 2008
<b>INCOME:</b>		
Sales - Shares & Securities	47,338,707	50,680,655
Profit from Commodities Futures Contracts	14,751,093	-
Service Charges	18,514,601	514,935
Brokerage and Commission	17,990,163	12,201,869
Interest & Dividend	27,160,888	26,436,537
Other Income	785,590	4,005,300
<b>TOTAL</b>	<b>126,541,042</b>	<b>93,839,296</b>
<b>EXPENDITURE:</b>		
Cost of Sales - Shares & Securities	66,514,759	52,974,878
Payments to and Provisions for Employees	13,283,332	7,825,681
Administration and Other Expenses	24,624,551	16,620,444
Interest & Finance Charges	3,951,437	1,428,747
Miscellaneous Expenditure Written Off	-	360,126
Depreciation	4,826,025	1,074,261
<b>TOTAL</b>	<b>113,200,104</b>	<b>80,284,137</b>
<b>Profit / ( Loss ) Before Tax</b>	<b>13,340,937</b>	<b>13,555,159</b>
Tax Expenses :		
- Current Tax	521,000	887,000
- Deferred Tax / ( Credit )	(844,000)	179,162
- Fringe Benefit Tax	765,000	504,000
- Short / ( Excess ) Provision of Income Tax / FBT of Earlier Years (Net)	1,625,699	-
<b>Profit / ( Loss )for the Period</b>	<b>11,273,237</b>	<b>11,984,997</b>
Balance Brought Forward	8,304,508	8,570,332
<b>Amount available for Appropriation</b>	<b>19,577,746</b>	<b>20,555,329</b>
<b>APPROPRIATION:</b>		
Transfer to General Reserve	1,200,000	1,200,000
Proposed Dividend	8,858,000	9,445,550
Corporate Dividend Tax	1,505,417	1,605,271
Surplus Carried Forward	8,014,329	8,304,508
<b>TOTAL</b>	<b>19,577,746</b>	<b>20,555,329</b>
<b>EARNING PER SHARE :</b>		
Profit after Tax	11,273,237	11,984,997
Weighted Average No. of shares outstanding during the year (* face value Rs. 1000)	* 37,705	377,822
Earning Per Share (Rs.) - basic & diluted	299	32

### Notes to the Accounts

O

In terms of our attached report of even date  
**For Abrol & Maheshwary**  
Chartered Accountants

Signatures to the Profit & Loss A/c and Schedules I to O  
**For and on behalf of the Board of Directors**

**Anil Maheshwary**  
Partner  
Membership No.: 30739  
Place : Mumbai  
Dated : 22nd April, 2009

**J. D. MEHTA**  
Executive Vice Chairman

**BRAJ BINANI** } Chairman  
**P. R. DAMANI** }  
**NIDHI BINANI** } Directors  
**KALA PANT** }

**RAKESH DARJI**  
Company Secretary

**VINOD JUNEJA** } Managing Director



## BINANI METALS LIMITED

### SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2009

(Rupees)

	As at 31st March, 2009	As at 31st March, 2008
<b>SCHEDULE "A"</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised :</b>		
40,000 Equity Shares of Rs.1000/- each (Previous Year 4,00,000 Equity Shares of Rs.100/-each)	<u>40,000,000</u>	<u>40,000,000</u>
<b>Issued</b>		
35,514 Equity Shares of Rs. 1000/- each fully paid up (Previous Year 3,78,644 Equity Shares of Rs. 100/- each)	<u>35,514,000</u>	37,864,400
<b>Subscribed &amp; Paid up</b>		
35,432 Equity Shares of Rs. 1000/- each fully paid up (Previous Year 3,77,822 Equity Shares of Rs. 100/- each fully paid up)	<u>35,432,000</u>	37,782,200
(of the above 81,121 shares of Rs. 100/- each were issued to the members of other amalgamated companies pursuant to schemes of Amalgamation)		
Add : Capital Suspense Account	<u>200</u>	-
Less : Call in Arrears	<u>(18,700)</u>	(22,200)
<b>TOTAL</b>	<u><b>35,413,500</b></u>	<u><b>37,760,000</b></u>

Note :- During the year, 2350 shares were bought by the Company under Buy Back scheme - Refer note no. 12

<b>SCHEDULE "B"</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>Capital Reserve:</b>		
As per Last Balance Sheet	<u>12,596,699</u>	12,596,699
<b>Capital Reduction Reserve</b>		
As per Last Balance Sheet	<u>716,277</u>	716,277
<b>Buy Back Reserve</b>		
As per Last Balance Sheet	<u>650,200</u>	650,200
Add : Transferred from General Reserve	<u>2,350,000</u>	-
	<u>3,000,200</u>	650,200
<b>General Reserve</b>		
As per Last Balance Sheet	<u>69,886,000</u>	68,686,000
Less : Buy Back of Shares	<u>(8,225,000)</u>	-
Less : Transferred to Buy- Back Reserve	<u>(2,350,000)</u>	-
Add : Transferred from Profit and Loss Account	<u>1,200,000</u>	1,200,000
	<u>60,511,000</u>	69,886,000
<b>Surplus</b>		
Balance in Profit & Loss Account	<u>8,014,329</u>	8,304,508
<b>TOTAL</b>	<u><b>84,838,505</b></u>	<u><b>92,153,684</b></u>

<b>SCHEDULE "C"</b>		
<b>LOANFUND</b>		
<b>Secured Loan</b>		
(Refer note no. 6 of schedule "O")		
Hire Purchase Credit	<u>1,250,808</u>	2,137,966
[Falling due for payment within one year Rs. 5,15,678 (Previous Year Rs. 6,47,687)]		
Overdraft from Banks	<u>27,208,074</u>	47,079,564
	<u><b>28,458,882</b></u>	<u><b>49,217,530</b></u>



**SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009**

**SCHEDULE "D"  
FIXED ASSETS:**

(Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2008	Additions	Deduction	As at 31.03.2009	As at 01.04.2008	For The Year	Deduction	Upto 31.03.2009	As at 31.03.2009	As at 31.03.2008
Furniture, Fixtures, Office Equipments & Computers	2,320,608	734,757	-	<b>3,055,365</b>	1,828,728	184,520	-	<b>2,013,248</b>	<b>1,042,117</b>	491,880
Vehicles *	18,152,947	7,395,871	2,865,434	<b>22,683,384</b>	960,026	4,641,505	449,671	<b>5,151,860</b>	<b>17,531,524</b>	17,192,921
<b>TOTAL</b>	<b>20,473,555</b>	<b>8,130,628</b>	<b>2,865,434</b>	<b>25,738,749</b>	<b>2,788,754</b>	<b>4,826,025</b>	<b>449,671</b>	<b>7,165,108</b>	<b>18,573,641</b>	<b>17,684,801</b>
P R E V I O U S   Y E A R	13,518,593	17,553,848	10,598,886	20,473,555	12,014,786	1,074,261	10,300,293	2,788,754	17,684,801	1,503,807
Note : * Three Vehicles are pending for transfer in the Company's name.										



## BINANI METALS LIMITED

### SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

#### SCHEDULE "E" INVESTMENTS

(Rupees)

	Face Value per Share/ Debenture	As at 31st March, 2009		As at 31st March, 2008	
		No. of Shares/ Debentures	Amount	No. of Shares/ Debentures	Amount
<b>Long Term (At Cost) :</b>					
<b>Unquoted :</b>					
<b>1. Debentures</b>					
8% Debentures of Indian Chamber of Commerce	100	43.75	4,375	43.75	4,375
<b>2. Equity Shares (fully paid)</b>					
Gallant Holdings Pvt.Ltd.	10	-	-	15,000	150,000
Binani Zinc Ltd.	10	1,098,173	-	1,098,173	-
Asian Industry & Information Services Pvt. Ltd. (See Note # 1 below)	10	-	-	2,800	14,000
<b>4. Investment in Subsidiary Companies :</b>					
<b>(a) Fully paid Equity Shares:</b>					
Sambhaw Holdings Ltd.	10	50,000	500,000	50,000	500,000
Atithi Tie-Up Pvt. Ltd.	10	50,000	500,250	10,000	100,000
Atithi Tie-Up Pvt. Ltd. - Share Application Money		-	-	-	400,000
Dharmik Commodeal Pvt. Ltd.	10	10,000	100,000	-	-
<b>3. Preference Shares</b>					
<b>(9% Non-Cumulative Redeemable)</b>					
Asian Industry & Information Services Pvt. Ltd.	100	-	-	5,000	500,000
<b>5. Guineas (11)</b>					
		-	1,708	-	1,708
<b>Quoted:</b>					
<b>6. Equity Shares (fully paid)</b>					
Binani Industries Limited	10	4,758,750	4,229,999	4,758,750	4,229,999
<b>TOTAL</b>			<b>5,336,332</b>		<b>5,900,082</b>
Particulars		<b>Market Value</b>	<b>Cost</b>	<b>Market Value</b>	<b>Cost</b>
<b>Aggregate Value of:</b>					
Quoted Investments		145,855,688	4,229,999	556,773,750	4,229,999
Unquoted Investments		-	1,106,333	-	1,670,083
Total			<b>5,336,332</b>		<b>5,900,082</b>

Note:

- 1 During the year the Company had purchased and sold 13200 equity shares of Asian Industry & Information Services (Pvt.) Ltd. in addition to the 2800 equity shares sold during the year.



**SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009**  
(Rupees)

	As at 31st March, 2009	As at 31st March, 2008
<b>SCHEDULE " F "</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>Inventories</b>		
<b>Stock-in-trade</b>		
Shares & Securities	9,784,214	23,923,004
	<u>9,784,214</u>	<u>23,923,004</u>
<b>Sundry Debtors</b>		
(Unsecured and considered good)		
Debts - Outstanding for a period of more than six months	-	-
Other Debts	1,517,461	2,500,986
	<u>1,517,461</u>	<u>2,500,986</u>
<b>Cash &amp; Bank Balances</b>		
Cash in hand	10,616	8,992
<b>Balances with Scheduled Banks</b>		
In Current Accounts *	2,197,496	2,624,362
In Fixed Deposit Accounts**	74,253,261	71,981,624
In Unclaimed Dividend Accounts	1,292,799	1,267,798
	<u>77,754,172</u>	<u>75,882,776</u>
<b>Loans &amp; Advances</b>		
(Unsecured and considered good unless otherwise stated)		
Interest Accrued	241,172	1,292,311
Loan to Subsidiary	27,300,000	27,300,000
Advances recoverable in cash or in kind or for value to be received	521,287	280,957
Inter-Corporate Deposits	20,000,000	40,000,000
Advance Payment of Tax (net)	12,693,515	8,920,827
Security & Other Deposits	1,280,377	1,279,877
	<u>62,036,351</u>	<u>79,073,972</u>
<b>TOTAL</b>	<u><u>151,092,198</u></u>	<u><u>181,380,738</u></u>

\* Balance in Current Account includes Rs. 67,495 (Previous Year Rs. 69,181) with a bank which is as per books only, in the absence of confirmation or a bank statement.

\*\* Out of these fixed deposits, fixed deposit receipts of Rs. 12,879,245 (Previous Year Rs. 11,633,013) have been pledged with a bank against guarantees issued and with government authorities. (Also refer note no.4 of schedule "O")



## BINANI METALS LIMITED

### ANNEXURE TO SCHEDULE "F"

#### DETAILS OF STOCK-IN-TRADE OF SHARES/DEBENTURES IN COMPANIES AND IN UNITS OF MUTUAL FUND ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009 (Rupees)

	Face Value per Share/ Debenture	As at 31st March 2009		As at 31st March 2008	
		No. of Shares/ Debentures	Amount	No. of Shares/ Debentures	Amount
<b>QUOTED</b>					
3 I INFOTECH LIMITED	10	-	-	4,600	447,120
ACC LIMITED	10	100	57,665	100	82,610
AIA ENGINEERING LIMITED	10	-	-	100	150,625
AJMERA REALITY LIMITED	10	314	10,456	11,800	2,124,000
AKASH AGRO INDUSTRIES LIMITED	10	8,000	6,400	8,000	6,400
AMBUJA CEMENTS LIMITED	2	100	7,130	100	10,670
BARAK VALLEY CEMENT LIMITED	10	150	2,223	150	4,920
BARODA RAYON LIMITED	10	4,000	11,800	4,000	11,800
BHARAT FORGE LIMITED	2	-	-	500	133,675
BALLARPUR INDUSTRIES LIMITED	2	9,000	132,390	12,000	335,400
CHAMBAL FERTILISERS & CHEMICALS LIMITED	10	-	-	13,000	648,050
CHOWGULE STEAMSHIPS LIMITED	10	7,000	152,600	7,000	272,300
DALMIA CEMENT BHARAT LIMITED	2	100	7,830	100	28,370
ESSAR OIL LIMITED	10	-	-	1,000	204,050
FLUIDLEAN IND. LIMITED	10	1,000	1,100	1,000	1,100
FOODS & INNS LIMITED	10	632	73,154	1,000	275,462
GREAT EASTERN SHIPPING COMPANY LIMITED	10	3,000	563,700	500	176,814
GUJARAT NARMADA VALLEY FERTILIZERS COMPANY LIMITED	10	-	-	5,000	675,000
GRAPHIT INDIA LIMITED	2	-	-	1,000	51,550
GRASIM INDUSTRIES LIMITED	10	50	78,840	50	104,563
GUJARAT NRE COKE LIMITED	10	1,400	27,790	-	-
HCL INFOSYSTEMS LIMITED	10	3,500	266,000	3,500	367,316
HEERA ISPAT LIMITED	10	4,000	4,000	4,000	4,000
HEXAWARE TECHNOLOGIES LIMITED	2	-	-	1,000	61,050
HFCL INFOTEL LIMITED	2	10,000	80,800	10,000	201,220
HINDUSTAN MOTORS LIMITED	10	12,000	158,040	12,000	386,400
HINDUSTAN ZINC LIMITED	10	100	44,740	200	105,300
INDIA CEMENT LIMITED	10	100	10,595	300	53,623
INDIABULLS REAL ESTATE LIMITED	10	31,200	3,113,760	3,400	1,656,820
INDIAN ACRYLICS LIMITED	10	1,000	1,690	1,000	4,300
INDIAN POLYFINS LIMITED	10	500	375	500	375
INFOSYS TECHNOLOGIES LIMITED	5	-	-	600	858,090
ISPAT INDUSTRIES LIMITED	10	39,500	428,575	37,500	1,175,625
JHAGADIA COPPER LIMITED	10	3,000	10,050	3,000	29,280
JK CEMENT LIMITED	10	200	7,930	200	28,940
KARUTURI GLOBAL LIMITED	1	10,000	80,100	-	-
KEI INDUSTRIES LIMITED	2	1,000	9,980	1,000	58,700
KLK ELECTRICAL LIMITED	10	2,000	6,000	2,000	6,000
LAKSHMI MACHINE WORKS LIMITED	10	700	353,430	-	-
LARSEN & TOUBRO LIMITED	2	200	134,530	-	-
LML LIMITED	10	10,000	58,800	10,000	96,451
MADRAS CEMENT LIMITED	1	1,000	71,400	-	-



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## ANNEXURE TO SCHEDULE "F" (Continued)

(Rupees)

	Face Value per Share/ Debenture	As at 31st March 2009		As at 31st March 2008	
		No. of Shares/ Debentures	Amount	No. of Shares/ Debentures	Amount
MAHANAGAR TELEPHONE NIGAM LIMITED	10	1,500	103,650	800	77,240
MANGALAM CEMENTS LIMITED	10	100	5,890	300	40,890
MARKSANS PHARMA LIMITED	1	25,000	103,500	11,700	217,035
MULTIMETALS LIMITED	10	100	1	100	1
MYSORE CEMENT LIMITED	10	100	1,865	500	16,850
NAGARJUNA FERTILIZERS LIMITED	10	35,000	623,000	29,000	1,074,450
NATIONAL FERTILIZERS LIMITED	10	-	-	12,000	381,374
NIRLON LIMITED	10	1,000	16,550	1,000	66,400
OIL AND NATURAL GAS CORPORATION LIMITED	10	-	-	200	196,270
OM METAL INFRASTRUCTURE LIMITED	1	5,000	35,100	2,600	104,650
ORCHID CHEMICALS LIMITED	10	500	38,575	-	-
PARO LEASE FIINANCE LIMITED	10	2,900	18,850	2,900	18,850
PARSOLI CORPORATION LIMITED	10	500	7,010	500	45,575
PENAR ALUMINIUM LIMITED	10	4,000	4,880	4,000	9,920
PETRONET LNG LIMITED	10	1,000	38,850	-	-
POWER FINANCE CORPORATION OF INDIA LIMITED	10	-	-	6,000	972,900
POWER GRID LIMITED	10	-	-	1,000	97,950
PRAJ INDUSTRIES LIMITED	2	-	-	3,400	462,910
PRAKASH INDUSTRIES LIMITED	10	-	-	3,100	773,605
PRESTIGE (P) LIMITED	10	1,500	2,625	1,500	2,625
PRISM CEMENTS LIMITED	10	1,000	22,750	38,800	1,707,200
RAMA NEWSPAPER AND PRINTS LIMITED	10	1,400	17,643	875	26,082
RELIANCE COMMUNICATION LIMITED	10	-	-	1,100	559,130
RELIANCE INDUSTRIES LIMITED	10	-	-	955	2,147,604
RELIANCE INFRASTRUCTURE LIMITED	10	600	309,210	-	-
RELIANCE POWER LIMITED	10	-	-	117	37,153
REVATI ORGANICS LIMITED	10	500	1,000	500	1,000
ROSE ZINC LIMITED	10	300	599	300	599
RUIA AQUACULTURE LIMITED	10	2,000	1,800	2,000	1,800
SATYAM COMPUTER LIMITED	2	10,000	383,500	-	-
SHIPPING CORPORATION OF INDIA LIMITED	10	-	-	1,000	198,100
SHREE CEMENT LIMITED	10	50	35,458	-	-
SIEMENS LIMITED	2	-	-	400	246,920
SOMANI IRON & STEEL LIMITED	10	2,000	2,000	2,000	2,000
SRF LIMITED	10	-	-	500	50,400
SRI DIGVIJAY CEMENTS LIMITED	10	2,000	13,740	2,000	36,500
SS FORGENIC ENG. LIMITED	10	3,000	3,750	3,000	3,750
SUNCITY SYNTHETIC LIMITED	10	900	900	900	900
SUZLON ENERGY LIMITED	2	2,000	84,800	-	-
TATA CHEMICALS LIMITED	10	1,500	211,875	700	144,865
TATA COMMUNICATION LIMITED	10	-	-	72	35,235
TATA STEEL LIMITED	10	2,932	603,992	1,721	1,102,006
TATA STEEL LIMITED (CCPS)	100	6,104	159,525	104	10,400



## BINANI METALS LIMITED

### ANNEXURE TO SCHEDULE "F" (Continued)

	Face Value per Share/ Debenture	As at 31st March 2009		As at 31st March 2008	
		No.of Shares/ Debentures	Amount	No.of Shares/ Debentures	Amount
TATA TELE SERVICES LIMITED	10	-	-	8,000	224,800
TECH MAHINDRA LIMITED	10	-	-	200	141,370
TEXMACO LIMITED	10	-	-	540	784,296
TULASEE BIOTECH LIMITED	10	3,000	6,000	3,000	6,000
ULTRATECH CEMENT LIMITED	10	50	27,550	50	38,523
UTV SOFTWARE LIMITED	10	-	-	300	232,275
VARUN SHIPING LIMITED	10	7,000	295,050	2,800	157,779
VIJAYTA AUDIO WORLD LIMITED	10	100	50	100	50
<b>NON QUOTED</b>					
DEWAS SOYA LIMITED	10	50,000	500,000	50,000	500,000
INDIAN LEAD LIMITED	10	18,616	18,616	18,616	18,616
METAL REFINERS INDIA PVT. LIMITED	10	110,000	110,000	110,000	110,000
VAM HOLDINGS LIMITED	10	37	187	37	187
<b>GRAND TOTAL</b>			<b>9,784,214</b>		<b>23,923,004</b>

	As at 31st March, 2009	As at 31st March, 2008
<b>SCHEDULE " G "</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Current Liabilities</b>		
Creditors	1,075,843	936,327
Other Liabilities	13,863,935	12,208,122
Unclaimed dividends (includes interest) *	1,292,799	1,267,798
	<b>16,232,577</b>	<b>14,412,247</b>
<b>Provisions</b>		
Retirement Leave Encashment Benefit	604,390	483,489
Gratuity	46,000	-
Bonus	11,900	10,850
Proposed Dividend	8,858,000	9,445,550
Corporate Dividend Tax	1,505,417	1,605,271
	<b>11,025,707</b>	<b>11,545,160</b>
<b>TOTAL</b>	<b>27,258,284</b>	<b>25,957,407</b>

\*Will be credited to Investor Education and Protection Fund on due date

### SCHEDULE " H "

#### MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Compensation Paid to Employees on cessation of Employment	-	360,126
Less: Written off during the year	-	360,126
<b>TOTAL</b>	<b>-</b>	<b>-</b>



## SCHEDULE ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rupees)

	For the Year Ended 31st March, 2009	For the Year Ended 31st March, 2008
<b>SCHEDULE "I"</b>		
<b>INTEREST AND DIVIDEND</b>		
Dividend	14,867,835	13,497,495
Interest (Gross)		
- Inter-Corporate Deposit	6,233,565	7,719,676
- Bank and Others	6,059,488	5,219,366
(Tax Deducted at Source Rs. 1,942,390, Previous Year Rs.2,353,437)		
<b>TOTAL</b>	<b>27,160,888</b>	<b>26,436,537</b>
<b>SCHEDULE "J"</b>		
<b>OTHER INCOME</b>		
Recovery of loan written off in earlier year	450,000	4,000,000
Profit on Sale of Investment	331,875	-
Sundry Income	3,715	5,300
<b>TOTAL</b>	<b>785,590</b>	<b>4,005,300</b>
<b>SCHEDULE "K"</b>		
<b>COST OF SALES - SHARES &amp; SECURITIES</b>		
Opening Stock	23,923,004	8,174,559
Add : Purchases	52,375,969	68,723,323
	<b>76,298,973</b>	<b>76,897,882</b>
Less : Closing Stock	9,784,214	23,923,004
<b>TOTAL</b>	<b>66,514,759</b>	<b>52,974,878</b>
<b>SCHEDULE "L"</b>		
<b>PAYMENTS TO AND PROVISIONS FOR EMPLOYEES</b>		
Salaries, Bonus & Allowances	12,833,488	7,410,549
Contribution to Provident & Other Funds	426,676	403,050
Staff Welfare	23,168	12,082
<b>TOTAL</b>	<b>13,283,332</b>	<b>7,825,681</b>

**BINANI METALS LIMITED****SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH, 2009**

(Rupees)

	For the Year Ended 31st March, 2009	For the Year Ended 31st March, 2008
<b>SCHEDULE "M"</b>		
<b>ADMINISTRATION &amp; OTHER EXPENSES</b>		
Communication Expenses	1,090,372	606,064
Travelling Expenses	7,269,710	3,821,403
Rent	1,715,324	109,632
Electricity Expenses	30,304	1,962
Rates & Taxes	5,400	2,650
Repairs & Maintenance Expenses :		
- Buildings	1,746,131	1,757,073
- Others	46,089	8,936
Insurance	304,055	36,893
Motor Car Expenses	1,432,212	1,059,701
Directors' Fees	84,500	13,000
Legal & Professional Expenses	5,087,516	3,162,501
Auditors' Remuneration :		
- Audit Fees		
- Statutory Audit Fees	165,450	146,068
- Interim Audit Fees	73,034	-
- Tax Audit Fees	33,090	22,472
- Certification Charges	20,368	16,854
- Out of Pocket Expenses	5,050	1,794
	<u>296,992</u>	<u>187,188</u>
Loss on Sale of Fixed Assets	3,849	48,815
Loss on Sale of Investments	-	2,139,500
Bad Debts Written Off	-	1,349
Miscellaneous Expenses	5,512,097	3,663,777
<b>TOTAL</b>	<b><u>24,624,551</u></b>	<b><u>16,620,444</u></b>
<b>SCHEDULE "N"</b>		
<b>INTEREST &amp; FINANCE CHARGES</b>		
Hire Purchase Credits	187,562	175,986
Others	3,655,479	1,140,969
Bank Charges	108,396	111,792
<b>TOTAL</b>	<b><u>3,951,437</u></b>	<b><u>1,428,747</u></b>



## SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2009

### SCHEDULE "O" Notes to Accounts

#### 1. Significant Accounting Policies:

##### 1.1 Basis of Accounting

The financial statements are prepared on an accrual basis under the historical cost convention and in accordance with the accounting principles generally accepted in India and the provisions of the Companies Act, 1956.

##### 1.2 Fixed Assets

Cost of fixed assets comprises of purchase price, duties, and any cost directly attributable to bringing the asset to its working condition for the intended use.

##### 1.3 Depreciation (Other than Leased Assets)

Depreciation on fixed assets is provided using the written down value method at the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on assets acquired/disposed during the year is provided prorata from / up to the date of acquisition/disposal.

##### 1.4 Impairment of Assets

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

##### 1.5 Leasing Business

Lease rentals are accounted for as revenue when they contractually accrue. The corresponding assets are depreciated over the life prescribed under Schedule XIV of the Companies Act, 1956 or the primary lease period, whichever is earlier. In the year of addition or disposal of any assets, the depreciation is charged on pro-rata basis in proportion to the period of its ownership.

##### 1.6 Long Term Investments

Shares and Securities held without the intention of trading are classified as investments and valued at cost reduced by a provision for any diminution other than temporary, in their values, where applicable.

##### 1.7 Inventories

Inventories are valued at cost or net realisable value whichever is lower. Cost is determined on the basis of the weighted average method and includes all costs incurred in bringing the inventories to their present location and condition.

##### 1.8 Recognition of Revenue

Sale of Shares and securities are recognised on the trade dates.  
Income is recognized on accrual basis except when there is significant uncertainty.

##### 1.9 Income Taxes

Income-tax expense is accrued in accordance with AS 22 – Accounting for taxes on income, which includes current and deferred taxes. Deferred income taxes reflect the impact of current year, timing differences between taxable incomes and accounting income for the year and reversal of timing differences of earlier years.

**SCHEDULE "O" (Continued)**

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized for all deductible timing differences, carry forward of unused tax assets and unused tax losses only if there is virtual certainty that such deferred tax assets can be realised against future tax liabilities.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

**1.10 Contingent Liability**

These, if any, are disclosed in the notes to the accounts. 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.

**1.11 Foreign Currency Transactions**

Transactions in foreign currencies are recorded at the rate on the date of transaction. Foreign currency assets and liabilities are translated at the year end exchange rates or forward cover rates as applicable and the resultant gain or loss is adjusted to the Profit & Loss Account.

**1.12 Retirement Benefits**

The Provident Fund Scheme is a defined contribution plan for which the contribution accruing during each year as per the scheme is expensed. The Gratuity Scheme is a defined benefit plan which is funded with the Life Insurance Corporation of India and the liability of accrued gratuity based on actuarial valuation as per Accounting Standard AS 15 (Revised), is expensed. Provision is made towards liability for Leave Encashment on the basis of actuarial valuation as per Accounting Standard 15 (Revised).

**Employee benefits**

i) **Short Term Employee Benefits** – All employee benefits payable within twelve months of rendering the service are recognized in the period in which the employee renders the related service.

ii) **Post Employment / Retirement Benefits** – Defined Contribution Plans such as Provident Fund, Superannuation Fund etc. are charged to the Profit and Loss Account as incurred.

Defined Benefit Obligation Plans – The present value of the obligation under such plans, is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognized immediately in the Profit and Loss Account. In case of Gratuity, which is funded with the Life Insurance Corporation of India, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.

iii) **Other long Term Employee Benefits** are recognized in the same manner as Defined Benefit Plans.

**1.13 Miscellaneous Expenditure (to the extent not written off)**

Compensation payable on cessation of employment had been deferred, and has been written off over a period of five years

**1.14 Segment Reporting Policies:****Identification of segments:**

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

**Allocation of common costs:**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.



## SCHEDULE "O" (Continued)

### Unallocated items:

The Corporate and Other segment includes general corporate income and expense items which are not directly identifiable to any segment and therefore not allocated to any business segment.

### 1.15 Earning Per Share

Basic Earning Per Share are calculated by dividing net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has not issued any potential dilutive equity shares, and accordingly the basic and diluted earnings per share are the same.

## 2. Contingent Liabilities

(Rupees)

Particulars	As at 31 <sup>st</sup> March, 2009	As at 31 <sup>st</sup> March, 2008
(a) Claims against the Company for Income tax matters under appeal, not acknowledged as debts.	5,433,273	4,475,346
(b) Rent to Kolkata Port Trust **	1,397,872	1,226,704

\* The Income Tax Appellate Tribunal has decided certain issues in the company's favour against which the Department has filed appeals to the High Court. If the issues are decided against the company, then the Income tax liability would increase by Rs. 14,818,525.

\*\* The company has been legally advised that the rent liability payable to Kolkata Port Trust is contingent in nature.

## 3. Provisions :

The company has made provisions for the following :

(Rupees)

	Opening Balance	Provision	Utilization	Reversal	Closing Balance
Leave Encashment	483,489	960,043	839,142	-	604,390
Bonus	10,850	20,283	19,233	-	11,900

4. The Company has given Counter guarantee to a bank in respect of a guarantee furnished by it to the Government of India for certain transactions of a partnership firm against the original counter guarantee of Rs. 8,997,500. The fixed deposit with the bank as at 31st March, 2009 is Rs. 12,879,245 and accordingly the Company has provided for Rs. 12,879,245 as the subject matter of the bank is subjudice.

5. The Company has issued jointly with Binani Industries Ltd., General Bond under section 59(2) of the Customs Act, 1962, for a sum of Rs. 24 crores to the Custom authorities. There is no claim so far received by the Company as at 31st March, 2009, the value of goods lying in bond was Rs. 233,100,583 ( previous year Rs.186,873,871) and the estimated liability for duty is Rs. 53,217,932 ( previous year Rs. 41,134,065 ).

## 6. Loans – Secured

A) Hire Purchase Credit – Outstanding Rs. 1,250,808 ( Previous Year Rs. 2,137,966)

Secured by hypothecation of respective vehicles. The title in the property of respective vehicle to be passed on payment of final installment.

B) Overdraft from Banks

HDFC Bank Limited as at 31st March, 2009 – Rs. 13,445,521 (Previous Year Rs. 32,102,492 ) & The Saraswat Co-Operative Bank Limited as at 31st March, 2009 - Rs.13,762,553 (Previous Year Rs. 14,977,072 ). These bank overdrafts are secured by pledge of Fixed Deposits.

7. Sundry Creditors do not include any parties who are registered under the Micro, Small and Medium Enterprises Development Act, 2006.



**SCHEDULE “ O ” (Continued)**

**8. Quantitative information in respect of Trading in Shares & Securities:**

(A) Inventories (Rupees)

Particulars	As at 31st March, 2009	As at 31st March, 2008
Shares & Securities (Particulars as per annexure to Schedule “F”)	<b>9,784,214</b>	23,923,004

(B) Purchase and Sales of Shares & Securities (Rupees)

Particulars	Purchases	Sales
Shares & Securities	<b>52,375,969</b> (68,723,323)	<b>47,338,707</b> (50,680,655)

(Figures in bracket pertain to previous year)

**9. Foreign Currency:** (Rupees)

Particulars	For year ended 31st March, 2009	For year ended 31st March, 2008
<b>Expenditure</b> - Foreign Travel	<b>373,946</b>	337,985
<b>Earning</b>	<b>Nil</b>	Nil

**10. Managerial Remuneration to Executive Vice Chairman & to Managing Director :** (Rupees)

Particulars	For year ended 31st March, 2009	For year ended 31st March, 2008
Salaries & Allowances	<b>10,501,667</b>	4,662,000
Perquisites *	<b>1,209,357</b>	52,500
<b>Total</b>	<b>11,711,024</b>	4,714,500

\* include leave encashment paid and monetary value of non cash perquisites as per Income Tax Act, 1961.

11. As per Company’s Policy liability towards leave encashment as at 31<sup>st</sup> March, 2009 is Rs. 604,390 (Previous year Rs. 483,489/-) ,based on Actuarial valuation.

12. During the year, the Company has purchased 2,350 Equity Shares of Rs. 1,000/- each under Buy-Back Scheme @ Rs. 4,500/- per share out of the General Reserve and consequently the nominal value of shares so purchased were transferred to Buy-Back Reserve Account.

13. During the year the Company has entered into Commodity Future Contracts transactions, the net result of which is shown as Profit from Commodity Futures contracts.

14. Major Components of deferred tax assets arising on account of timing differences are : (Rupees)

	As at 31st March, 2009	As at 31st March, 2008
<b>a) Deferred Tax Liability</b>		
Fixed Assets – Depreciation	-	( 27,000 )
<b>b) Deferred Tax Assets</b>		
Fixed Assets – Depreciation	<b>762,500</b>	-
Disallowance under Income Tax Act, 1961	<b>204,500</b>	150,000
<b>Deferred Tax Assets ( Net )</b>	<b>967,000</b>	123,000





## SCHEDULE "O" (Continued)

### 15. Disclosure under AS-15 :

#### I Defined Contribution Plans :

Contribution to Defined Contribution Plans, recognized as expense for the period are as under (Rupees)

	For the year ended 31st March, 2009	For the year ended 31st March, 2008
Employers' Contribution to Provident Fund	155,608	198,379
Employers' Contribution to Superannuation Fund	47,490	30,240

#### II Defined benefit Plan :

##### Contribution to Gratuity Fund

The Company makes annual contributions to the Employees' Group Gratuity-cum Life Assurance Scheme of the Life Insurance Corporation of India (LIC), a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on superannuation, death or on separation / termination in terms of the provisions of the Payment of Gratuity Act or as per Company's policy whichever is beneficial to the employees.

Since the annual contribution to the Employees' Group Gratuity-cum Life Assurance Scheme of LIC falls due for payment later during the year, the liability for the year ended 31<sup>st</sup> March, 2009 could not be ascertained and therefore not provided. The same shall be considered at the end of the year.

The following table sets out the funded status of the gratuity plan and the amounts recognized in the Company's financial statements as at 31<sup>st</sup> March, 2009. (Rupees)

	As at 31 <sup>st</sup> March, 2009	As at 31 <sup>st</sup> March, 2008
<b>Change in present value of obligation</b>		
Present value of obligation as at 1 <sup>st</sup> April, 2008	99,533	3,03,210
Interest Cost	7,963	22,741
Service Cost	12,684	8,767
Benefits Paid	Nil	Nil
Actuarial ( gain ) / loss on obligation	(98,633)	(2,35,093)
Present value of obligation, as at 31 <sup>st</sup> March, 2009	<u>21,547</u>	<u>99,533</u>
<b>Change in plan assets</b>		
Fair value of plan assets as at 1 <sup>st</sup> April, 2008	3,35,183	3,00,008
Expected return on plan assets	30,549	28,102
Contributions	4,254	7,073
Benefits paid	Nil	Nil
Actuarial gain/ ( Loss ) on plan assets	Nil	Nil
Fair value of plan assets as at 31 <sup>st</sup> March, 2009	<u>3,69,986</u>	<u>3,35,183</u>
<b>Amount recognized in the Balance Sheet</b>		
Present value of obligation, as at 31 <sup>st</sup> March, 2009	3,35,183	99,533
Fair value of plan assets as at 31 <sup>st</sup> March, 2009	3,69,986	(3,35,183)
Net obligation as at 31 <sup>st</sup> March, 2009	<u>3,48,439</u>	<u>(2,35,650)</u>
<b>Net gratuity cost for the year ended 31<sup>st</sup> March, 2009</b>		
Current service Cost	12,684	8,676
Interest Cost	7,963	22,741
Expected return on plan assets	30,549	(28,102)
Net Actuarial ( gain ) / Loss to be recognized	(99,633)	(2,35,093)
<b>Net gratuity cost</b>	<u>(1,08,536)</u>	<u>(2,31,779)</u>
<b>Assumptions used in accounting for the gratuity plan</b>	%	%
Discount Rate	8	8
Salary escalation rate	4	4
Expected rate of return on plan assets	9	9



**SCHEDULE “ O ” Continued**

**16. Related Party Disclosure:**

During the year, the company entered into transactions with related parties. Those transactions along with related balances as at 31st March, 2009 and 31st March, 2008 and for the years then ended are presented in the following table.

(Rupees)

Particulars	Subsidiary	Enterprises where Key Management Personnel have got significant influence	Total
Service Charges *	<b>2,400,000</b> (-)	<b>10,068,172</b> (514,935)	<b>12,468,172</b> (514,935)
Investment	<b>100,000</b> (500,000)	- (-)	<b>100,000</b> (500,000)
Dividend Received	- (-)	<b>14,276,250</b> (11,896,875)	<b>14,276,250</b> (11,896,875)
Interest Received	<b>3,276,002</b> (2,923,329)	<b>2,087,861</b> (2,980,173)	<b>5,363,863</b> (5,903,502)
Fixed Assets Purchases	- (-)	- (14,602,502)	- (14,602,502)
Unsecured Loan Written back	<b>450,000</b> (4,000,000)	- (-)	<b>450,000</b> (4,000,000)
Miscellaneous Expenses	- (-)	<b>88,921</b> (-)	<b>88,921</b> (-)
Balance outstanding {receivables/(payables)} as at the year end including interest	<b>27,300,000</b> (27,948,505)	<b>20,052,674</b> (-)	<b>47,352,674</b> (27,948,505)

(Figures in bracket pertain to previous year)

Notes:

- i) Subsidiaries of the Company - Sambhaw Holdings Limited., Atithi Tie-Up Pvt. Ltd., Dharmik Commodeal Pvt. Ltd. & Asian Industry & Information Services Pvt. Ltd. ( For a part of the year )
- ii) Key Management Personnel - Shri Braj Binani ( No transactions during the year ), Shri J.D.Mehta, Shri Vinod Juneja  
(Managerial Remuneration paid is disclosed under Schedule “O” Note No.10)
- iii) Related Entities of Key Management Personnel - Binani Industries Ltd, Binani Zinc Ltd., Goa Glass Fibre Ltd., Binani Cement Ltd., BT Composites Ltd., Total Composites Pvt. Ltd., Suryamukhi Vintrade Pvt. Ltd., K B Vyapar Pvt. Ltd., Manjushree Holdings Pvt. Ltd. , Vijayshree Holdings Pvt. Ltd., Triton Trading Co. Pvt. Ltd.
- iv) \*Transaction values are excluding service Tax



## SCHEDULE " O " (Continued)

## 17. Segment Information for the year ended 31st March, 2009

(Rupees)

	Trading in Shares & Securities		Commercial		Unallocated		Total	
	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008
<b>REVENUE</b>								
Gross Receipts	47,878,292	81,117,192	51,255,856	12,722,104	27,406,893	-	126,541,041	93,839,296
<b>RESULTS</b>								
Segment Result	(18,990,673)	(772,800)	21,830,724	3,571,509	14,452,323	12,185,198	17,292,374	14,983,907
Interest Expenses	-	-	(3,800,775)	(1,284,936)	(150,663)	(143,811)	(3,951,438)	(1,428,747)
Income Taxes	-	-	-	-	(442,000)	(1,570,162)	(442,000)	(1,570,162)
Income Taxes - Earlier Years	-	-	-	-	(1,625,699)	-	(1,625,699)	-
Net Profit	(18,990,673)	(772,800)	18,029,950	2,286,573	12,233,961	10,471,225	11,273,238	11,984,997
<b>OTHER INFORMATION</b>								
Segment Assets	12,571,889	26,423,990	16,441,193	14,032,670	119,697,806	2,417,309	148,710,889	42,873,969
Segment Liabilities	-	-	28,206,055	49,217,530	120,504,834	(6,343,561)	148,710,889	42,873,969
Capital Expenditure	-	-	8,092,593	14,602,502	38,035	2,951,346	8,130,628	17,553,848
Depreciation	-	-	4,474,838	287,337	351,187	786,924	4,826,025	1,074,261

The Company's activities cannot be classified under any geographical segments.



# BINANI METALS LIMITED

## SCHEDULE " O " Continued

18. Disclosures of loans / Advances / Investments balances as required under clause 32 of listing agreement.  
(Rupees)

Party Name	Relationship	Transaction Type	Outstanding as at 31st March, 2009	Maximum amount outstanding during the year
Sambhaw Holdings Ltd.	Subsidiary Company	Loans & Advances	<b>27,300,000</b> (27,948,505)	<b>27,948,505</b> (27,948,505)
		Investments	<b>500,000</b> (500,000)	<b>500,000</b> (500,000)
Binani Industries Ltd.	Associate Company	Inter-corporate Deposits	<b>Nil</b> (Nil)	<b>Nil</b> (50,000,000)
		Investments	<b>4,229,999</b> (4,229,999)	<b>4,229,999</b> (4,229,999)
Goa Glass Fibre Limited	Associate Company	Inter-corporate Deposits	<b>20,000,000</b> (Nil )	<b>20,213,699</b> (Nil)
Asian Industry & Information Services Private Limited	Associate Company	Investments	<b>Nil</b> (514,000)	<b>514,000</b> ( 514,000 )
Atithi Tie-up Pvt. Ltd.	Subsidiary Company	Investments	<b>500,250</b> (500,000)	(500,000) (500,000)
Dharmik Commodeal Pvt. Ltd.	Subsidiary Company	Investments	<b>100,000</b> (Nil)	<b>100,000</b> (Nil)
Gallant Holdings Limited	Associate Company	Investments	<b>Nil</b> (150,000)	<b>150,000</b> (150,000)
Binani Zinc Limited	Associate Company	Inter-corporate Deposits	<b>Nil</b> (Nil)	<b>Nil</b> (10,000,000)
B T Composites Limited	Associate Company	Inter-corporate Deposits	<b>Nil</b> (Nil)	<b>Nil</b> (20,000,000)

Figures in bracket indicate figures of the previous year

19. Figures of the previous year have been regrouped wherever necessary.

In terms of our attached report of even date  
**For Abrol & Maheshwary**  
Chartered Accountants

**Anil Maheshwary**  
Partner  
Membership No.: 30739  
Place : Mumbai  
Dated : 22nd April, 2009

Signatures to the Schedules O  
**For and on behalf of the Board of Directors**

**J. D. MEHTA**  
Executive Vice Chairman

**RAKESH DARJI**  
Company Secretary

**BRAJ BINANI** } Chairman  
**P. R. DAMANI** }  
**NIDHI BINANI** } Directors  
**KALA PANT** }  
**VINOD JUNEJA** } Managing Director

# 68<sup>th</sup> Annual Report 2008-09



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

( Rupees )

Particulars	For the year ended 31st March, 2009	For the year ended 31st March, 2008
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax and extraordinary items	13,340,936	13,555,159
Adjustments for :		
Depreciation	4,826,025	1,074,261
Miscellaneous Expenses written Off	-	360,126
Loss on sale of Fixed Assets	3,849	48,815
Profit on sale of Investment	(331,875)	-
Loss on sale of Investment	-	2,139,500
Interest from Income Tax	(130,832)	-
Bad Debts Written Off	-	1,349
<b>Operating profit before Working capital changes</b>	<b>17,708,103</b>	<b>17,179,211</b>
Adjustments for :		
Trade & other receivables	21,793,834	(47,325,748)
Inventories	14,138,790	(15,748,445)
Trade payables	1,988,282	896,106
<b>Cash generated from operations</b>	<b>55,629,009</b>	<b>(44,998,876)</b>
Income Tax/FBT Refund/(Paid)	(6,553,557)	(2,986,278)
<b>Net cash from operating activities</b>	<b>49,075,452</b>	<b>(47,985,154)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	(8,130,628)	(17,553,848)
Sale of fixed assets	2,411,915	249,778
Purchase of investments	(1,754,375)	(500,000)
Sale of Investments	2,650,000	58,238,307
<b>Net cash used in investing activities</b>	<b>(4,823,088)</b>	<b>40,434,236</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Secured Term Loans & Overdraft	(20,758,647)	48,530,530
Proceeds from issue of Rights Shares	3,500	56,100
Payment of Premium on shares under Buy-back scheme	(8,225,000)	-
Payment of Equity Share purchased under buy-back scheme	(2,350,000)	-
Dividend Paid	(9,445,550)	(7,556,440)
Dividend Tax Paid	(1,605,271)	(1,284,217)
<b>Net cash used in financing activities</b>	<b>(42,380,968)</b>	<b>39,745,973</b>
<b>Net (decrease) / increase in Cash &amp; Bank Balances</b>	<b>1,871,396</b>	<b>32,195,055</b>
<b>Cash and Bank Balances as on 31.03.2008</b>		
<b>(Opening Balance)</b>	<b>75,882,776</b>	<b>43,687,721</b>
<b>Cash and Bank Balances as on 31.03.2009</b>		
<b>(Closing Balance)</b>	<b>77,754,172</b>	<b>75,882,776</b>
	<b>1,871,396</b>	<b>32,195,055</b>

In terms of our attached report of even date

**For Abrol & Maheshwary**

Chartered Accountants

**Anil Maheshwary**

Partner

Membership No.: 30739

Place: Mumbai

Dated: 22<sup>nd</sup> April, 2009

For and on behalf of the Board of Directors

**J. D. MEHTA**

Executive Vice Chairman

**BRAJ BINANI**

**P. R. DAMANI**

**NIDHI BINANI**

**KALA PANT**

Chairman

Directors

**RAKESH DARJI**

Company Secretary

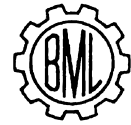
**VINOD JUNEJA**

Managing Director



**PART IV**  
**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

<b>(I) Registration Details</b>	
State Code	21
Registration Number	L22100WB1941PLC119187
Balance Sheet Date	31.03.2009
<b>(II) Capital raised during the year (Amount in Rs. Thousands)</b>	
Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement ( Preferential Issue)	NIL
<b>(III) Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)</b>	
Total Liabilities	148,711
Total Assets	148,711
<b>Sources of Funds</b>	
Paid-up Capital	35,414
Reserves and Surplus	84,839
Unsecured Loans	NIL
Secured Loans	28,459
<b>Application of Funds</b>	
Net Fixed Assets	18,574
Investments	5,336
Deferred Tax Assets	967
Net Current Assets	123,834
Miscellaneous Expenditure	-
Accumulated Losses	NIL
<b>(IV) Performance of the Company (Amount in Rs. Thousands)</b>	
Turnover / Other Income	126,541
Total Expenditure	113,200
Profit Before Tax	13,341
Profit After Tax	11,273
Earnings Per Share in Rs.	298.99
Dividend Rate %	25%
<b>(V) Generic Names of Three Principal Products / Services of Company</b>	
(As Per Monetary Items)	
Item Code Number (ITC Code)	N.A
Product Description	Investment and Trading & Business Services



## Auditors' Report

The Board of Directors  
Binani Metals Limited

1. We have audited the attached Consolidated Balance Sheet of Binani Metals Limited (the Company) and its subsidiaries Sambhaw Holdings Limited & Atithi Tie-up Pvt. Ltd. (the Group) as at March 31, 2009, and also the Consolidated Profit and Loss account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These Consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards (AS) 21, issued by the Institute of Chartered Accountants of India.
4. In our opinion and to the best of our information and according to the explanation given to us, the said Consolidated financial statements give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
  - a. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2009;
  - b. in the case of the Consolidated Profit and Loss Account, of the profit for the year ended on that date; and
  - c. in the case of the Consolidated Cash Flow Statement, of the Cash Flows for the year ended on that date.

For **ABROL & MAHESHWARY**  
Chartered Accountants

**Anil Maheshwary**  
Partner  
Membership No.:30739

Place: Mumbai  
Date : 22nd April, 2009

**BINANI METALS LIMITED****CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009**

(Rupees)

	Schedule	As at 31st March, 2009	As at 31st March, 2008
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' funds</b>			
Capital	A	35,413,500	37,760,000
Reserves & Surplus	B	78,513,631	86,917,820
		<u>113,927,131</u>	<u>124,677,820</u>
<b>Loan Funds</b>	C		
Secured Loans		28,458,882	49,217,530
<b>TOTAL</b>		<u>142,386,013</u>	<u>173,895,350</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	D	60,435,915	55,044,838
Less : Depreciation		22,846,834	17,175,598
<b>Net Block</b>		<u>37,589,081</u>	<u>37,869,240</u>
<b>Investments</b>	E	4,336,082	5,400,082
<b>Deferred Tax Assets</b>		967,000	123,000
<b>Current Assets, Loans &amp; Advances</b>			
Inventories	F	9,784,214	23,923,004
Sundry Debtors		1,476,261	2,500,986
Cash & Bank Balances		80,717,451	79,300,772
Loans & Advances		34,963,006	51,204,683
		<u>126,940,932</u>	<u>156,929,444</u>
<b>Less :Current Liabilities &amp; Provisions</b>			
Liabilities	G	16,429,675	14,881,256
Provisions		11,025,707	11,545,160
		<u>27,455,382</u>	<u>26,426,416</u>
<b>Net Current Assets</b>		<u>99,485,550</u>	<u>130,503,028</u>
<b>Miscellaneous Expenditure</b> (To the extent not written off or adjusted)	H	8,300	-
<b>TOTAL</b>		<u>142,386,013</u>	<u>173,895,350</u>
<b>Notes to the Accounts</b>	O		

In terms of our attached report of even date  
**For Abrol & Maheshwary**  
*Chartered Accountants*

**Anil Maheshwary**  
Partner  
Membership No.: 30739  
Place : Mumbai  
Dated : 22nd April, 2009

Signatures to the Balance Sheet and Schedules A to H and O  
**For and on behalf of the Board of Directors**

**J. D. MEHTA**  
Executive Vice Chairman

**RAKESH DARJI**  
Company Secretary

**BRAJ BINANI**  
**P. R. DAMANI**  
**NIDHI BINANI**  
**KALA PANT** } Directors

**VINOD JUNEJA** Managing Director



# 68<sup>th</sup> Annual Report 2008-09



## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rupees)

	Schedule	For the Year Ended 31st March, 2009	For the Year Ended 31st March, 2008
<b>INCOME</b>			
Sales - Shares & Securities		47,338,707	50,680,655
Profit from Commodities Futures Contracts		14,751,093	-
Rent & Service Charges		23,464,601	6,439,935
Brokerage and Commission		17,990,163	12,201,869
Interest & Dividend	I	23,884,886	23,513,208
Other Income	J	785,590	4,012,787
<b>TOTAL</b>		<b>128,215,040</b>	<b>96,848,455</b>
<b>EXPENDITURE</b>			
Cost of Sales - Shares & Securities	K	66,514,759	52,974,878
Payments to and provisions for employees	L	13,283,332	7,825,681
Administration and Other Expenses	M	26,092,339	18,525,222
Interest & Finance Charges	N	3,951,525	1,428,781
Miscellaneous Expenditure Written Off		-	360,126
Depreciation		6,120,907	2,461,834
<b>TOTAL</b>		<b>115,962,862</b>	<b>83,576,522</b>
<b>Profit Before Tax</b>		<b>12,252,177</b>	<b>13,271,933</b>
Tax Expenses			
- Current Tax		521,000	887,000
- Deferred Tax / ( Credit )		(844,000)	179,162
- Fringe Benefit Tax		765,000	504,000
- Short / ( Excess ) Provision of Income Tax / FBT of Earlier Years (Net)		1,625,699	-
		<b>2,067,699</b>	<b>1,570,162</b>
<b>Profit for the Period</b>		<b>10,184,477</b>	<b>11,701,771</b>
Balance Brought Forward		3,068,645	3,617,694
<b>Amount available for Appropriation</b>		<b>13,253,122</b>	<b>15,319,465</b>
<b>APPROPRIATION:</b>			
Transfer to General Reserve		1,200,000	1,200,000
Proposed Dividend		8,858,000	9,445,550
Corporate Dividend Tax		1,505,417	1,605,271
Surplus Carried Forward		1,689,705	3,068,644
<b>TOTAL</b>		<b>13,253,122</b>	<b>15,319,465</b>
<b>Notes to the Accounts</b>	O		

In terms of our attached report of even date  
For **Abrol & Maheshwary**  
Chartered Accountants

Signatures to the Profit & Loss A/c and Schedules I to O  
For and on behalf of the Board of Directors

**Anil Maheshwary**  
Partner  
Membership No.: 30739  
Place : Mumbai  
Dated : 22nd April, 2009

**J. D. MEHTA**  
Executive Vice Chairman

**BRAJ BINANI** } Chairman  
**P. R. DAMANI** }  
**NIDHI BINANI** } Directors  
**KALA PANT** }

**RAKESH DARJI**  
Company Secretary

**VINOD JUNEJA** Managing Director



## BINANI METALS LIMITED

### SCHEDULES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31 ST MARCH 2009 (Rupees)

	As at 31st March, 2009	As at 31st March, 2008
<b>SCHEDULE "A"</b>		
<b>SHARE CAPITAL :</b>		
<b>Authorised :</b>		
40,000 Equity Shares of Rs.1000/-each (Previous Year 400,000 Equity Shares of Rs.100/-each)	<u>40,000,000</u>	<u>40,000,000</u>
<b>Issued :</b>		
35,514 Equity Shares of Rs. 1000/- each fully paid up (Previous Year 378,644 Equity Shares of Rs. 100/- each)	<u>35,514,000</u>	<u>37,864,400</u>
<b>Subscribed &amp; Paid up :</b>		
35,432 Equity Shares of Rs. 1000/- each fully paid up (Previous Year 377,822 Equity Shares of Rs. 100/- each fully paid up) (of the above 81,121 shares of Rs. 100/- each were issued to the members of other amalgamated companies pursuant to schemes of Amalgamation )	<u>35,432,000</u>	<u>37,782,200</u>
Add : Capital Suspense Account	<u>200</u>	<u>-</u>
Less : Call in Arrears	<u>(18,700)</u>	<u>(22,200)</u>
<b>TOTAL</b>	<u><b>35,413,500</b></u>	<u><b>37,760,000</b></u>

Note :- During the year, 2350 shares were bought by the Company under Buy Back scheme - Refer note no. 11

<b>SCHEDULE "B"</b>		
<b>RESERVES &amp; SURPLUS:</b>		
<b>Capital Reserve:</b>		
As per Last Balance Sheet	<u>12,596,699</u>	<u>12,596,699</u>
<b>Capital Reduction Reserve:</b>		
As per Last Balance Sheet	<u>716,277</u>	<u>716,277</u>
<b>Buy Back Reserve:</b>		
As per Last Balance Sheet	<u>650,200</u>	<u>650,200</u>
Add : Transferred from General Reserve	<u>2,350,000</u>	<u>-</u>
	<u>3,000,200</u>	<u>650,200</u>
<b>General Reserve:</b>		
As per Last Balance Sheet	<u>69,886,000</u>	<u>68,686,000</u>
Less: Tranferred to Buy Back Reserve	<u>(8,225,000)</u>	<u>-</u>
Less : Buy Back of Shares	<u>(2,350,000)</u>	<u>-</u>
Add : Transferred during the year	<u>1,200,000</u>	<u>1,200,000</u>
	<u>60,511,000</u>	<u>69,886,000</u>
<b>Surplus:</b>		
Balance in Profit & Loss Account	<u>1,689,705</u>	<u>3,068,644</u>
<b>TOTAL</b>	<u><b>78,513,881</b></u>	<u><b>86,917,820</b></u>

<b>SCHEDULE "C"</b>		
<b>LOAN FUND:</b>		
<b>Secured Loan</b>		
(Refer note no. 7 schedule "O")		
Hire Purchase Credit	<u>1,250,808</u>	<u>2,137,966</u>
[Falling due for payment within one year Rs. 515,678 (Previous Year Rs. 647,687) ]		
Overdrafts from Banks	<u>27,208,074</u>	<u>47,079,564</u>
	<u><b>28,458,882</b></u>	<u><b>49,217,530</b></u>

SCHEDULES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009

**SCHEDULE "D"**  
**FIXED ASSETS:**

(Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2008	Additions	Deduction	As at 31.03.2009	As at 01.04.2008	For The Year	Deduction	Upto 31.03.2009	As at 31.03.2009	As at 31.03.2008
Building (Including Premises on Ownership basis)	26,118,301	-	-	<b>26,118,301</b>	8,182,907	896,770	-	<b>9,079,677</b>	<b>17,038,624</b>	17,935,394
Furniture, Fixtures, Office Equipments and Computers	10,773,590	860,640	-	<b>11,634,230</b>	8,032,665	582,632	-	<b>8,615,297</b>	<b>3,018,933</b>	2,740,925
Vehicles *	18,152,947	7,395,871	2,865,434	<b>22,683,384</b>	960,026	4,641,505	449,671	<b>5,151,860</b>	<b>17,531,524</b>	17,192,921
<b>TOTAL</b>	<b>55,044,838</b>	<b>8,256,511</b>	<b>2,865,434</b>	<b>60,435,915</b>	<b>17,175,598</b>	<b>6,120,907</b>	<b>449,671</b>	<b>22,846,834</b>	<b>37,589,081</b>	<b>37,869,240</b>
PREVIOUS YEAR	48,030,801	17,634,848	10,620,811	55,044,838	25,028,739	2,461,834	10,314,975	17,175,598	37,869,240	23,002,062
Note : * Three Vehciles are peniding for transfer in the Company's name.										





# BINANI METALS LIMITED

## SCHEDULES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009

### SCHEDULE "E"

(Rupees)

	Face Value per Share/ Debenture	As at 31st March, 2009		As at 31st March, 2008	
		No. of Shares/ Debentures	Amount	No. of Shares/ Debentures	Amount
<b>Long Term (At Cost)</b>					
<b>Unquoted:</b>					
<b>1. Debentures</b>					
8% Debentures of Indian Chamber of Commerce	100	43.75	4,375	43.75	4,375
<b>2. Equity Shares (fully paid)</b>					
Gallant Holdings Pvt.Ltd	10	-	-	15,000	150,000
Binani Zinc Ltd.	10	1,098,173	-	1,098,173	-
Asian Industry & Information Services Pvt. Ltd. (See Note # 1 below)	10	-	-	2,800	14,000
<b>4. Investment in Subsidiary Companies :</b>					
Atithi Tie-Up Pvt. Ltd.		-	-	-	100,000
Atithi Tie-Up Pvt. Ltd. - Share Application Money		-	-	-	400,000
Dharmik Commodeal Pvt. Ltd.	10	100,000	100,000	-	-
<b>3. Preference Shares (9% Non-Cumulative Redeemable)</b>					
Asian Industry & Information Services Pvt. Ltd.	100	-	-	5,000	500,000
<b>5. Guineas (11)</b>					
		-	1,708	-	1,708
<b>Quoted:</b>					
<b>6. Equity Shares (fully paid)</b>					
Binani Industries Limited (See Note # 1below)	10	4,758,750	4,229,999	4,758,750	4,229,999
<b>TOTAL</b>			<b>4,336,082</b>		<b>5,400,082</b>
Particulars		<b>Market Value</b>	<b>Cost</b>	<b>Market Value</b>	<b>Cost</b>
<b>Aggregate Value of:</b>					
Quoted Investments		145,855,688	4,229,999	556,773,750	4,229,999
Unquoted Investments		-	106,083	-	1,170,083
Total			<b>4,336,082</b>		<b>5,400,082</b>

Note:

- 1 During the year the Company had purchased and sold 13200 equity shares of Asian Industry & Information Services (Pvt.) Ltd. in addition to the 2800 equity shares sold during the year.



## SCHEDULES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009

(Rupees)

	As at 31st March, 2009	As at 31st March, 2008
<b>SCHEDULE "F"</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES :</b>		
<b>Inventories</b>		
<b>Stock-in-trade</b>		
Shares & Securities	9,784,214	23,923,004
	<u>9,784,214</u>	<u>23,923,004</u>
<b>Sundry Debtors</b>		
(Unsecured and considered good)		
Debts - Outstanding for a period more than six months	-	-
Other Debts	1,476,261	2,500,986
	<u>1,476,261</u>	<u>2,500,986</u>
<b>Cash &amp; Bank Balances</b>		
Cash in hand	14,283	9,699
<b>Balances with Scheduled Banks</b>		
In Current Accounts*	5,157,108	6,041,650
In Fixed Deposit Accounts **	74,253,261	71,981,624
In Unclaimed Dividend Accounts	1,292,799	1,267,798
	<u>80,717,451</u>	<u>79,300,771</u>
<b>Loans &amp; Advances</b>		
(Unsecured and considered good unless otherwise stated)		
Interest Accrued	241,172	643,806
Advances recoverable in cash or in kind or for value to be received	624,422	280,957
Inter-Corporate Deposits	20,000,000	40,000,000
Advance Payment of Tax (net)	12,787,035	8,970,043
Security & Other Deposits	1,310,377	1,309,877
	<u>34,963,006</u>	<u>51,204,684</u>
<b>TOTAL</b>	<u><u>126,940,932</u></u>	<u><u>156,929,444</u></u>

**Note:**

\* Balance in Current Account includes Rs. 67,495 ( Previous Year Rs. 69,181 ) with a bank which is as per books only, in the absence of confirmation or a bank statement.

\*\* Out of these fixed deposits, fixed deposit receipts of Rs. 1,28,79,245 (Previous Year Rs. 116,33,013) have been pledged with a bank against guarantees issued and with government authorities. (also refer note no.3 of schedule "O")



## BINANI METALS LIMITED

### ANNEXURE TO SCHEDULE "F"

#### DETAILS OF STOCK-IN-TRADE OF SHARES IN COMPANIES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009

(Rupees)

	Face Value per Share/ Debenture	As at 31st March 2009		As at 31st March 2008	
		No. of Shares/ Debentures	Amount	No. of Shares/ Debentures	Amount
<b>QUOTED</b>					
3 I INFOTECH LIMITED	10	-	-	4,600	447,120
ACC LIMITED	10	100	57,665	100	82,610
AIA ENGINEERING LIMITED	10	-	-	100	150,625
AJMERA REALITY LIMITED	10	314	10,456	11,800	2,124,000
AKASH AGRO INDUSTRIES LIMITED	10	8,000	6,400	8,000	6,400
AMBUJA CEMENTS LIMITED	2	100	7,130	100	10,670
BARAK VALLEY CEMENT LIMITED	10	150	2,223	150	4,920
BARODA RAYON LIMITED	10	4,000	11,800	4,000	11,800
BHARAT FORGE LIMITED	2	-	-	500	133,675
BALLARPUR INDUSTRIES LIMITED	2	9,000	132,390	12,000	335,400
CHAMBAL FERTILISERS & CHEMICALS LIMITED	10	-	-	13,000	648,050
CHOWGULE STEAMSHIPS LIMITED	10	7,000	152,600	7,000	272,300
DALMIA CEMENT BHARAT LIMITED	2	100	7,830	100	28,370
ESSAR OIL LIMITED	10	-	-	1,000	204,050
FLUIDLEAN IND. LIMITED	10	1,000	1,100	1,000	1,100
FOODS & INNS LIMITED	10	632	73,154	1,000	275,462
GREAT EASTERN SHIPPING COMPANY LIMITED	10	3,000	563,700	500	176,814
GUJARAT NARMADA VALLEY FERTILIZERS COMPANY LIMITED	10	-	-	5,000	675,000
GRAPHIT INDIA LIMITED	2	-	-	1,000	51,550
GRASIM INDUSTRIES LIMITED	10	50	78,840	50	104,563
GUJARAT NRE COKE LIMITED	10	1,400	27,790	-	-
HCL INFOSYSTEMS LIMITED	10	3,500	266,000	3,500	367,316
HEERA ISPAT LIMITED	10	4,000	4,000	4,000	4,000
HEXAWARE TECHNOLOGIES LIMITED	2	-	-	1,000	61,050
HFCL INFOTEL LIMITED	2	10,000	80,800	10,000	201,220
HINDUSTAN MOTORS LIMITED	10	12,000	158,040	12,000	386,400
HINDUSTAN ZINC LIMITED	10	100	44,740	200	105,300
INDIA CEMENT LIMITED	10	100	10,595	300	53,623
INDIABULLS REAL ESTATE LIMITED	10	31,200	3,113,760	3,40	1,656,820
INDIAN ACRYLICS LIMITED	10	1,000	1,690	1,000	4,300
INDIAN POLYFINS LIMITED	10	500	375	500	375
INFOSYS TECHNOLOGIES LIMITED	5	-	-	600	858,090
ISPAT INDUSTRIES LIMITED	10	39,500	428,575	37,500	1,175,625
JHAGADIA COPPER LIMITED	10	3,000	10,050	3,000	29,280
JK CEMENT LIMITED	10	200	7,930	200	28,940
KARUTURI GLOBAL LIMITED	1	10,000	80,100	-	-
KEI INDUSTRIES LIMITED	2	1,000	9,980	1,000	58,700
KLK ELECTRICAL LIMITED	10	2,000	6,000	2,000	6,000
LAKSHMI MACHINE WORKS LIMITED	10	700	353,430	-	-
LARSEN & TOUBRO LIMITED	2	200	134,530	-	-
LML LIMITED	10	10,000	58,800	10,000	96,451
MADRAS CEMENT LIMITED	1	1,000	71,400	-	-



## ANNEXURE TO SCHEDULE "F" (Continued)

(Rupees)

	Face Value per Share/ Debenture	As at 31st March 2009		As at 31st March 2008	
		No. of Shares/ Debentures	Amount	No. of Shares/ Debentures	Amount
MAHANAGAR TELEPHONE NIGAM LIMITED	10	1,500	103,650	800	77,240
MANGALAM CEMENTS LIMITED	10	100	5,890	300	40,890
MARKSANS PHARMA LIMITED	1	25,000	103,500	11,700	217,035
MULTIMETALS LIMITED	10	100	1	100	1
MYSORE CEMENT LIMITED	10	100	1,865	500	16,850
NAGARJUNA FERTILIZERS LIMITED	10	35,000	623,000	29,000	1,074,450
NATIONAL FERTILIZERS LIMITED	10	-	-	12,000	381,374
NIRLON LIMITED	10	1,000	16,550	1,000	66,400
OIL AND NATURAL GAS CORPORATION LIMITED	10	-	-	200	196,270
OM METAL INFRASTRUCTURE LIMITED	1	5,000	35,100	2,600	104,650
ORCHID CHEMICALS LIMITED	10	500	38,575	-	-
PARO LEASE FIINANCE LIMITED	10	2,900	18,850	2,900	18,850
PARSOLI CORPORATION LIMITED	10	500	7,010	500	45,575
PENAR ALUMINIUM LIMITED	10	4,000	4,880	4,000	9,920
PETRONET LNG LIMITED	10	1,000	38,850	-	-
POWER FINANCE CORPORATION OF INDIA LIMITED	10	-	-	6,000	972,900
POWER GRID LIMITED	10	-	-	1,000	97,950
PRAJ INDUSTRIES LIMITED	2	-	-	3,400	462,910
PRAKASH INDUSTRIES LIMITED	10	-	-	3,100	773,605
PRESTIGE (P) LIMITED	10	1,500	2,625	1,500	2,625
PRISM CEMENTS LIMITED	10	1,000	22,750	38,800	1,707,200
RAMA NEWSPAPER AND PRINTS LIMITED	10	1,400	17,643	875	26,082
RELIANCE COMMUNICATION LIMITED	10	-	-	1,100	559,130
RELIANCE INDUSTRIES LIMITED	10	-	-	955	2,147,604
RELIANCE INFRASTRUCTURE LIMITED	10	600	309,210	-	-
RELIANCE POWER LIMITED	10	-	-	117	37,153
REVATI ORGANICS LIMITED	10	500	1,000	500	1,000
ROSE ZINC LIMITED	10	300	599	300	599
RUIA AQUACULTURE LIMITED	10	2,000	1,800	2,000	1,800
SATYAM COMPUTER LIMITED	2	10,000	383,500	-	-
SHIPPING CORPORATION OF INDIA LIMITED	10	-	-	1,000	198,100
SHREE CEMENT LIMITED	10	50	35,458	-	-
SIEMENS LIMITED	2	-	-	400	246,920
SOMANI IRON & STEEL LIMITED	10	2,000	2,000	2,000	2,000
SRF LIMITED	10	-	-	500	50,400
SRI DIGVIJAY CEMENTS LIMITED	10	2,000	13,740	2,000	36,500
SS FORGENIC ENG. LIMITED	10	3,000	3,750	3,000	3,750
SUNCITY SYNTHETIC LIMITED	10	900	900	900	900
SUZLON ENERGY LIMITED	2	2,000	84,800	-	-
TATA CHEMICALS LIMITED	10	1,500	211,875	700	144,865
TATA COMMUNICATION LIMITED	10	-	-	72	35,235
TATA STEEL LIMITED	10	2,932	603,992	1,721	1,102,006



## BINANI METALS LIMITED

### ANNEXURE TO SCHEDULE "F" (Continued)

(Rupees)

	Face Value per Share/ Debenture	As at 31st March 2009		As at 31st March 2008	
		No. of Shares/ Debentures	Amount	No. of Shares/ Debentures	Amount
TATA STEEL LIMITED (CCPS)	100	6,104	159,525	104	10,400
TATA TELE SERVICES LIMITED	10	-	-	8,000	224,800
TECH MAHINDRA LIMITED	10	-	-	200	141,370
TEXMACO LIMITED	10	-	-	540	784,296
TULASEE BIOTECH LIMITED	10	3,000	6,000	3,000	6,000
ULTRATECH CEMENT LIMITED	10	50	27,550	50	38,523
UTV SOFTWARE LIMITED	10	-	-	300	232,275
VARUN SHIPING LIMITED	10	7,000	295,050	2,800	157,779
VIJAYTA AUDIO WORLD LIMITED	10	100	50	100	50
<b>NON QUOTED</b>					
DEWAS SOYA LIMITED	10	50,000	500,000	50,000	500.00
INDIAN LEAD LIMITED	10	18,616	18,616	18,616	18,616
METAL REFINERS INDIA PVT. LIMITED	10	110,000	110,000	110,000	110,000
VAM HOLDINGS LIMITED	10	37	187	37	187
<b>GRAND TOTAL</b>			<b>9,784,214</b>		<b>23,923,004</b>

	As at 31st March, 2009	As at 31st March, 2008
<b>SCHEDULE "G"</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Current Liabilities</b>		
Creditors	1,104,266	1,218,567
Other Liabilities	14,032,610	12,394,891
Unclaimed dividends (includes interest)*	1,292,799	1,267,798
	<b>16,429,675</b>	<b>14,881,256</b>
<b>Provisions</b>		
Retirement Leave Encashment Benefit	604,390	483,489
Gratuity	46,000	-
Bonus	11,900	10,850
Proposed Dividend	8,858,000	9,445,550
Corporate Dividend Tax	1,505,417	1,605,271
	<b>11,025,707</b>	<b>11,545,160</b>
<b>TOTAL</b>	<b>27,455,382</b>	<b>26,426,416</b>

\*Will be credited to Investor Education and Protection Fund on due date

<b>SCHEDULE "H"</b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
- Preliminary Expenses	8,300	-
(To the extent not written off or adjusted)		
Compensation Paid to Employees on cessation of Employment	-	360,126
Less: Written off during the year	-	360,126
<b>TOTAL</b>	<b>8,300</b>	<b>-</b>



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## SCHEDULES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rupees)

	For the Year Ended 31st March, 2009	For the Year Ended 31st March, 2008
<b>SCHEDULE "I"</b>		
<b>INTEREST AND DIVIDEND</b>		
Dividend	14,867,835	13,497,495
Interest (Gross)		
- Inter-corporate Deposit	2,957,563	4,796,347
- Bank and Others	6,059,488	5,219,366
	<u>23,884,886</u>	<u>23,513,209</u>
<b>SCHEDULE "J"</b>		
<b>OTHER INCOME</b>		
Recovery of Bad Debts Written off in earlier year	450,000	4,000,000
Profit on Sale of Investment	331,875	-
Sundry Income	3,715	12,788
<b>TOTAL</b>	<u>785,590</u>	<u>4,012,788</u>
<b>SCHEDULE "K"</b>		
<b>COST OF SALES - SHARES &amp; SECURITIES</b>		
Opening Stock	23,923,004	8,174,559
Add: Purchases	52,375,969	68,723,323
	<u>76,298,973</u>	<u>76,897,882</u>
Closing Stock	9,784,214	23,923,004
<b>TOTAL</b>	<u>66,514,759</u>	<u>52,974,878</u>
<b>SCHEDULE "L"</b>		
<b>PAYMENTS TO AND PROVISIONS FOR EMPLOYEES</b>		
Salaries, Bonus & Allowances	12,833,488	7,410,549
Contribution to Provident & Other Funds	426,676	403,050
Staff Welfare	23,168	12,082
<b>TOTAL</b>	<u>13,283,332</u>	<u>7,825,681</u>

**BINANI METALS LIMITED****SCHEDULES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009**

(Rupees)

	For the Year Ended 31st March, 2009	For the Year Ended 31st March, 2008
<b>SCHEDULE "M"</b>		
<b>ADMINISTRATION &amp; OTHER EXPENSES</b>		
Communication Expenses	1,090,372	606,064
Travelling Expenses	7,269,710	3,821,403
Rent	1,736,629	121,616
Electricity Expenses	32,304	2,162
Rates & Taxes	5,400	2,650
Repairs & Maintenance Expenses -		
- Buildings	3,038,872	3,587,747
- Other Assets	46,089	8,936
Insurance	305,323	42,511
Motor Car Expenses	1,432,212	1,059,701
Directors Fees	106,500	20,500
Legal & Professional Expenses	5,164,130	3,197,264
Auditors' Remuneration		
- Audit Fees :		
- Statutory Audit Fees	195,437	151,780
- Interim Audit Fees	73,034	-
- Tax Audit Fees	44,223	22,472
- Certification Charges	28,775	18,538
- Out of Pocket Expenses	5,050	1,794
	346,519	194,584
Loss on Sale of Fixed Assets	3,849	55,458
Loss on Sale of Investments	-	2,139,500
Bad Debts Written Off	-	1,349
Miscellaneous Expenses	5,514,430	3,663,777
<b>TOTAL</b>	<b>26,092,339</b>	<b>18,525,222</b>
<b>SCHEDULE "N"</b>		
<b>INTEREST &amp; FINANCE CHARGES</b>		
Hire Purchase Credit	187,562	175,986
Others	3,655,479	1,140,969
Bank Charges	108,484	111,826
<b>TOTAL</b>	<b>3,951,525</b>	<b>1,428,781</b>



SCHEDULES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED ACCOUNTS AS AT AND  
FOR THE YEAR ENDED 31ST MARCH, 2009

**SCHEDULE 'O'**

**Notes to Consolidated Accounts**

**1. Significant Accounting Policies:**

**1.1 Basis of Accounting**

The financial statements are prepared on an accrual basis under the historical cost convention and in accordance with the accounting principles generally accepted in India and the provisions of the Companies Act, 1956.

**1.2 Fixed Assets**

Cost of fixed assets comprises of purchase price, duties, and any cost directly attributable to bringing the asset to its working condition for the intended use.

**1.3 Depreciation (Other than Leased Assets)**

Depreciation on fixed assets is provided using the written down value method at the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on assets acquired/disposed during the year is provided prorata from / upto the date of acquisition/disposal.

**1.4 Impairment of Assets**

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

**1.5 Leasing Business**

Lease rentals are accounted for as revenue when they contractually accrue. The corresponding assets are depreciated over the life prescribed under Schedule XIV of the Companies Act, 1956 or the primary lease period, whichever is earlier. In the year of addition or disposal of any assets, the depreciation is charged on pro-rata basis in proportion to the period of its ownership.

**1.6 Long Term Investments**

Shares and Securities held without the intention of trading are classified as investments and valued at cost reduced by a provision for any diminution other than temporary, in their values, where applicable.

**1.7 Inventories**

Inventories are valued at cost or net realisable value whichever is lower. Cost is determined on the basis of the weighted average method and includes all costs incurred in bringing the inventories to their present location and condition.

**1.8 Recognition of Revenue**

Sale of shares & securities are recognised on the trade dates.

Income is recognized on accrual basis except when there is significant uncertainty.

**1.9 Income Taxes**

Income-tax expense is accrued in accordance with AS 22 – Accounting for taxes on income, which includes current and deferred taxes. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

**SCHEDULE "O" (Continued)**

Deferred tax assets are recognized for all deductible timing differences, carry forward of unused tax assets and unused tax losses only if there is virtual certainty that such deferred tax assets can be realised against future tax liabilities.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

**1.10 Contingent Liability**

These, if any, are disclosed in the notes to the accounts. Provision is made in the accounts if it becomes probable that an out flow of resources embodying economic benefits will be required to settle the obligation.

**1.11 Foreign Currency Transactions**

Transactions in foreign currencies are recorded at the rate on the date of transaction. Foreign currency assets and liabilities are translated at the year end exchange rates or forward cover rates as applicable and the resultant gain or loss is adjusted to the Profit & Loss Account.

**1.12 Retirement Benefits**

The Provident Fund Scheme is a defined contribution plan for which the contribution accruing during each year as per the scheme is expensed. The Gratuity Scheme is a defined benefit plan which is funded with the Life Insurance Corporation of India and the liability of accrued gratuity based on actuarial valuation as per Accounting Standard AS 15 (Revised), is expensed. Provision is made towards liability for Leave Encashment on the basis of actuarial valuation as per Accounting Standard 15 (Revised).

**Employee benefits**

**i) Short Term Employee Benefits** – All employee benefits payable within twelve months of rendering the service are recognized in the period in which the employee renders the related service.

**ii) Post Employment / Retirement Benefits** – Defined Contribution Plans such as Provident Fund, Superannuation Fund etc. are charged to the Profit and loss Account as incurred.

Defined Benefit Obligation Plans – The present value of the obligation under such plans, is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognized immediately in the Profit and Loss Account. In case of Gratuity, which is funded with the Life Insurance Corporation of India, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.

**iii) Other long Term Employee Benefits** are recognized in the same manner as Defined Benefit Plans.

**1.13 Miscellaneous Expenditure (to the extent not written off)**

Compensation payable on cessation of employment had been deferred, and has been written off over a period of five years

**1.14 Segment Reporting Policies:****Identification of segments:**

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

**Allocation of common costs:**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

**Unallocated items:**

The Corporate and Other segment includes general corporate income and expense items which are not directly identifiable to any segment and therefore not allocated to any business segment.



## SCHEDULE "O" (Continued)

### 2. Principles of Consolidation

The consolidated financial statements relate to Binani Metals Limited (the Company) and its wholly owned subsidiary companies Sambhaw Holdings Limited. & Atithi Tie-Up Pvt. Ltd. The consolidated financial statements have been prepared on the following basis:

The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions resulting in unrealized profits or losses.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

### 3. Contingent Liabilities

( Rupees )

Particulars	As at 31 <sup>st</sup> March, 2009	As at 31 <sup>st</sup> March, 2008
(a) Claims against the Company for Income tax matters under appeal, not acknowledged as debts	5,433,273	4,475,346
(b) Rent to Kolkata Port Trust **	1,397,872	1,226,704

\* The Income Tax Appellate Tribunal has decided certain issues in the company's favour against which the Department has filed appeals to the High Court. If the issues are decided against the Company, then the Income tax liability would increase by Rs. 14,818,525.

\*\* The company has been legally advised that the rent liability for warehouse property at Kolkata is contingent in nature

### 4. Provisions :

The company has made provisions for the following :

( Rupees )

	Opening Balance	Provision	Utilization	Reversal	Closing Balance
Leave Encashment	483,489	784,399	839,142	-	428,746
Bonus	10,850	20,283	19,233	-	11,900

5. The Company has given Counter guarantee to a bank in respect of a guarantee furnished by it to the Government of India for certain transactions of a partnership firm against the original counter guarantee of Rs. 8,997,500, the fixed deposit with the bank as at 31st March, 2009 is Rs. 12,879,245. The Company has provided for Rs. 12,879,245 as the subject matter of the bank is subjudice.

6. The Company has issued jointly with Binani Industries Ltd., General Bond under section 59(2) of the Customs Act, 1962, for a sum of Rs. 24 crores to the Custom authorities. There is no claim so far received by the Company as at 31st March, 2009, the value of goods lying in bond was Rs. 233,100,583 (previous year Rs.186,873,871) and the estimated liability for duty is Rs. 53,217,932 (previous year Rs. 41,134,065).

### 7. Loans – Secured

A) Hire Purchase Credit – Outstanding Rs. 1,250,808 (Previous Year Rs. 2,137,966 ) Secured by hypothecation of respective vehicles. The title in the property of respective vehicle to be passed on payment of final installment.

B) Overdraft from Banks

HDFC Bank Limited as at 31st March, 2009 - Rs 13,445,521 ( Rs 32,102,492 ) & The Saraswat Co-Operative Bank Limited as at 31st March, 2009 - Rs.13,762,553 ( Rs. 14,977,072 ). These bank overdrafts are secured by pledge of Fixed Deposits.

**SCHEDULE "O" (Continued)****8. Managerial Remuneration:**

(Rupees)

Particulars	For year ended 31st March, 2009	For year ended 31st March, 2008
Salaries & Allowances	10,501,667	4,662,000
Perquisites *	1,209,357	52,500
<b>Total</b>	<b>11,711,024</b>	<b>4,714,500</b>

\* Does not include monetary value of non cash perquisites as per Income Tax Act, 1961.

**9. Major Components of deferred tax assets arising on account of timing differences are :**

	As at 31 <sup>st</sup> March, 2009	As at 31 <sup>st</sup> March, 2008
<b>a) Deferred Tax Liability</b>		
Fixed Assets – Depreciation	-	( 27,000 )
<b>b) Deferred Tax Assets</b>		
Fixed Assets – Depreciation	762,500	-
Disallowance under Income Tax Act, 1961	204,500	150,000
<b>Deferred Tax Assets ( Net )</b>	<b>967,000</b>	<b>123,000</b>

10. The Company recovered Rs. 450,000/- (Previous Year Rs. 4,000,000 ) being part of Bad debt written off in earlier year. This written off debt was given out of loan taken from the holding company, Therefore, this recovered amount has been paid back to the Holding Company as the loan taken from them was written back at that time due to this bad debt.
11. During the year, the Company has purchased 2,350 Equity Shares of Rs. 1,000/- each under Buy-Back Scheme @ Rs. 4,500/- per share out of the General Reserve and Consequently the nominal value of Shares so purchased were transferred to Buy-Back Reserve Account.
12. During the year the Company has entered into contracts in Commodity Futures, the net results of which is shown as profit from Commodity Futures contracts.
13. The consolidated financial statements do not include consolidation of Dharmik Commodeal Pvt. Ltd as the company was incorporated on 4<sup>th</sup> March, 2009 and the first accounting period will end on 31<sup>st</sup> March, 2010.



## SCHEDULE "O" (Continued)

### 14. Related Party Disclosure:

During the year, the company entered into transactions with related parties. Those transactions along with related balances as at 31st March, 2009 and 31st March 2008 and for the years then ended are presented in the following table

Particulars	Enterprises where Key Management Personnel have got significant influence
Rent & Service Charges *	14,718,172 (2,839,935)
Investment	100,000 (500,000)
Dividend Received	14,328,250 (11,846,275)
Interest Received	2,087,861 (2,980,173)
Fixed Assets Purchases	Nil (14,602,502)
Miscellaneous Expenses	88,921 ( Nil )
Balance outstanding {receivables/(payables)} as at the year end including interest	20,062,974 ( Nil )

(Figures in bracket pertain to previous year)

#### Notes:

- i) Subsidiaries of the Company
  - Sambhaw Holdings Limited., Atithi Tie-Up Pvt. Ltd., Dharmik Commodeal Pvt. Ltd. & 'Asian Industry & Information Services (Pvt.) Ltd. (for part of the year )
- ii) Key Management Personnel
  - Shri Braj Binani ( No Transactions during the year ), Shri J.D.Mehta, Shri Vinod Juneja ( Managerial Remuneration paid is disclosed under Schedule " O " Note No.8 )
- iii) Related Entities of Key Management Personnel
  - Binani Industries Ltd, Binani Zinc Ltd., Goa Glass Fibre Ltd., Binani Cement Ltd., BT Composites Ltd., Total Composites Pvt. Ltd., Suryamukhi Vintrade Pvt. Ltd., K B Vyapar Pvt. Ltd., Manjushree Holdings Pvt. Ltd. , Vijayshree Holdings Pvt. Ltd., Triton Trading Co. Pvt. Ltd.
- iv) \* Transaction value are excluding Service Tax



**SCHEDULE "O" (Continued)**

**15. Consolidated Segment Information for the year ended 31st March, 2009**

(Rupees )

Particulars	Trading in Shares & Securities		Business Centre		Commercial		Unallocated		Total	
	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008
<b>REVENUE</b>										
Gross Receipts	71,555,468	78,193,863	450,000	5,925,000	56,205,856	12,722,104	3,715	4,007,488	128,215,039	100,848,455
<b>RESULTS</b>										
Segment Result	19,043,363	11,593,233	(2,703,505)	(1,367,351)	26,780,724	5,320,103	(11,169,846)	(845,271)	16,203,702	14,700,714
Interest Expenses	-	(577,086)	(72)	(565,000)	(3,800,775)	(286,695)	(150,679)	-	(3,951,525)	(1,428,781)
Income Taxes	-	-	-	-	-	-	(442,000)	(1,570,162)	(442,000)	(1,570,162)
Income Taxes - Earlier Years	-	-	-	-	-	-	(1,625,699)	-	(1,625,699)	-
Net Profit	4,686,503	11,016,147	(2,703,577)	(1,932,351)	22,979,950	5,033,408	(14,778,398)	(2,415,433)	10,184,477	11,701,771
<b>OTHER INFORMATION</b>										
Segment Assets	(10,392,029)	133,992,731	21,493,057	24,071,443	16,441,193	14,272,670	114,843,793	1,558,506	142,386,015	173,895,350
Segment Liabilities	-	-	-	-	28,206,055	49,217,530	114,179,960	173,895,350	142,386,015	223,112,880
Capital Expenditure	49,430	106,463	125,883	81,000	8,081,198	17,447,385	-	-	8,256,511	17,634,848
Depreciation	-	79,961	1,294,882	1,387,573	4,474,838	994,300	-	-	5,769,720	2,461,834

The Company's activities cannot be classified under any geographical segment.





16. Disclosures of loans/ Advances / Investments balances as required under clause 32 of listing agreement.

( Rupees )

Party Name	Relationship	Transaction Type	Outstanding as at 31 <sup>st</sup> March 2009	Maximum amount outstanding during the year
Binani Industries Ltd.	Associate Company	Inter-corporate Deposits	Nil (Nil)	50,000,000 (21,000,000)
		Investments	4,229,999 (4,229,999)	4,229,999 (4,229,999)
Asian Industry & Information Services Private Limited	Associate Company	Investments	514,000 (514,000)	514,000 (1,014,000)
Gallant Holdings Limited	Associate Company	Investments	150,000 (150,000)	150,000 (150,000)
Dharmik Commodeal Pvt. Ltd.	Subsidiary Company	Investments	500,000 (Nil)	500,000 (Nil)
Binani Zinc Limited	Associate Company	Inter-corporate Deposits	Nil (Nil)	Nil (10,000,000)
B T Composites Limited	Associate Company	Inter-corporate Deposits	Nil (Nil)	Nil (20,000,000)

Figures in bracket indicate figures of the previous year.

## 17. Disclosure under AS-15 ( Revised 2005 ) :

### I Defined Contribution Plans :

Contribution to Defined Contribution Plans, recognized as expense for the year are under.

	For the year ended 31 <sup>st</sup> March, 2009	For the year ended 31 <sup>st</sup> March, 2008
Employers' Contribution to Provident Fund	155,608	198,379
Employers' Contribution to Superannuation Fund	47,490	30,240

### II Defined benefit Plan :

#### a. Contribution to Gratuity Fund

The Company makes annual contributions to the Employees' Group Gratuity-cum Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on superannuation, death or on separation / termination in terms of the provisions of the Payment of Gratuity Act or as per Company's policy whichever is beneficial to the employees.

The following table sets out the funded status of the gratuity plan and the amounts recognized in the Company's financial statements as at 31<sup>st</sup> March, 2009.



## BINANI METALS LIMITED

	As at 31 <sup>st</sup> March, 2009	( Rupees ) As at 31 <sup>st</sup> March, 2008
<b>Change in present value of obligation</b>		
Present value of obligation as at 1 <sup>st</sup> April, 2008	99,533	3,03,210
Interest Cost	7,963	22,741
Service Cost	12,684	8,767
Benefits Paid	Nil	Nil
Actuarial ( gain ) / loss on obligation	(98,633)	(2,35,093)
Present value of obligation, as at 31 <sup>st</sup> March, 2009	<u>21,547</u>	<u>99,533</u>
<b>Change in plan assets</b>		
Fair value of plan assets as at 1 <sup>st</sup> April, 2008	3,35,183	3,00,008
Expected return on plan assets	30,549	28,102
Contributions	4,254	7,073
Benefits paid	Nil	Nil
Actuarial gain/ ( Loss ) on plan assets	Nil	Nil
Fair value of plan assets as at 31 <sup>st</sup> March, 2009	<u>3,69,986</u>	<u>3,35,183</u>
<b>Amount recognized in the Balance Sheet</b>		
Present value of obligation , as at 31 <sup>st</sup> March, 2009	3,35,183	99,533
Fair value of plan assets as at 31 <sup>st</sup> March, 2009	3,69,986	(3,35,183)
Net obligation as at 31 <sup>st</sup> March, 2009	<u>3,48,439</u>	<u>(2,35,650)</u>
<b>Net gratuity cost for the year ended 31<sup>st</sup> March, 2009</b>		
Current service Cost	12,684	8,676
Interest Cost	7,963	22,741
Expected return on plan assets	30,549	(28,102)
Net Actuarial ( gain ) / Loss to be recognised	(99,633)	(2,35,093)
<b>Net gratuity cost</b>	<u>(1,08,536)</u>	<u>(2,31,779)</u>
<b>Assumptions used in accounting for the gratuity plan</b>		
	%	%
Discount Rate	8	8
Salary escalation rate	4	4
Expected rate of return on plan assets	9	9

18. Figures of the previous year have been regrouped wherever necessary.

In terms of our attached report of even date  
**For Abrol & Maheshwary**  
 Chartered Accountants

**Anil Maheshwary**  
 Partner  
 Membership No.: 30739  
 Place : Mumbai  
 Dated : 22nd April, 2009

Signatures to the Schedules O  
**For and on behalf of the Board of Directors**

**J. D. MEHTA**  
 Executive Vice Chairman

**RAKESH DARJI**  
 Company Secretary

**BRAJ BINANI** Chairman  
**P. R. DAMANI**  
**NIDHI BINANI** } Directors  
**KALA PANT** }  
**VINOD JUNEJA** Managing Director

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## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

( Rupees )

Particulars	For the year ended 31st March, 2009	For the year ended 31st March, 2008
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax and extraordinary items	12,252,176	13,271,933
Adjustments for :		
Depreciation	6,120,907	2,461,834
Miscellaneous Expenses written Off	—	360,126
Loss on sale of Fixed Assets	3,849	55,458
Profit on sale of Investment	(331,875)	—
Loss on sale of Investment	—	2,139,500
Interest from Income Tax	(130,832)	—
Bad Debts Written Off	—	1,349
<b>Operating profit before Working capital changes</b>	<b>17,914,225</b>	<b>18,290,200</b>
Adjustments for :		
Trade & other receivables	21,083,393	(42,720,781)
Inventories	14,138,790	(15,748,445)
Trade payables	1,716,370	(2,640,503)
<b>Cash generated from operations</b>	<b>54,852,778</b>	<b>(42,819,529)</b>
Income Tax/FBT Refund/(Paid)	(6,597,860)	(2,986,278)
<b>Net cash from operating activities</b>	<b>48,254,919</b>	<b>(45,805,807)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	(8,256,511)	(17,634,848)
Preliminary Expenses	(8,300)	—
Sale of fixed assets	2,411,915	250,378
Purchase of investments	(1,254,375)	(500,000)
Sale of Investments	2,650,000	8,238,307
<b>Net cash used in investing activities</b>	<b>(4,457,021)</b>	<b>40,353,837</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Secured Term Loans & Overdraft	(20,758,647)	48,530,530
Proceeds from issue of Rights Shares	3,500	56,100
Payment of Premium on shares under buy-back scheme	(8,225,000)	—
Payment Equity Shares purchases under buy-back scheme	(2,350,000)	—
Dividend Paid	(9,445,550)	(7,556,440)
Dividend Tax Paid	(1,605,271)	(1,284,217)
<b>Net cash used in financing activities</b>	<b>(42,380,968)</b>	<b>39,745,973</b>
<b>Net (decrease) / increase in Cash &amp; Bank Balances</b>	<b>1,416,680</b>	<b>34,294,003</b>
<b>Cash and Bank Balances as on 31.03.2008 (Opening Balance)</b>	<b>79,300,771</b>	<b>45,006,768</b>
<b>Cash and Bank Balances as on 31.03.2009 (Closing Balance)</b>	<b>80,717,451</b>	<b>79,300,771</b>
	<b>1,416,680</b>	<b>34,294,003</b>

In terms of our attached report of even date

**For Abrol & Maheshwary**

Chartered Accountants

**Anil Maheshwary**  
Partner  
Membership No.: 30739

Place : Mumbai  
Dated : 22nd April, 2009

For and on behalf of the Board of Directors

**J. D. MEHTA**  
Executive Vice Chairman

**RAKESH DARJI**  
Company Secretary

**BRAJ BINANI**  
**P. R. DAMANI**  
**NIDHI BINANI**  
**KALA PANT** } Directors

**VINOD JUNEJA** Managing Director



## BINANI METALS LIMITED

### STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

Name of the Subsidiary Company	Atithi Tie-up Pvt Ltd.	* Dharmik Commodeal Pvt.Ltd.	Sambhaw Holdings Limited
1. Financial year of the subsidiary Company ended on	31 <sup>st</sup> March, 2009	31 <sup>st</sup> March, 2009	31 <sup>st</sup> March, 2009
2. Extent of the Holding Company's interest in the Subsidiary Number of shares % holding (Equity)	50,000 Equity Shares of Rs. 10 each 100%	10,000 Equity Shares of Rs. 10 each 100%	50,000 Equity Shares of Rs. 10 each 100%
3. Net aggregated amount of Profit/(Loss) of the Subsidiary not dealt with in the Account of Binani Metals Limited for the year ended 31 <sup>st</sup> March, 2009. a) For the above Financial year of the Subsidiary so far as they concern members of the Company b) For the Previous years of the Subsidiary since it became a subsidiary so far as they concern the members of the Company.	( Rupees)  (17,681)  Nil	( Rupees)  Nil  N.A.	( Rupees)  (10,71,078)  (52,35,864)

\* Refer Note no. 13 of schedule "O"

In terms of our attached report of even date

For and on behalf of the Board of Directors

**For Abrol & Maheshwary**

Chartered Accountants

**Anil Maheshwary**

Partner

Membership No.: 30739

Place : Mumbai

Date : 22nd April 2009

**BRAJ BINANI**

Chairman

**J. D. MEHTA**

Executive Vice Chairman

**P. R. DAMANI**

**NIDHI BINANI**

**KALA PANT**

} Directors

**VINOD JUNEJA**

Managing Director

# SAMBHAW HOLDINGS LIMITED

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## DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the Annual Report together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2009.

### FINANCIAL RESULTS :

	<u>Year Ended</u> <u>31.03.2009</u>	<u>(Rs. in Lakhs)</u> <u>Year Ended</u> <u>31.03.2008</u>
<b>Profit/(Loss) for the year</b>	<b>(10.71)</b>	(2.83)
Add : Provision for Taxation	—	—
Profit/(Loss) after Tax	<b>(10.71)</b>	(2.83)
Add : Balance Brought Forward from Previous Year	<b>(52.36)</b>	(49.53)
Balance Loss Carried Forward	<b>(63.07)</b>	(52.36)

### REVIEW OF OPERATIONS:

The arrangement made on 01.07.2007 with Asian Industry & Information Service Private Limited for providing facilities for office premises at 1<sup>st</sup> Floor, Feltham House, 10, J. N. Heredia Marg, Ballard Estate, Mumbai-400001 for a monthly Rent of Rs.10,000/- and service charges of Rs.1,90,000/- were continued during the current year. During the year under review, Company has received Rs.4.5 Lakhs from Metals Refiners India Private Limited being the part of the money advanced earlier and later of written off as bad debt.

During the year the Company incurred a loss of Rs.10.71 Lakh as against loss incurred of Rs.2.83 Lakhs in the previous year. The Company is exploring avenues for increasing its revenues and to reduce its expenses and the interest charges on borrowings of the Company.

### DIVIDEND:

In view of the loss incurred during the year under review, the Directors do not recommend any Dividend for the year.

### DIRECTORS:

In accordance Section 256 of the Companies Act, 1956, Shri J. D. Mehta retires by rotation and being eligible has offered himself for reappointment.

### STATEMENT U/S.217(2A) OF THE COMPANIES ACT, 1956:

The Company has no employees requiring disclosures pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

Particulars under Section 217(1) (e) in respect of (a) Conservation of energy (b) Technology Absorption and (c) activities relating to exports etc. are not applicable to the Company.

During the year, foreign exchange earnings and expenditure were Rs. Nil (Previous Year Rs. Nil), as per details furnished in the notes to the accounts.

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## SAMBHAW HOLDINGS LIMITED

### DIRECTOR'S RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors state that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and proper explanation relating to material departures, if any, have been furnished;
- appropriate accounting policies as listed in schedule "G" have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2009 and of the Loss of the Company for the Accounting year ended on that day;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis.

### AUDITORS & AUDITORS' OBSERVATIONS:

M/s. Abrol & Maheshwary, Chartered Accountants, Mumbai, retire as Auditors and are eligible for reappointment. Necessary certificate has been obtained from the Auditors as per Section 224(1) of the Companies Act, 1956.

There are no adverse comment in the Auditors Report and the report is self explanatory.

### ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation and thanks to all its Lenders, Customers and Bankers for their co-operation and continued Support.

### Registered Office:

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

Place : Mumbai  
Dated: 22<sup>nd</sup> April, 2009

By order of the Board  
For **SAMBHAW HOLDINGS LIMITED**

**P. R. Damani**  
Director

**J. D. Mehta**  
Director

# Annual Report 2008-09

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## AUDITORS' REPORT TO THE MEMBERS OF SAMBHAU HOLDINGS LIMITED

1. We have audited the attached Balance Sheet of SAMBHAU HOLDINGS LIMITED as at March 31,2009 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that :
  - i We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit ;
  - ii In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - iv In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - v On the basis of written representations received from the directors, as on March 31,2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31,2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - vi In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31,2009
    - b. in the case of the Profit and Loss Account, of the loss for the year ended on that date.
    - c. in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For **ABROL & MAHESHWARY**  
Chartered Accountants

**Anil Maheshwary**  
Partner  
Membership No.:30739

Place : Mumbai  
Date : 22nd April 2009

**ANNEXURE REFERRED TO THE AUDITORS' REPORT  
REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE**

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) All the fixed assets have not been physically verified by the management during the year. However, the Company has a regular programme of verification of the fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.  
  
(c) The Company has not disposed off a substantial part of its fixed assets during the year.
2. The Company has no inventories and, therefore, the question of physical verification and maintaining of proper records does not arise.
3. As informed to us, the Company has neither granted nor taken any loans from companies, firms or other parties covered under Section 301 of the Companies Act, 1956.  
  
However, the Company has a balance of an unsecured loan of Rs. 27,300,000 /- from its holding Company. The rate of interest and the other terms and conditions of the loan taken are prima facie not prejudicial to the interests of the Company. The loan is payable on demand and the payment of interest has generally been regular.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets. During the course of our audit, no major material weakness has been noticed in the internal controls.
5. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.  
  
(b) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of such contract or arrangement, was made at a rate which are reasonable having regard to the prevailing market rate at the relevant time.
6. The Company has not accepted any deposits from the public under the provisions of Section 58A & 58AA of the Companies Act, 1956.
7. Since, neither its share capital and reserves nor its turnover exceed the prescribed limits, the Company does not have an internal audit system.
8. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for the activities of the Company.
9. According to the records of the Company, the Company is regular in depositing undisputed statutory dues. According to the information and explanations given to us, no undisputed amounts payable in respect of the statutory dues were outstanding as at March 31,2009 for a period of more than six months from the date they became payable. According to the records of the Company, there are no statutory dues outstanding on account of any dispute.



## Annual Report 2008-09

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10. The accumulated losses of the Company at the end of the financial year exceeded fifty percent of its net worth. However, the Company has not incurred cash losses in the current financial year and in the financial year immediately preceding such financial year, also.
11. The Company has no dues to a financial institution or bank and has not issued any debentures. Therefore, the default in repayment of dues does not arise.
12. According to the information and explanation given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies.
14. The Company does not deal or trade in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. Based on the information and explanation given to us by the management, the term loan was applied for the purpose for which the loan was obtained.
17. We have been informed by the management that no funds have been raised on short term basis during the year.
18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956
19. The Company has not issued any debentures.
20. The Company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit

For **ABROL & MAHESHWARY**  
Chartered Accountants

Anil Maheshwary  
Partner  
Membership No.:30739

Place : Mumbai  
Date : 22nd April 2009

## SAMBHAW HOLDINGS LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2009

(Rupees)

	Schedule	As at 31st March, 2009	As at 31st March, 2008
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds :</b>			
Share Capital	A	500,000	500,000
<b>Loan Funds:</b>			
Unsecured Loans	B	27,300,000	27,948,505
<b>TOTAL</b>		<u>27,800,000</u>	<u>28,448,505</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets:</b>			
Gross Block	C	34,697,166	34,571,283
Less : Depreciation		<u>15,681,726</u>	<u>14,386,844</u>
Net Block		19,015,440	20,184,439
<b>Current Assets, Loans and Advances</b>			
Cash and Bank Balances	D	2,485,951	3,417,995
Loans & Advances	E	<u>226,656</u>	<u>79,216</u>
		2,712,607	3,497,211
<b>Less : Current Liabilities &amp; Provisions</b>			
Liabilities	F	234,989	469,009
<b>Net Current Assets</b>		<u>2,477,618</u>	<u>3,028,202</u>
<b>Profit and Loss Account</b>		6,306,943	5,235,864
<b>TOTAL</b>		<u>27,800,000</u>	<u>28,448,505</u>
<b>Notes to the Accounts</b>	G		

As per our report of even date attached  
**For Abrol & Maheshwary**  
*Chartered Accountants*

**Anil Maheshwary**  
 Partner  
 Membership No. 30739

Place : Mumbai  
 Dated : 22nd April, 2009.

Signature to the Balance Sheet and Schedule A to G  
**For and on behalf of the Board of Directors**

P.R.DAMANI  
 J.D.MEHTA  
 I.K.PUGALIA  
 V.SUBRAMANIAN } Directors

# Annual Report 2008-09

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

( Rupees)

Schedule	For the Year ended 31st March, 2009	For the Year ended 31st March, 2009
<b>INCOME :</b>		
Rent and Service Charges	7,350,000	5,925,000
Recovery of Bad Debts Written off in earlier year	450,000	4,000,000
Other Income	-	7,488
<b>TOTAL</b>	<b>7,800,000</b>	<b>9,932,488</b>
<b>EXPENDITURE :</b>		
Repairs and Maintenance to Premises	1,292,741	1,830,674
Rates and Taxes	21,305	11,984
Electricity Charges	2,000	200
Insurance Expenses	1,268	5,618
Legal and Professional Fees	2,463,750	33,989
Filing & Registration Fees	768	774
Directors Fees	22,000	7,500
<b>Auditors' Remuneration :</b>		
Refer note no. 4 of schedule " G "		
- Audit Fees	27,781	5,712
- Tax Audit Fees	11,133	-
- Certification	7,304	1,684
Loss on sale of assets	-	6,643
Unsecured Loan Written back in earlier year	450,000	4,000,000
Bank charges	73	34
Interest paid on Term Loan	3,276,002	2,923,329
Miscellaneous Expenses	72	-
Depreciation	1,294,882	1,387,573
<b>TOTAL</b>	<b>8,871,079</b>	<b>10,215,714</b>
<b>Profit / ( Loss ) before Tax</b>	<b>(1,071,079)</b>	<b>(283,226)</b>
<b>Tax Expenses :</b>	<b>-</b>	<b>-</b>
<b>Profit / ( Loss ) for the Year</b>	<b>(1,071,079)</b>	<b>(283,226)</b>
Balance brought forward	(5,235,864)	(4,952,638)
<b>Balance carried forward to the Balance Sheet</b>	<b>(6,306,943)</b>	<b>(5,235,864)</b>
<b>Notes to the Accounts</b>	<b>G</b>	

As per our report of even date attached  
**For Abrol & Maheshwary**  
*Chartered Accountants*

**Anil Maheshwary**  
 Partner  
 Membership No. 30739

Place : Mumbai  
 Dated : 22nd April, 2009.

Signature to the Profit & Loss Account and Schedule G  
**For and on behalf of the Board of Directors**

**P.R.DAMANI**  
**J.D.MEHTA**  
**I.K.PUGALIA**  
**V.SUBRAMANIAN** } Directors

## SAMBHAW HOLDINGS LIMITED

### SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2009

( Rupees )

Particulars	As at 31st March, 2009	As at 31st March, 2008
<b>SCHEDULE 'A'</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised :</b>		
50000 Equity Shares of Rs. 10/- each	<u>500,000</u>	<u>500,000</u>
<b>Total</b>	<u><u>500,000</u></u>	<u><u>500,000</u></u>
<b>Issued and Subscribed :</b>		
50000 Equity Shares of Rs. 10/-each, fully paid up	<u>500,000</u>	<u>500,000</u>
<b>Total</b>	<u><u>500,000</u></u>	<u><u>500,000</u></u>

Note : All the Equity Shares are held by Binani Metals Limited. the holding company and its nominees.

<b>SCHEDULE 'B'</b>		
<b>Loan Funds:</b>		
Unsecured Loan from Holding Company	<u>27,300,000</u>	<u>27,300,000</u>
Interest accrued and due	<u>-</u>	<u>648,505</u>
<b>Total</b>	<u><u>27,300,000</u></u>	<u><u>27,948,505</u></u>

**SCHEDULE 'C'**  
**FIXED ASSETS (at Cost)**

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01.04.2008	Additions	Deductions	As at 31.03.2009	As at 01.04.2008	For the Year	Deductions	Upto 31.03.2009	As at 31.03.2009	As at 31.03.2008
Premises	26,118,301	-	-	26,118,301	8,182,907	896,770	-	9,079,677	17,038,624	17,935,394
Furniture, Fixtures and Interiors	6,539,315	87,683	-	6,626,998	4,974,768	299,051	-	5,273,819	1,353,179	1,564,547
Office Equipments	1,913,667	38,200	-	1,951,867	1,229,169	99,061	-	1,328,230	623,637	684,498
<b>Total</b>	<b>34,571,283</b>	<b>125,883</b>	<b>-</b>	<b>34,697,166</b>	<b>14,386,844</b>	<b>1,294,882</b>	<b>-</b>	<b>15,681,726</b>	<b>19,015,440</b>	<b>20,184,439</b>
Previous Year	34,512,208	81,000	21,925	34,571,283	13,013,953	1,387,573	14,682	14,386,844	20,184,439	21,498,255

( Rupees )

Particulars	As at 31st March, 2009	As at 31st March, 2008
-------------	---------------------------	---------------------------

**SCHEDULE 'D'**

**CASH AND BANK BALANCES**

Cash in hand	<u>2,683</u>	<u>707</u>
<b>With scheduled bank in :</b>		
Current account *	<u>2,483,268</u>	<u>3,417,288</u>
<b>Total</b>	<u><u>2,485,951</u></u>	<u><u>3,417,995</u></u>

\* Balance in Current Account includes NIL (Previous Year Rs. 19,78,942 Cheque on Hand)

**SCHEDULE 'E'**

**LOANS AND ADVANCES**

(Unsecured & considered good unless otherwise stated )

Advance Payment of Tax ( Net )	<u>93,520</u>	<u>49,216</u>
Advances recoverable in cash or in kind or for value to be received	<u>103,136</u>	<u>-</u>
Deposit with BEST Undertaking	<u>30,000</u>	<u>30,000</u>
<b>Total</b>	<u><u>226,656</u></u>	<u><u>79,216</u></u>

# Annual Report 2008-09

## SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2009

( Rupees )

Particulars	As at 31st March, 2009	As at 31st March, 2008
<b>SCHEDULE 'F'</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Current Liabilities</b>		
Creditors	66,314	282,240
Duties and Taxes	168,675	186,769
<b>Total</b>	<b>234,989</b>	<b>469,009</b>

## SCHEDULE 'G'

### NOTES TO THE ACCOUNTS

#### 1 Significant Accounting Policies:

##### 1.1 Basis of Accounting

The Financial statements are prepared on an accrual basis under the historical cost convention and in accordance with the accounting principles generally accepted in India and the provisions of the Companies Act, 1956.

##### 1.2 Fixed Assets:

Cost of Fixed Assets comprises of purchase price, duties and any cost directly attributable to bringing the asset to its working condition for the intended use.

##### 1.3 Depreciation

Depreciation on Fixed Assets is provided using the Written Down Value method at the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on assets acquired/disposed during the year is provided prorata from /up to the date of acquisition/disposal.

##### 1.4 Impairment of Assets

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

##### 1.5 Income

The Company follows the accrual basis of Accounting.

##### 1.6 Income Taxes

Income Tax expense is accrued in accordance with AS 22 - Accounting for taxes on income, which includes current and deferred taxes. Deferred income taxes reflect the impact of 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 for all deductible timing differences, carry forward of unused tax assets and unused tax losses only if there is virtual certainty that such deferred tax assets can be realised against future tax liabilities.

Accordingly, as a matter of prudence, the Company has not recognised the carried forward business loss / unabsorbed depreciation under the Income Tax Act, 1961 as a deferred tax asset.

##### 1.7 Contingent Liability

These, if any, are disclosed in the notes to the accounts. Provision is made in the accounts if it becomes probable that an out flow of resources embodying economic benefits will be required to settle the obligation.

## SAMBHAW HOLDINGS LIMITED

**2 Related party and the transactions entered into during the year are as follows:**

- a) Holding Company :- Binani Metals Limited  
 b) Related Entities of Key management Personnel :- i) Binani Industries Limited ii) Asian Industry & Information Services Pvt.Ltd. (Rupees)

Particulars	2008-2009	2007-2008
Service Charges Received	7,350,000	5,925,000
Interest Paid	3,276,002	2,923,329
Unsecured loan outstanding at the end of the year	27,300,000	27,300,000
Interest Payable at the end of the year	–	648,505

**3 Segment information for the year ended 31st March, 2009.** (Rupees)

Particulars	Business Centre		Unallocated		Total	
	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008
<b>REVENUE</b>						
Gross Receipts	7,350,000	5,925,000	450,000	4,007,488	7,800,000	9,932,488
<b>RESULTS</b>						
Segment Result (Gross)	2,250,086	2,682,308	(45,163)	(42,205)	2,204,923	2,640,103
Interest Expense	(3,276,002)	(2,923,329)	–	–	(3,276,002)	(2,923,329)
Income Taxes	–	–	–	–	–	–
Net Profit / (Loss)	(1,025,916)	(241,021)	(45,163)	(42,205)	(1,071,079)	(283,226)
<b>OTHER INFORMATION</b>						
Segment Assets	21,468,303	20,214,439	6,331,697	8,234,066	27,800,000	28,448,505
Segment Liabilities	27,300,000	27,948,505	500,000	500,000	27,800,000	28,448,505
Capital Expenditure	125,883	81,000	–	–	125,883	81,000
Depreciation	1,294,882	1,387,573	–	–	1,294,882	1,387,573

- 4 Auditors Remuneration includes Audit Fees 11,236/-and Tax Audit Fees Rs. 5,618/- for the year ended 31st March, 2008.  
 5 The Company recovered Rs. 450,000/- ( Previous Year Rs.4,000,000/- ) being part of Bad debt written off in earlier year. This written off debt was given out of loan taken from the holding company, Therefore, this recovered amount has been paid back to the Holding Company as the loan taken from them was written back at that time due to this bad debt.  
 6 Previous year's figures have been regrouped to confirm to current year's classification.

As per our report of even date attached  
**For Abrol & Maheshwary**  
 Chartered Accountants

**Anil Maheshwary**  
 Partner  
 Membership No. 30739

Place : Mumbai  
 Dated : 22nd April, 2009

Signature to shedule G  
**For and on behalf of the Board of Directors**

**P.R.DAMANI**  
**J.D.MEHTA**  
**I.K.PUGALIA**  
**V.SUBRAMANIAN** } Directors

# Annual Report 2008-09

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Particulars	Amount (Rs.)	
	For the year ended 31st March, 2009	For the year ended 31st March, 2008
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Loss before tax and extraordinary items	(1,071,079)	(283,226)
Adjustments for :		
Depreciation	1,294,882	1,387,573
Loss on Sale Fixed Assets	-	6,643
<b>Operating profit before Working capital changes</b>	<b>223,803</b>	<b>1,110,990</b>
Adjustments for :		
Trade & other receivables	(103,136)	(43,538)
Trade payables	(234,020)	(3,536,609)
<b>Cash generated from operations</b>	<b>(113,353)</b>	<b>(2,469,157)</b>
Income Tax/FBT Refund/(Paid)	(44,304)	-
<b>Net cash from operating activities</b>	<b>(157,657)</b>	<b>(2,469,157)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	(125,883)	(81,000)
Sale of fixed assets	-	600
<b>Net cash used in investing activities</b>	<b>(125,883)</b>	<b>(80,400)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceed from Unsecured Term Loan	(648,505)	4,648,505
<b>Net cash used in financing activities</b>	<b>(648,505)</b>	<b>4,648,505</b>
<b>Net (decrease) / increase in Cash &amp; Bank Balances</b>	<b>(932,044)</b>	<b>2,098,948</b>
<b>Cash and Bank Balances as on 31.03.2008 (Opening Balance)</b>	<b>3,417,995</b>	<b>1,319,047</b>
<b>Cash and Bank Balances as on 31.03.2009 (Closing Balance)</b>	<b>2,485,951</b>	<b>3,417,995</b>
	<b>(932,044)</b>	<b>2,098,948</b>

As per our report of even date attached

**For Abrol & Maheshwary**

*Chartered Accountants*

**Anil Maheshwary**

Partner

Membership No. 30739

Place : Mumbai

Dated : 22nd April, 2009

For and on behalf of the Board of Directors

P.R.DAMANI

J.D.MEHTA

I.K.PUGALIA

V.SUBRAMANIAN

} Directors

## SAMBHAW HOLDINGS LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE	
<b>(I) Registration Details</b>	
State Code	11
Registration Number	U67120MH1983PLC02927
Balance Sheet Date	31.03.2009
<b>(II) Capital raised during the year (Amount in Rs. Thousands)</b>	
Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement ( Preferential Issue)	NIL
<b>(III) Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)</b>	
Total Liabilities	27,800
Total Assets	27,800
<b>Sources of Funds</b>	
Paid-up Capital	500
Reserves and Surplus	NIL
Unsecured Loans	27,300
<b>Application of Funds</b>	
Net Fixed Assets	19,015
Investments	NIL
Net Current Assets	2,478
Accumulated Losses	6,307
<b>(IV) Performance of Company (Amount in Rs. Thousands)</b>	
Turnover / Income	7,800
Total Expenditure	8,871
Profit / (Loss) Before Tax	(1,071)
Profit / (Loss) After Tax	(1,071)
Earnings Per Share in Rs.	NIL
Dividend Rate %	NIL
<b>(V) Generic Names of Three Principal Products / Services of Company</b>	
(As Per Monetary Items)	
Item Code Number (ITC Code)	N.A
Product Description	Rent & Service Charges



# ATITHI TIE-UP PRIVATE LIMITED

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## DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the 1<sup>st</sup> Annual Report together with the Audited Statement of Accounts for the period ended 31<sup>st</sup> March, 2009.

### FINANCIAL RESULTS :

	(Rupees)
	<u>Period ended 31.03.2009</u>
<b>Profit/(Loss) for the year</b>	<b>(17,681)</b>
Add : Provision for Taxation	-
Profit/(Loss) after Tax	<b>(17,681)</b>
Balance Loss Carried Forward	<u><b>(17,681)</b></u>

### REVIEW OF OPERATIONS:

The Company is yet to start its business.

### DIVIDEND:

Directors do not recommend any Dividend for the year as Company is yet to start its business activities.

### DIRECTORS:

In accordance Section 256 of the Companies Act, 1956, Shri J. D. Mehta retires by rotation and being eligible has offered himself for reappointment.

### STATEMENT U/S.217(2A) OF THE COMPANIES ACT, 1956:

The Company has no employees requiring disclosures pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

Particulars under Section 217(1) (e) in respect of (a) Conservation of energy (b) Technology Absorption and (c) activities relating to exports etc. are not applicable to the Company.

During the period under review, foreign exchange earnings and expenditure were Rs. Nil.

### DIRECTOR'S RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors state that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and proper explanation relating to material departures, if any, have been furnished;
- appropriate accounting policies as listed in schedule "C" have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2009 and of the Loss of the Company for the Accounting year ended on that day;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis.

### AUDITORS & AUDITORS' REPORT:

M/s. Abrol & Maheshwary, Chartered Accountants, Mumbai, retire as Auditors and are eligible for reappointment. Necessary certificate has been obtained from the Auditors as per Section 224(1) of the Companies Act, 1956.

There are no adverse comments in the Auditors Report and the report is self explanatory.

### ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation and thanks to the holding company and all government authorities for their co-operation and support.

### Registered Office:

706, Om Tower,  
32, Chowringhee Road,  
Kolkata-700071

Place : Mumbai

Dated: 21<sup>st</sup> April, 2009

By order of the Board  
For **Atithi Tie-Up Private Limited**

**J. D. Metha**  
Director

**I. K. Pugalia**  
Director

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## ATITHI TIE-UP PRIVATE LIMITED

### Auditors Report to the members of Atithi Tie – Up Private Limited

1. We have audited the attached Balance Sheet of ATITHI TIE-UP PRIVATE LIMITED as at March 31, 2009 and also the Profit and Loss Account for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that :
  - i We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit ;
  - ii In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - iv In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - v On the basis of written representations received from the directors, as on March 31,2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31,2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - vi In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31,2009 ;
    - b. in the case of the Profit and Loss Account, of the loss for the period ended on that date.
    - c. in the case of the Cash Flow Statement, of the Cash Flows for the period ended on that date.

For **ABROL & MAHESHWARY**  
Chartered Accountants

**Anil Maheshwary**  
Partner  
Membership No.:30739

Place: Mumbai  
Date : 21<sup>st</sup> April, 2009

# Annual Report 2008-09

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## ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

### Re: ATITHI TIE – UP PRIVATE LIMITED

1. The provisions of paragraph 4 of the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 are applicable to the company. However, according to our information and explanations given to us the provisions of clauses (i), (ii), (iii), (v), (vi), (vii), (viii), (ix), (x), (xi), (xii), (xiii), (xiv), (xv), (xvi), (xvii), (xix) and (xx) are not applicable to the Company.
2. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of assets. During the course of our audit, no major material weakness has been noticed in the internal controls.
3. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
4. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the period of our audit.

For **ABROL & MAHESHWARY**

Chartered Accountants

**Anil Maheshwary**

Partner

Membership No.:30739

Place: Mumbai

Date :21<sup>st</sup> April, 2009

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## ATITHI TIE-UP PRIVATE LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2009

(Rupees)

	Schedule	As at 31st March, 2009
<b>SOURCES OF FUNDS</b>		
<b>Shareholders' Funds :</b>		
Share Capital	A	500,000
<b>TOTAL</b>		<u>500,000</u>
<b>APPLICATION OF FUNDS</b>		
<b>Current Assets, Loans and Advances</b>		
Cash and Bank Balances	B	<u>477,328</u>
<b>Less : Current Liabilities</b>		<u>3,309</u>
<b>Net Current Assets</b>		<u>474,019</u>
<b>Preliminary Expenses</b>		8,300
(To the extent not written off or adjusted)		
<b>Profit and Loss Account</b>		<u>17,681</u>
<b>TOTAL</b>		<u>500,000</u>
<b>Notes to the Accounts</b>	C	

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As per our report of even date attached  
**For Abrol & Maheshwary**  
*Chartered Accountants*

**Anil Maheshwary**  
Partner  
Membership No. 30739

Place : Mumbai  
Dated : 21<sup>st</sup> April, 2009

Signature to the Balance Sheet and Schedule A to C  
**For and on behalf of the Board of Directors**

J.D.MEHTA  
I.K.PUGALIA  
K. GANGADHARAN } Directors

# Annual Report 2008-09

## PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 2009

(Rupees)

	Schedule	For the Period 04th December, 2007 to 31st March, 2009
<b>INCOME :</b>		—
<b>EXPENDITURE :</b>		
Auditors' Remuneration :		
- Audit Fees	2,206	
- Certification	1,103	3,309
Legal & Professional Fees		1,012
Filing and Registration Fees		11,084
Printing & Stationery Expenses		1,260
Miscellaneous Expenses		1,000
Bank Charges		16
<b>Total</b>		<b>17,681</b>
<b>Loss before Tax</b>		<b>(17,681)</b>
Tax Expenses		—
<b>Loss for the Year</b>		<b>(17,681)</b>
Balance carried forward to the Balance Sheet		<b>(17,681)</b>
Notes to the Accounts	C	

As per our report of even date attached  
**For Abrol & Maheshwary**  
Chartered Accountants

**Anil Maheshwary**  
Partner  
Membership No. 30739

Place : Mumbai  
Dated : 21<sup>st</sup> April, 2009

Signature to the Profit & Loss Account and Schedule C  
**For and on behalf of the Board of Directors**

J.D.MEHTA  
I.K.PUGALIA  
K.GANGADHARAN } Directors

## ATITHI TIE-UP PRIVATE LIMITED

### SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

(Rupees)

**As At  
31st March, 2009**

#### SCHEDULE 'A' SHARE CAPITAL

##### Authorised :

50000 Equity Shares of Rs.10/- each

**500,000**

##### Total

**500,000**

##### Issued and Subscribed & Paid up:

50000 Equity Shares of Rs. 10/-each, fully paid up

**500,000**

##### Total

**500,000**

Note : All the Equity Shares are held by Binani Metals Limited the holding company and its nominees.

#### SCHEDULE 'B' CASH AND BANK BALANCES

Cash in hand

984

##### With scheduled bank in :

Current account

**476,344**

**477,328**

#### SCHEDULE 'C' NOTES TO THE ACCOUNTS

##### 1 Significant Accounting Policies:

###### 1.1 Basis of Accounting

The Financial statements are prepared on an accrual basis under the historical cost convention and in accordance with the accounting principles generally accepted in India and the provisions of the Companies Act, 1956.

###### 1.2 Income

The Company follows the accrual basis of Accounting.

###### 1.3 Income Taxes

Income Tax expense is accrued in accordance with AS 22 - Accounting for taxes on income, which includes current and deferred taxes. Deferred income taxes reflect the impact of 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 for all deductible timing differences, carry forward of unused tax assets and unused tax losses only if there is virtual certainty that such deferred tax assets can be realised against future tax liabilities.

Accordingly, as a matter of prudence, the Company has not recognised the carried forward business loss under the Income Tax Act, 1961 as a deferred tax asset.

###### 1.4 Contingent Liability

These, if any, are disclosed in the notes to the accounts. Provision is made in the accounts if it becomes probable that an out flow of resources embodying economic benefits will be required to settle the obligation.

2 The accounts are for the period 04th December, 2007 ( Date of Incorporation ) to 31st March, 2009 ( i.e. ) a period of 15 months and 28 Days.

3 Related party transactions entered into during the period.

Holding Company : - Binani Metals Ltd. ( no transactions entered into during the period )

4 Since there is no income during the period , the expenses incurred are unallocated to any segment

5 Other information under schedule VI of the Companies Act, 1956 is not applicable and therefore, not reported.

# Annual Report 2008-09

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Particulars	Amount (Rs.) For the year ended 31st March, 2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>	
Net Loss before tax and extraordinary items	(17,681)
Adjustments for :	
Miscellaneous Expenses written Off	-
<b>Operating profit before Working capital changes</b>	<u>(17,681)</u>
Adjustments for :	
Trade payables	3,309
<b>Net Cash generated from operations</b>	<u>(14,372)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>	
Preliminary Expenses	(8,300)
<b>Net cash used in investing activities</b>	<u>(8,300)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>	
Share Application Money	500,000
<b>Net cash used in financing activities</b>	<u>500,000</u>
<b>Net (decrease) / increase in Cash &amp; Bank Balances</b>	<u>477,328</u>
<b>Cash and Bank Balances as on 04.12.2007 (Opening Balance)</b>	-
<b>Cash and Bank Balances as on 31.03.2009 (Closing Balance)</b>	<u>477,328</u>
	<u>477,328</u>

As per our report of even date attached  
**For Abrol & Maheshwary**  
Chartered Accountants

**Anil Maheshwary**  
Partner  
Membership No. 30739

Place : Mumbai  
Dated : 21<sup>st</sup> April, 2009

Signature to the Cash Flow Statement  
**For and on behalf of the Board of Directors**

J.D.MEHTA  
I.K.PUGALIA  
K. GANGADHARAN } Directors

## ATITHI TIE-UP PRIVATE LIMITED

<b>BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE</b>	
<b>(I) Registration Details</b>	
State Code	21
Registration Number ( CIN )	U51109WB2007PTC120821
Balance Sheet Date	31.03.2009
<b>(II) Capital raised during the year (Amount in Rs. Thousands)</b>	
Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement	500
<b>(III) Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)</b>	
Total Liabilities	500
Total Assets	500
<b>Sources of Funds</b>	
Paid-up Capital	500
Reserves and Surplus	NIL
<b>Application of Funds</b>	
Net Fixed Assets	NIL
Investments	NIL
Net Current Assets	474
Misc. Expenditure	8
Accumulated Losses	18
<b>(IV) Performance of Company (Amount in Rs. Thousands)</b>	
Turnover / Income	-
Total Expenditure	18
Profit / (Loss) Before Tax	(18)
Profit / (Loss) After Tax	(18)
Earnings Per Share in Rs.	NIL
Dividend Rate %	NIL
<b>(V) Generic Names of Three Principal Products / Services of Company</b>	
(As Per Monetary Items)	
Item Code Number (ITC Code)	N.A
Product Description	





## BINANI METALS LIMITED

Regd. Office : 705, Om Tower, 32, Chowringhee Road, Kolkata - 700071

### ADMISSION SLIP

Folio No. / DP ID No. & Client ID No.*	
No. of Equity Shares held	

I hereby record my presence at the Sixty Eight Annual General Meeting of the Company being held at 12.30 p.m. or immediately after the conclusion of Annual General Meeting of Binani Cement Limited if it concludes after 12.30 p.m. at "Rotary Sadan", 94/2, Chowringhee Road, Kolkata - 700020 on Friday, the 26<sup>th</sup> June, 2009.

Name of Shareholder (In Block Letters)	
Name of the Proxyholder/Authorised Representative**	

\* Applicable for investors holding shares in Electronic Mode

\*\* Strike out whichever is not applicable

\_\_\_\_\_  
Signature of the Shareholder/Proxy/Authorised Representative

#### NOTE:

1. A member/proxy/authorised representative wishing to attend the Meeting must complete this Admission Slip before coming to the Meeting and hand it over at the entrance.
2. If you intend to appoint a proxy, please complete, stamp, sign and deposit the Proxy Form given below at the Company's Registered Office at least 48 hours before the Meeting.



## BINANI METALS LIMITED

Regd. Office : 705, Om Tower, 32, Chowringhee Road, Kolkata - 700071

### PROXY FORM

I/We .....  
of ..... being a member/members of BINANI METALS LIMITED hereby appoint  
Shri./Smt./Kum. .... of .....  
or failing him Shri./Smt./Kum. .... of .....  
or failing him Shri./Smt./Kum. .... of .....  
as my/our Proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 68th Annual General Meeting of the company to be held at 12.30 p.m. or immediately after the conclusion of Annual General Meeting of Binani Cement Limited if it concludes after 12.30 p.m. at "Rotary Sadan", 94/2, Chowringhee Road, Kolkata - 700020 on Friday, the 26<sup>th</sup> June, 2009 and at any adjournment thereof.

Signed this ..... day of ..... 2009.

Folio No. DP ID No. & Client ID No.*	
No. of Equity Shares held	

Signature ..... 

Affix Revenue Stamp
---------------------------

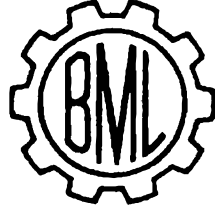
 .....

**\* Strike out whichever is not applicable.**

Note : The proxy, in order to be effective, should be duly completed, stamped, signed and must be deposited at the registered Office of the Company not less than 48 hours before the time fixed for the Meeting.







**ANNUAL  
REPORT  
2008-2009**

**BINANI METALS LIMITED**

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