



Binani

BRAJ BINANI GROUP

EDAYAR ZINC LIMITED

ANNUAL REPORT 2015-16

BOARD OF DIRECTORS

Mr. Braj Binani (upto 31st May, 2016)	: Chairman
Mr. Sushil Bhatler (upto 21st April, 2016)	: Managing Director
Mr. V. Subramanian	: Director
Mr. Rahul Asthana	: Director
Ms. Bhumika Batra (w.e.f. 21st April, 2016)	: Director
Mr. R. S. Joshi (w.e.f. 29th July, 2016)	: Director
Mr. Krishnan Sangameshwaran (w.e.f. 29th July, 2016)	: Director

COMPANY SECRETARY

Mr. Rajesh Hegde

AUDITORS

M/s Udeshi Shukla & Associates,
Chartered Accountants, Mumbai
B220, Pranik Chambers
2nd Floor Sakivihar Road,
Saki Naka, Andheri East,
Mumbai- 4000 72
Tel: +9167088200

SECRETARIAL AUDITORS

Aabid & Co., Company Secretaries, Mumbai
12th 4th floor, Sai Sadan
68, Janma Bhoomi Marg
Fort, Mumbai-4000 01
Mob: +919892158830

BANKERS

Punjab National Bank
Oriental Bank of Commerce
Punjab & Sind Bank

REGISTERED OFFICE

37/2, Chinar Park, New Town, Rajarhat Main Road
P.O. Hatiara, Kolkata- 700157.
Tel: +91 08100326795/ 08100126796
Fax: +91 033-4008 8802
Email: sauvik.nayak@binani.net
CIN: U27204WB2000PLC091214

CORPORATE OFFICE

Mercantile Chambers
12, J.N. Heredia Marg,
Ballard Estate, Mumbai – 400 001.
Tel: 022-30263000
Fax: 022-22634960
Email: mumbai@binani.net

PLANT LOCATION

Binanipuram, Ernakulam, Kerala – 683 502

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai – 400 078.
Tel: 022 – 25944970
Fax: 022 – 25946969
Email: satyan.desai@linkintime.co.in

SUBSIDIARY

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

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EDAYAR ZINC LIMITED

(Formerly Binani Zinc Ltd)

CIN U27204WB2000PLC091214

Registered Office: 37/2 Chinar Park, New Town, Rajarhat Main Road, P O Hatiara Kolkatta 700 157

Tel: 08100326795 Fax: 033 - 40088802 Email - binanigroupcal@rediffmail.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 16th Annual General Meeting of the Members of **EDAYAR ZINC LIMITED** (Formerly known as Binani Zinc Ltd) will be held on Thursday, 29th September, 2016 at 1.30p.m IST at Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700 020 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the Year ended 31st March, 2016, including the Audited Balance Sheet as at 31st March, 2016, together with reports of the Directors and the Auditors thereon.
2. To ratify the appointment of M/s Udeshi Shukla & Associates, Chartered Accountants, Statutory Auditors of the Company in respect of Financial Year 2016-17. M/s Udeshi Shukla & Associates were appointed as Statutory Auditors of the Company in the 15th Annual General Meeting for a period of 5 years upto a maximum period up to the conclusion of Twentieth Annual General Meeting of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modification (s) or re-enactment thereof for the time being in force), the appointment of M/s Udeshi Shukla & Associates, Chartered Accountants, Mumbai (Firm Registration Number - 114886W) who were appointed as Auditors of the Company by the Members at the Fifteenth Annual General Meeting of the Company to hold office till the conclusion of the Twentieth Annual General Meeting of the Company subject to ratification of appointment at every Annual General Meeting, be and is hereby ratified for the financial year ending March 31, 2017 and the Board of Directors / Audit Committee of the Company be and is hereby authorised to fix the remuneration plus reimbursement of out of pocket expenses as may be incurred by them in connection with the audit of the accounts of the Company for the financial year ending March 31, 2017."

SPECIAL BUSINESS:

3. Appointment of Mr. R. S. Joshi as Director
To consider and if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution:-**
"RESOLVED THAT pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 (Act) and Rules framed there under, Mr. Radhey Shyam Joshi (DIN- 00218927), who was appointed as Additional Director at the Board Meeting held on 29th July, 2016 and who holds office upto the date of ensuing Annual General Meeting and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company liable to retire by rotation."

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) and / or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

4. Appointment of Ms. Bhumika Batra as Independent Director
To consider and if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution**
"RESOLVED THAT, pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 (the Act) read with Schedule IV thereto (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), Companies (Appointment and Qualification of Directors) Rules, 2014 and Schedule IV of the Companies Act, 2013 and such other Rules, as may be applicable, Ms. Bhumika Batra (DIN - 03502004) being eligible to be an Independent Director, be and is hereby appointed as an Independent Director, not liable to retire by rotation, for a term upto the date of 18th Annual General Meeting of the Company to be held in the year 2018.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) and / or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.

5. Appointment of Mr. Krishnan Sangameshwaran as Independent Director
To consider and if thought fit, to pass with or without modification(s) the following as an **Ordinary Resolution**
"RESOLVED THAT, pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 read with Schedule IV thereto (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), Companies (Appointment and Qualification of Directors) Rules, 2014 and Schedule IV of the Companies Act, 2013 and such other Rules, as may be applicable, Mr. Krishnan Sangameshwaran (DIN 00015745) being eligible to be an Independent Director, be and is hereby appointed as an Independent Director, not liable to retire by rotation, for a term upto the 18th Annual General Meeting of the Company to be held in the year 2018.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) and / or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

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

Place: Mumbai
Date : July 29, 2016

R S Joshi
Director

NOTES:

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to Special Business set out in the Notice is annexed hereto.
 2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY.** A person can act as proxy on behalf of the Members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company. A Member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other Member.
 3. The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed, stamped and signed, not less than 48 hours before the commencement of the Annual General Meeting ('AGM'). Proxies submitted on behalf of the companies/bodies corporate etc. must be supported by an appropriate resolution/authority, as applicable. A Proxy Form is appended with this Notice.
 4. During the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, at its Registered Office provided that not less than three days of notice in writing is given to the Company.
 5. Members/ Proxies should bring the dully filled Attendance Slip to attend the AGM.
 6. The equity shares of the Company are eligible for dematerialisation with both the depositories, NSDL and CSDL. ISIN of the Company is INE310H01010. The Company's Shares however are not listed on any Stock Exchange.
 7. A brief profile of Directors proposed to be appointed/reappointed is annexed hereto and forming part of this Notice.
 8. The Register of Directors and Key Management Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangement in which the Directors are interested, maintained under section 189 of the Companies Act, 2013, shall be available for inspection by the Members at the AGM.
 9. Members are requested to:
 - a. bring their copy of the Annual Report for the AGM.
 - b. address their queries relating to Financial Statements, if any, to the Company Secretary at least ten working days in advance of the AGM, to enable the Company to keep the information ready.
 - c. note that in respect of the shares held in physical form, all correspondence relating to share transfers, transmissions, sub-division, consolidation of shares or any other related matters and/or change in address or updation thereof, should be addressed to Registrar and Transfer Agents, viz. Link Intime India Private Limited, having address at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400 078. Shareholders, whose shareholding is in electronic form, are requested to direct change of address notifications, registration of e-mail address and updation of bank account details to their respective Depository Participant.
 - d. quote their DP ID No. /Client ID No. or Folio Number in all their correspondence.
 - e. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
 - f. In case of Joint holders attending the Annual General Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
 - g. Members holding shares in single and physical form are advised to make nomination in respect of their shareholding in the Company.
 - h. Members, holding shares in more than one folio in the same name(s) are requested to send share certificates so as to enable the Company to consolidate all their holding into one folio.
 - i. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agents.
 - j. Note that the electronic copy of the Annual Report for the FY 2015-16 is being sent to all the members whose email IDs are registered with the Company / Depository Participant (s) for communication purposes unless any Member has requested for hard copy of the same. For Members who have not registered their email address, physical copy of the Annual Report is being sent by permitted mode.
10. The Company had forwarded Share Certificates of the Company to all the eligible Shareholders in the year 2004 consequent upon hive-off of Zinc Division from the Erstwhile Binani Zinc Limited. Those Shareholders who have not received the Company's Share Certificates, are requested to contact the Registrar & Share Transfer Agents of the Company.
 11. The telephone numbers and email ID of concerned official/s of the Company responsible to address investor grievances are as under :
 - (i) At Mumbai: Mr. Nagesh Naik & Mr. Sushil Nair
Tel. 022- 30263000/1/2 (Extn. 3039, 3031)
Email: nagesh@binani.net , sushil.nair@binani.net
 - (ii) At Kolkata: Mr. Sauvik Nayak
Tel- 08100326795
Email: sauvik.nayak@binani.net
 12. The Annual Report for 2015-16 along with the notice of AGM, attendance slip and proxy form is being sent by electronic

mode to all the Members who have registered their email IDs with the Depository Participants, Registrar and Share Transfer Agents and the Company unless where any Member has specifically requested for the physical copy. The physical copies of the Financial Statements alongwith annexure thereto will be available for inspection at the Registered Office of the Company during business hours on all working days. Members, who require physical copy of Annual Report, may write to the Company Secretary or Registrar and Share Transfer Agents. Members may further note that the Annual Report will also be available on the website of Binani Industries Limited, holding company of the Company at www.binaniindustries.com for download.

13. Pursuant to Section 101 of the Companies Act, 2013 and rules made thereunder, the companies are allowed to send Notice of AGM to Shareholders electronically. The Members are therefore requested you to kindly register/update your email IDs with their respective Depository Participant and in the case of physical holding of shares with the Company's Registrar and Share Transfer Agents or the Company and make this Green Initiative a success.
14. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, the Company is pleased to provide the facility to Members to exercise their right to vote on the Resolutions proposed to be passed at the AGM by electronic means on the platform being availed from the Central Depository Services (India) Ltd (CDSL). The Members, whose names appear in the Register of Members/List of Beneficial Owners as on Wednesday, 21st September, 2016, i.e. the cut-off date for the purpose of voting at AGM, are entitled to vote on the Resolutions set forth in this Notice. The Members may cast their votes on electronic voting system from a place other than the venue of the AGM ('Remote e-Voting').
15. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given herein below:

PROCEDURE FOR REMOTE E-VOTING

- i. The remote e-voting period begins on Monday, 26th September, 2016 at 9.00 a.m. and ends on Wednesday, 28th September, 2016 at 5.00 p.m. During this period, Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (i.e. Wednesday, 21st September, 2016), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on 28th September, 2016.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Shareholders should log on to the e-voting website www.evotingindia.com
- iv. Click on 'SHAREHOLDERS' tab
- v. Now Enter your User ID
 - a. For CDSL : 16 digits beneficiary ID;
 - b. For NSDL : 8 Character DP ID followed by 8 digits Client ID;

- c. Members holding shares in physical form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on 'LOGIN'.
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

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

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then directly reach the 'Company Selection Screen'. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- xii. Click on the EVSN for **Edayar Zinc Limited** on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against which the option "YES/NO" will be available for voting. Select the option 'YES' or 'NO' as desired. The option 'YES' implies that you assent to the Resolution and option 'NO' implies that you dissent to the Resolution.

- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. After selecting the Resolution you have decided to vote on, click "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click "OK", else to change your vote, click "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- xvii. You can also take print-out of the voting done by you by clicking "CLICK HERE TO PRINT" option on the voting page.
- xviii. If Demat account holder has forgotten the password then Enter the User ID and the Image Verification Code and Click "FORGOT PASSWORD" & Enter the details as prompted by the system.
- xix. Note for Non-Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a Compliance User ID should be created using the Admin login and password. The Compliance User would be able to link the account (s) for which they wish to vote on.
 - The list of accounts should be e-mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting Manual available at www.evotingindia.com under Help Section or write an email to helpdesk.evoting@cdslindia.com.
16. In addition to Remote e-Voting, the facility for voting, either through electronic voting system or ballot/polling paper, shall also be made available at the venue of AGM and the Members attending the AGM who have not cast their vote through remote e-voting shall be eligible to vote at the AGM.
17. The route map to the venue of AGM is provided in this Annual Report for easy location.
18. The Company has appointed Mr. Sushil Tiwari (Membership No. A6199) M/s Sushil Tiwari & Associates, Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the entire voting process (including remote e-voting) in a fair and transparent manner.
19. Any member, who has voted by Remote e-Voting on the Resolutions contained in this Notice prior to the AGM may also attend the meeting but shall not be entitled to vote at the AGM.
20. Any person who is not a Member as on the cut-off date i.e. 21st September, 2016, shall treat this Notice for information purpose only.
21. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of Notice and holding shares as of the cut-off date i.e. 21st September, 2016, may obtain the Annual Report by sending a request at sushil.nair@binani.net.
22. The Scrutinizer, immediately after the conclusion of voting at the AGM, will count the votes cast at the AGM, thereafter unblock the votes cast through Remote e-Voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, the Resolutions, to the Chairman or any other Director authorised by the Board who shall countersign the same. The Chairman or any other Director authorised by the Board will declare the result of the remote e-voting and voting at the AGM forthwith.
23. The results declared along with the Scrutinizer's Report will be placed on the website of CDSL viz. www.evotingindia.com immediately after the result is declared. The same will also be displayed at the Notice Board of the Company at the Registered office and the Corporate Office of the Company.

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

R S Joshi
Director
DIN 00218927

Place: Mumbai
Date : July 29, 2016

ANNEXURE TO NOTICE

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

Item No: 3

Mr. R. S. Joshi was appointed as Additional Director of the Company by the Board of Directors at their meeting held on 29th July, 2016 with immediate effect.

In terms of Section 161 of the Act read with Article 92 of the Articles of Association, Mr. Joshi will hold the office upto the date of forthcoming AGM. In view of the same, it has been proposed to appoint him as Director of the Company liable to retire by rotation. The Company has received a notice under Section 160 of the Act along with requisite deposit proposing his candidature for being Director of the Company.

His brief profile is enclosed to this Notice for perusal of Members. All the relevant documents pertaining to appointment of Mr. Joshi will be available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all working days up to the date of AGM. The same will also be kept for inspection at the venue of the meeting.

The Board considers that with his very rich experience, appointment of Mr. Joshi will be beneficial to the Company and as such, recommends the passing of resolution listed under Item No.3 of the Notice as Ordinary Resolution at the AGM.

None of the Directors, Key Managerial Personnel, or their relatives, except Mr. R.S. Joshi, is interested or concerned in the Resolution.

Item No. 4:

In terms of Section 149 of the Companies Act, 2013 (Act) read with Rules 4 to 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company was required to appoint one more Independent Director.

Accordingly, the Board of Directors at its meeting held on 21st April, 2016 based on the recommendation of Nomination & Remuneration Committee, appointed Ms. Bhumika Batra as Additional Director of the Company with effect from April 21, 2016. The brief profile of Ms. Bhumika Batra is enclosed to this notice for perusal of members. In the opinion of Board, Ms. Bhumika Batra fulfils the conditions specified in the Act and the rules made thereunder and she is independent of the management.

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

In view of the same, it has been proposed to appoint her as an Independent Director of the Company, who shall not be liable to retire by rotation. The Company has received a notice under Section 160 of the Act along with requisite deposit proposing the candidature of Ms. Bhumika Batra as an Independent Director of the Company for a term upto the date of 18th AGM to be held in the year 2018.

Ms. Bhumika Batra aged about 36, is a Graduate in Law and a Company Secretary. She is a renowned legal professional and with her expertise knowledge in field of law and experience and her appointment as Director of the Company would be beneficial to the Company. Ms. Bhumika Batra is associated with M/s Crawford Bayley & Co, Advocates & Solicitors, who has been advising the Group on

various legal matters. She has given declaration of independence in terms of Section 149(7) of the Companies Act, 2013.

A copy of the draft letter of appointment of Ms. Bhumika Batra setting out the terms and conditions is available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all working days up to the date of the Annual General Meeting. The same will also be kept for inspection at the venue of the meeting.

The Board recommends her appointment as Independent Director of the Company for a term upto the date of 18th AGM to be held in the year 2018 and as such recommends passing of resolution set-out under Item no. 4 of this notice as Ordinary Resolution.

None of the Directors / Key Managerial Personnel of the Company or their relatives, except Ms. Bhumika Batra, is concerned or interested, financially or otherwise, in the Resolution.

Item No. 5

In terms of Section 149 of the Companies Act, 2013 (Act) read with Rules 4 to 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company was required to appoint Independent Director.

Accordingly, the Board of Directors at its meeting held on 29st July, 2016 based on the recommendation of Nomination & Remuneration Committee, appointed Mr. Krishnan Sangameshwaran as Additional Director of the Company. The brief profile of Mr. Krishnan Sangameshwaran is enclosed to this notice for perusal of members. In the opinion of Board, Mr. Krishnan Sangameshwaran fulfils the conditions specified in the Act and the rules made there under and he is independent of the management.

In accordance with the provisions of Section 161 of the Act read with Article 92 of the Articles of Association, Mr. Krishnan Sangameshwaran will hold the office upto the date of this Annual General Meeting. In view of the same, it has been proposed to appoint him as an Independent Director of the Company, who shall not be liable to retire by rotation. The Company has received a notice under Section 160 of the Act along with requisite deposit proposing his candidature for being Independent Director of the Company for a term upto the date of 18th AGM to be held in the year 2018. In terms of the provisions of Section 149 of the Act and the Rules framed there under, Mr. Krishnan Sangameshwaran is eligible to be appointed as an Independent Director.

Mr. Krishnan Sangameshwaran aged about 70, holds Masters in Commerce, Diploma in Marketing Management and Masters in Financial Management. He has more than 45 years of experience in Industry - Budgetary Control, Marketing Management, Profit Centre Management, Banking, Project Financing, Fund Management as well as capital market operations and has held Top management positions in Banks and Investment Banks both in India and abroad. The Board feels that with his diverse knowledge and expertise, his appointment as Director of the Company would be beneficial to the Company.

Mr. Krishnan Sangameshwaran has given declaration of independence in terms of Section 149(7) of the Companies Act, 2013. All the relevant documents pertaining to appointment of Mr. Krishnan

Sangameshwaran will be available for inspection by the Members at the registered office of the Company between 11.00 a.m. to 1.00 p.m. on all working days up to the date of the Annual General Meeting. The same will also be kept for inspection at the venue of the meeting.

The Board recommends his appointment as Independent Director of the Company for a term upto the date of 18th AGM to be held in the year 2018 and as such recommends passing of resolution set-out under Item no. 5 of this notice as Ordinary Resolution.

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

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

R S Joshi
Director
DIN 00218927

Place: Mumbai
Date : July 29, 2016

A brief profile of Directors proposed to be appointed/ reappointed

Name of the Director	Mr. R.S. Joshi	Ms. Bhumika Batra	Mr. Krishnan Sangameshwaran
Date of Birth	05.02.1955	11.08.1981	13.12.1945
Qualification	M A (Economics) and MBA.	LLB., CS	M.Com, Master Degree in Financial Management and Diploma in Marketing Management
Expertise in Specific Functional Areas	Has been the in charge of the operations of BCL India operations.	Corporate Laws	Marketing Management, Budgetary Control, Banking & Fund Management
Remuneration last drawn	N.A.	N.A.	N.A.
Date of first appointment on the Board	29.07.2016	21.04.2016	29.07.2016
Shareholding in the Company	Nil	Nil	Nil
Relationship with other Directors or with KMP	None	None	None
Number of meetings attended during 2015-16	N.A	N.A	N.A.
Other Directorships	Binani Energy Pvt. Ltd R.B.G. Minerals Industries Ltd Sunstar Apparels Pvt. Ltd Multitrade Pvt. Ltd Yogmaya Dairy Products Pvt. Ltd Swiss Merchandise Infrastructure Ltd Merit Plaza Ltd Binani Ready Mix Concrete Ltd Royal vision Projects Pvt. Ltd Visistha Trading Pvt. Ltd	Team Relocations India Pvt. Ltd Kancor Ingredients Ltd BIL Infratech Ltd Lonza Infrastructure Pvt. Ltd Hinduja Tech Ltd Patel Integrated Logistics Ltd Hinduja Leyland Finance Ltd Hinduja Foundries Ltd Ashok Leyland Nissan Vehicles Ltd Nissan Ashok Leyland Powertrain Ltd Hinduja Ventures Ltd	Gitanjali Gems Ltd. Goa Glass Fibre Ltd. Sangamam Homes Pvt. Ltd. BIL Infratech Ltd. Rane Investments Ltd. Irealities Technology Pvt. Ltd. Digital Brands India Pvt. Ltd. Intractive Entertainment Pvt. Ltd.
Membership/ Chairmanship of Committees of other Boards	NIL	<u>Hinduja Foundries Limited</u> Member of Stakeholders Relationship Committee <u>Kancor Ingredients Limited</u> Member of Audit Committee <u>Hinduja Ventures Limited</u> Chairman of Stakeholders Relationship Committee Member of Audit Committee <u>Hinduja Leyland Limited</u> Member of Audit Committee Member of Stakeholders Relationship Committee <u>Ashok Leyland Nissan vehicaleas Ltd</u> Member of Audit Committee <u>Nissan Ashok Leyland Powertrain Ltd.</u> Member of Audit Committee	<u>Gitanjali Gems Ltd.</u> Chairman of Audit and Nomination & Remuneration Committees & Member of Stakeholders Relationship Committee <u>BIL Infratech Ltd.</u> Chairman of Audit Committee <u>Goa Glass Fibre Ltd</u> Chairman of Audit Committee

DIRECTORS' REPORT

Dear Members,

Your Directors present the Sixteenth Annual Report along with Audited Financial Statements for the financial year ended 31st March, 2016.

Financial Performance

(₹ in crores)

Particulars	Year ended 31/03/2016	Year ended 31/03/2015
Total Revenue	9.04	113.15
Loss before Interest, Depreciation & Tax	(7.06)	(18.28)
Interest and finance charges	36.36	25.60
Provision for Depreciation	4.01	8.14
Loss before Tax	(47.44)	(52.03)
Provision for Tax	-	-
Loss after Tax	(47.44)	(52.03)
Balance carried forward	(145.54)	(98.10)

Review of Operations

During Financial Year 2015-16 (FY 2016), the Company did not operate its plant and the reference made to Board for Industrial and Financial Reconstruction (BIFR) in terms of Section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) was pending as at the end of financial year for determination of its sickness.

During FY 2016 ("the year under review"), total revenue was ₹9.04 crores as against ₹113.15 crores during corresponding previous FY 2015. The Company recorded negative EBIDTA of ₹ 7.06 crores in FY 2016 vis-à-vis negative EBITDA of ₹18.28 crores last year.

During the year under review, the matter pending before BIFR for ascertaining the sickness of the Company could not see much progress due to intermittent sitting of BIFR. Your Company has already applied to BIFR seeking inter alia urgent listing of the main case and declaration of the Company as a sick company under section 22(1) of the SICA 1985 and appoint an operating agency for formulation of draft rehabilitation scheme.

During the third quarter of the year under review, the Secured Creditors initiated the action under Section 13(4) of The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) for recovery of their dues and has issued notice of taking symbolic possession. Your Company is in the process of making an application to the Debt Recovery Tribunal seeking inter alia to set aside the notice under section 13(4) of SARFAESI Act, Your Company has also challenged the notice received from the banks for declaration of the Company as a wilful defaulter.

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

Change in the Name of the Company

In pursuance of the Special Resolution passed by the Shareholders of the Company at the AGM of the Company held on 25th September, 2015, the name of the Company was changed from 'Binani Zinc Ltd' to 'Edayar Zinc Ltd' with effect from 6th October, 2015 as per due process under the provisions of the Companies Act, 2013.

Dividend

In view of loss, no dividend is recommended.

Deposits

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

Reserves

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

Share Capital

The paid-up Equity Share Capital of the Company as on March 31, 2016 was ₹ 6761.81 lakhs and remained unchanged during the financial year under review.

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

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

Contracts or Arrangements with Related Parties:

All transactions entered into by the Company with Related parties were in the ordinary course of business and at Arm's length basis. The Audit Committee from time to time reviewed and approved the said transactions. Disclosures as required as per AS-18 are made in note No.31.

Disclosure of Related party transaction referred to in Section 188(1) of the Companies Act, 2013 in the prescribed form AOC-2 is given as **Annexure-B** and form part of this Report.

Consolidated Financial Statements

In accordance with the provision of sub section (3) of Section 129 of the Companies Act 2013, the Consolidated Financial Statements of the Company including the financial details of the subsidiary Companies of the Company forms part of this Annual Report. The Consolidated Financial Statements have been prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act.

Subsidiary Companies

The Company has one subsidiary company viz., R.B.G. Minerals Industries Ltd (RBG).

RBG has not yet commenced its business operations for want of allocation of mines. There were no material changes in the financial position of RBG during FY 2016. In terms of the proviso to sub section (3) of Section 129 of the Act, the salient features of the financial statement of subsidiary are provided in the prescribed form AOC-1, which forms part of this Annual Report.

The Company does not have any Associate Company within the meaning of Section 2(6) of the Act.

The Financial Statements in respect of RBG will be kept open for inspection by the Members at the Registered Office of the Company till the ensuing Annual General Meeting. Members, interested in obtaining a copy of the audited annual Financial Statements of RBG may write to the Company Secretary, who shall be provided a copy of the same upon receipt of such request.

Directors' Responsibility Statement

Pursuant to the provisions of clause (c) of sub section (3) and sub-section (5) of Section 134 of the Act, the Board of Directors of the Company hereby state and confirm that:-

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2015-16 and of the loss of the Company for the Financial year ended 31st March, 2016;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls and the same have been followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Corporate Social Responsibility

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

The mandatory provisions of Section 135 of the Act, and Rules made thereunder, with respect to Corporate Social Responsibility, are not applicable to your Company. The Group is socially conscious about its participative role in development of society. The Group continues to undertake CSR activities in places where the plants of group companies are situated and the same are well appreciated by the local community at large.

Board & Committee Meetings

During the year under review, the Board of Directors met 7 times on 11th May, 2015, 30th May, 2015, 27th July, 2015, 10th August, 2015, 25th September, 2015, 24th October, 2015 and 21st January, 2016.

The Board has three Committees viz., Audit Committee (AC), Nomination and Remuneration Committee (NRC) and Stakeholders' Relationship Committee (SRC). The attendance of Directors in the Board and Committee meetings during FY 2015-16 was as below:

Board Meetings

Name of the Director	Number of Board meetings attended
Mr. Braj Binani	7
Mr. Rahul Asthana	7
Mr. V Subramanian	7
Mr. Sushil Bhatler	6

Committee Meetings

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

Name of the Committee	No of meetings held	Dates of meetings
Audit Committee	7	8 th May 2015, 29 th May 2015, 27 th July 2015, 10 th August 2015, 25 th September 2015, 23 rd October 2015, 20 th January 2016.
Nomination and Remuneration Committee	1	27 th July 2015
Stakeholders' Relationship Committee	13	8 th May 2015, 6 th June 2015, 3 rd July 2015, 27 th July 2015, 10 th August 2015, 24 th August 2015, 22 nd September 2015, 23 rd October 2015, 10 th November 2015, 24 th December 2015, 20 th January 2016, 26 th February 2016, 21 st March 2016.

The attendance of these Committees during 2015-16 was as below:

Name of the Director	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee
Mr. Rahul Asthana	7	1	13
Mr. V Subramanian#	7	1	5
Mr. Sushil Bhatler	6	1	13

was inducted in the Stakeholders' Relationship Committee on 24th October, 2015.

Board Evaluation

The annual evaluation of Directors, the Board and also the Committees was conducted without the participation of the Director being evaluated on the basis of certain criteria recommended by the Nomination and Remuneration Committee and adopted by the Board. As there was only one Independent Director, no meeting of Independent Directors was held in terms of requirement of Schedule IV of the Act.

Directors

Independent Director

The Board appointed Ms. Bhumika Batra as Additional Director (Independent) at its meeting held on 21st April, 2016. In terms of Section 161 of the Act read with Article 92 of the Articles of Association, she will hold office upto the date of next AGM. The Company has received notice under Section 160 of the Act along with requisite deposit proposing her appointment as Independent Director for a tenure upto the conclusion of 18th AGM to be held in the year 2018.

The Board appointed Mr Krishnan Sangameshwaran as Additional Director (Independent) at its meeting held on 29th July, 2016. In terms of Section 161 of the Act read with Article 92 of the Articles of Association, he will hold office upto the date of next AGM. The Company has received notice under Section 160 of the Act along with requisite deposit proposing his appointment as Independent Director for a tenure upto the conclusion of 18th AGM to be held in the year 2018.

Ms. Bhumika Batra and Mr. Krishnan Sangameshwaran have given a declaration under Section 149(7) confirming their independence in terms of Section 149(6) of the Companies Act, 2013.

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

The tenure of Mr. Rahul Asthana as Independent Director will be up to the conclusion of 16th AGM. He has expressed his desire not to seek re-appointment.

Non-Executive Non-Independent Directors

Mr. Braj Binani, Chairman resigned as Director of the Company with effect from 31st May, 2016 due to preoccupation. The Board places on record its sincere appreciation and gratitude for his valuable leadership and guidance during his long association as Chairman of the Company.

Mr. V. Subramanian, Non-Executive Director will retire by rotation at the ensuing AGM. He has expressed his desire not to seek re-appointment.

Mr. R. S. Joshi has been appointed as Additional Director by the Board of Directors at its meeting held on 29th July, 2016 in terms of Section 161 of the Act read with Article 92 of the Articles of Association. In terms of said provisions of the Act, he would hold office of Director upto the date of next AGM. The Company has received a notice under Section 160 of the Act along with requisite deposit, proposing the appointment of Mr. Joshi as Director liable to retire by rotation at the next AGM. The Board recommends his appointment.

Executive Directors

Mr. Sushil Bhatte who was re-appointed as Managing Director of the Company for a term of two years with effect from 1st April, 2015, resigned on 21st April, 2016 due to preoccupation. The Board places on record its sincere appreciation and gratitude for his valuable service during his long association with Braj Binani Group of Companies.

Remuneration to Directors

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

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

Mr. K. Roshan has been appointed on contractual basis and receives a remuneration of ₹2.62 lacs per month plus service tax as being the CEO of the Company and is not paid any sitting fees for the meetings attended by him.

Audit Committee

Audit Committee comprised of the following Members as on 31st March, 2016:

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

The Committee was reconstituted on 21st April, 2016 with following members:

1. Mr. Rahul Asthana - Chairman
2. Ms. Bhumika Batra - Member
3. Mr. V. Subramanian - Member

The Committee was again reconstituted on 29th July, 2016 with following members:

1. Mr. Krishnan Sangameshwaran - Chairman
2. Ms. Bhumika Batra - Member
3. Mr. R S Joshi - Member

The Audit Committee meetings are convened generally once a quarter and also as and when considered necessary. During the year under review, the Audit Committee met 7 times. There were no recommendations made by the Audit Committee which were not accepted by the Board.

Nomination and Remuneration Policy

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

Key Managerial Personnel(KMP):

Pursuant to the provisions of sub-section (51) of Section 2 and Section 203 of the Act read with the Rules framed there under, Mr. Rajesh Hegde Company Secretary was the only Key Managerial Personnel of the Company. Mr. K. Roshan was appointed as CEO of the Company with effect from 21st April, 2016 for a period of one year in terms of Section 203 of the Act.

Auditors

M/s Udeshi Shukla & Associates, Chartered Accountants, Mumbai (Firm Registration Number – 114886W) were appointed at the 15th AGM held in the year 2015 for a term upto 20th AGM to be held in the year 2020. The Audit Committee at its meeting held on 21st April, 2016 reviewed the performance and independence of Statutory Auditors and after such review, it has recommended for ratification of their appointment for the year 2016-17 at the 16th AGM.

The Auditors have given the declaration that they continue to be eligible in terms of Section 139 read with Section 141 of the Companies Act, 2013.

The Board recommends for ratification of the appointment of M/s. Udeshi Shukla & Associates, as the Statutory Auditors of the Company for financial year 2016-17.

Auditors' Observations

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

- a. Material Uncertainty casting significant doubt about the Company's ability to continue as a going concern.
- b. Consequential impairment in value of the assets of the Company.
- c. Proceedings initiated by Banks under section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 which can affect the going concern assumption of the Company.
- d. Non provision for wages and statutory dues of non-managerial staff from July 2015.

As explained in the Note No.32, 33, 36 and 37 of the Financial Statements and discussed above, your Directors wish to state that the Company is hopeful of getting a rehabilitation package through the BIFR thereby enabling the Company's revival and turnaround. Accordingly, the financial statements have been drawn on the going-concern basis. In view of the above, the impairment of assets at this stage is not called for. As the application for closure of the factory is still pending for approval, no provision for wages and statutory dues to the non-managerial staff from July 2015 has been provided for.

Secretarial Auditors

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had engaged M/s Aabid & Co, Practising Company Secretary, Mumbai, to conduct the secretarial audit in the Company for the financial year 2015-16.

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

The Secretarial Auditors have commented on the existing composition of Board and the Committees thereof, not being in compliance of the relevant provisions of the Companies Act, 2013 with reference to required number of Independent Directors. Can we say that appointment of one independent Director was pending

The Directors wish to state that the Company has appointed Ms. Bhumika Batra as Independent Director on 21st April, 2016 and thereafter the Audit Committee, Nomination & Remuneration Committee have been reconstituted to align with the requirement of the Act.

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

The remaining observations of Secretarial Auditors are self-explanatory.

Cost Auditors

As the turnover of the Company is less than the threshold limit as per Section 148 of the Companies Act 2013 read along with the said rules, there is no requirement for appointment of Cost Auditor for the financial year 2016-17.

Internal Financial Controls

In view of the suspension of business operation and constraint of resources, the processes and procedures are curtailed to ensure minimal administrative expenses. The Company adopted policies and procedures to extent required to ensure safeguarding of its assets, prevention of frauds, completeness of accounting records and timely preparation of reliable financial information.

The internal financial controls are reviewed periodically and its weakness found, if any, is reported to Audit Committee from time to time.

Risk Management

The Holding Company had carried out a risk assessment exercise, which was facilitated by a well known firm of Consultants when certain risks were identified for the Company. A mitigation plan was also drawn up. The Audit Committee reviews risks from time to time and instructs the mitigation steps, if any, required to eliminate/minimise the risk/s on on-going basis. The Audit Committee has additional oversight in the areas of financial risks and controls.

Vigil Mechanism

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

The policy facilitates direct reporting of concerns to the Chairman of the Audit Committee. During the year, the Company did not receive any complaints.

Policy against Sexual Harassment at workplace

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

Other disclosures as per the provisions of the Companies Act, 2013

- An extract of the annual return in Form MGT-9 as on 31st March, 2016, is enclosed as **Annexure-E** and forms part of this Annual Report.
- Since the operations at plant were shut during the year under review, the Company has nothing specific to report relating to conservation of energy, Technology Absorption.
- The details of Foreign Exchange Earnings and Outgo for the year 2015-16 are as below:

(₹ in lakhs)

Particulars	2015-16	2014-15
Foreign exchange earned	Nil	216.56
Foreign Exchange outgo	Nil	63.63

- In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company did not have any employee during the year under review who was in receipt of remuneration above the threshold limit specified therein and hence no details are required to be disclosed. The top ten employees in terms of remuneration drawn is given in **Annexure-A** and form part of this Annual Report.
- Except as stated and explained above, no order was passed by any Regulator or Court or Tribunal impacting the going concern status and Company's operations in future.
- The Company has not issued any equity shares with differential rights, sweat equity shares or granted any ESOP to its employees. Therefore, no disclosure is required to be given in respect thereof.

The Directors wish to express their appreciation for the continued co-operation of the Central and State Governments, bankers, financial institutions, customers, dealers, suppliers and Shareholders. The Directors also wish to thank all the employees for their contribution, support and continued co-operation throughout the year.

For and on behalf of the Board of Directors of **Edayar Zinc Ltd.**

Rahul Asthana
Director
DIN 00234247

R. S. Joshi
Director
DIN 00218927

Date : 29th July, 2016
Place: Mumbai

ANNEXURE-A

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

SR. NO.	Employee	Salary (Amount in Lakhs)	Designation	Nature of employment	Qualification & experience of employee	Date of commencement of employment	The age of employe	Last employment	Percentage of Equity Shares	Employee is a relative of director or manager of the company
1	Roshan K. Menon *	18.72	Executive Vice President	Emoloyee	Master Degree in Economics & PGDM	07/07/1993	56	BZL	NIL	NIL
2	Sabu Mohan*	8.96	V P (Administration)	Emoloyee	M.S.W(dip of labour)	15/02/2003	56	BZL	NIL	NIL
3	Ranjit Mathew Paul*	4.59	G M (Production & utility)	Emoloyee	M.Tech	03/05/1991	50	BZL	NIL	NIL
4	Jijo Kuriakose*	3.83	Dy. G M (Electrical)	Emoloyee	B.Tech(electrical)	21/01/2006	49	BZL	NIL	NIL
5	Francis t *	11.89	Sr. Manager(Production)	Emoloyee	B.Tech	01/04/2011	50	BZL	NIL	NIL
6	Prem Kumar*	3.48	Sr. Manager(Materials)	Emoloyee	B.Tech(mechanical)	12/02/1988	53	BZL	NIL	NIL
7	Nandagopal*	2.41	Manage(HR & Admin)	Emoloyee	M.S.W	08/04/2013	42	BZL	NIL	NIL
8	Gopakumar P N*	2.29	Dy. Manager(Finance)	Emoloyee	I.C.W.A	01/03/2006	47	BZL	NIL	NIL
9	Johnson K J*	6.12	A V P(Marketing)	Emoloyee	B.Tech	13/03/1995	56	BZL	NIL	NIL
10	Varghese Easco*	4.91	A V P (HR & Admin)	Emoloyee	M.P.P.M	01/09/2010	51	BZL	NIL	NIL

*Employed for part of the year.

* Retrenched on 31st July, 2015

ANNEXURE-B

FORM NO.AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis:

The details of the contracts or arrangements or transactions which were earlier on arms length but varied to suit business requirements is as follows:-

Name(s) of the related party	Binani Industries Ltd ("BIL")	
Nature of relationship	Holding Company	
Nature of contracts/ arrangements/ transactions	Deputation of Mr. Rajesh Hegde as Company Secretary into Edayar Zinc Ltd. ("EZL") Subsidiary Company	a. Availing of Management support services b. Availing of Sub-licensing of Intellectual Property Rights such as Brand, Logo & Trade Mark etc
Duration of the contracts / arrangements/ transactions	From 13 th April, 2015	a. For Management Support Services continuing in nature. b. For Sub-licensing of Intellectual Property Rights – upto 31st March, 2021
Salient terms of the contracts or arrangements or transactions including the value, if any	No reimbursement of Remuneration.	The aforesaid contracts were entered into prior to the implementation of Section 188 of the Companies Act, 2013 at arm's length basis, with following terms: a. For Management Support services, BIL was charging 97% of allocable expenses plus 10% Mark up over and above the cost of manpower plus administrative services b. For Sub-licensing - BIL was charging 3% of the Net Sales as Royalty. However, to support the growth and financial restructuring, BIL varied the terms not to charge any fees to the Company under both the contracts.
Justification for Variation done in contract during the year	Financial position of the Company does not allow making any reimbursement of remuneration.	Liquidity constraints in the Company. Hence discontinued charging under both the contracts w.e.f. December 13, 2014 till March 31, 2016 or such other date as may be mutually agreed to
Date(s) of approval by the Board	30 th March, 2015 & 24 th October 2015	7 th August 2014
Amount paid as advances, if any	-	Nil
Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	As per section 188 of the Companies Act, 2013, the actual remuneration paid is less than the threshold limit.	Not Applicable

For and on behalf of the Board of Directors of **Edayar Zinc Ltd.**

Rahul Asthana

Director
DIN 00234247

R. S. Joshi

Director
DIN 00218927

Date : 29th July, 2016

Place : Mumbai

ANNEXURE-C

NOMINATION AND REMUNERATION POLICY

1. BACKGROUND

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

2. OBJECTIVES

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

The Key Objectives of the Committee would be:

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

3. DEFINITIONS

- 3.1 Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 3.2 Board means Board of Directors of the Company.
- 3.3 Directors mean Directors of the Company.
- 3.4 Key Managerial Personnel ("KMP") means
 - 3.4.1 Chief Executive Officer or the Managing Director or the Manager or in their absence a Whole time Director;
 - 3.4.2 Company Secretary;
 - 3.4.3 Chief Financial Officer; and
 - 3.4.4 Such other officer as may be prescribed under the Act.
- 3.5 Senior Management Personnel ("SMP") means personnel of the Company who are members of Company's core management team. This would also include all

members of management one level below the Executive Directors including all functional heads.

4. ROLE OF COMMITTEE

4.1 Terms of Reference

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

5. COMPOSITION AND FUNCTIONING OF THE COMMITTEE

5.1 Composition

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

5.2 Chairperson of the Committee

- 5.2.1 Chairperson of the Committee shall be an Independent Director.
- 5.2.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- 5.2.3 In the absence of the Chairperson, the Members of the Committee present at the meeting, shall choose one amongst them to act as Chairperson.

5.3 Frequency of Meetings:

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

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

5.4 Secretary

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

5.5 Voting

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

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

5.6 Interested Committee Member not to participate in the meeting.

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

6. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL.

6.1 Appointment criteria and qualifications

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

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

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

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

6.2 Term /Tenure

6.2.1 Managing Director / Whole-time Director:

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

6.2.2 Independent Director

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on

the Company passing of a Special Resolution by the Company and disclosure of such appointment in the Board's Report to the Shareholders.

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

6.3 Evaluation

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

6.4 Removal

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

6.5 Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. As per the current Policy, a KMP or SMP (excluding the Directors) shall be liable to retire upon completion of 58 years of age. The Board if it considers to be in the Company's interest, shall have the discretion to retain KMP and SMP in the same position / remuneration or otherwise even after attaining the retirement age.

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

7.1 Remuneration to the Managing Director & Whole Time Director KMP and SMP:

7.1.1 Fixed pay:

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

7.1.2 Minimum Remuneration:

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

7.1.3 Provisions for excess remuneration:

If any Managing / Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold the same in trust for the Company.

7.2 Remuneration to Non-Executive/ Independent Director.

7.2.1 Remuneration:

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

7.2.2 Sitting Fees:

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

7.3 General

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

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

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

ANNEXURE-D

FORM NO. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

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

To,
The Members,
Edayar Zinc Limited,
(Formerly Binani Zinc Ltd)

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

Based on our verifications of the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2016 complied with the statutory provisions listed here under and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms, Returns filed and other records maintained by **Edayar Zinc Limited** as given in **Annexure - I** for the Financial Year ended on 31st March, 2016 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- Not Applicable
 - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not applicable
 - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; Not applicable
 - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not applicable
 - (iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable
 - (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable

- (vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not applicable
- (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable
- (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable
- (ix) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; Not applicable; and

VI. Other applicable Acts and Rules annexed as **Annexure - II**

We have also examined Compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India – Applicable with effect from 1st July, 2015
 - (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange;- Not Applicable
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- I. During the year under review, the Audit Committee of the Company consisted of three Members out of which only one Member was an Independent Director. However as per Section 177 of Companies Act, 2013, not less than one half of the members of the committee shall be Independent Directors. As informed, the Company has appointed one more independent Director at the Board Meeting held on 21st April, 2016. Consequently the Constitution of Audit Committee is now in compliance with the provisions of section 177 of the Act.
- II. The Nomination and Remuneration Committee of the Company is consisted of three Members out of which only one was Independent Director. However as per Section 178 of Companies Act, 2013, not less than one half of the members of the committee shall be Independent Directors. As informed, the Company has appointed one more independent Director at the Board Meeting held on 21st April, 2016 and accordingly, the constitution of the Nomination and Remuneration Committee is in compliance with the provisions of section 178 of the Act.
- III. As per requirement of Section 203 of the Act read with rule 8 of the companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 the Company has not appointed Chief Financial Officer since 20th September, 2014.
- III. Form CRA-4 [Form for filing Cost Audit Report with Central Government pursuant to section 148(6) of the Act read with rule 6(6) of Companies (Cost Records and Audit) Rules, 2014]

in respect of financial year 2014-15 was filed with a delay of 80 days i.e. the said form should have been filed by 12th December, 2015 however the same was filed on 1st March, 2016. As per the explanation provided by the Management, the delay was attributable to the filing errors preventing the uploading of form on the portal of Ministry of Corporate Affairs.

- IV. Form CRA-2 [Form for intimating the Central Government regarding appointment of Cost Auditor pursuant to Section 148(3) of the Act read with Companies (Cost Records and Audit) Rules, 2014] in respect of the appointment of Cost Auditors made on 22nd May, 2014 for the Financial Year 2014-15 was filed with a delay of 202 days i.e. should have been filed by 31st March, 2015 however the same was on 19th October, 2015. As per the explanation provided by the management, the delay is attributable to inadvertence overlooking of the requirement due to non availability of required form on the portal of MCA at the relevant point of time and resignation of Company Secretary during the period of compliance.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notices is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda at least seven days in advance, and a system exist for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that during the audit period:

- a. The name of Company was changed from 'Binani Zinc Ltd' to 'Edayar Zinc Ltd' as per the provisions of the Companies Act, 2013 with effect from 6th October, 2015.
- b. As informed by the Management, the Company did not operate its plant during the year under review and its reference before the Board for Financial and Industrial Reconstruction for declaration as sick company within the meaning of Section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985 was pending as at the end of the Financial Year 2015-16.
- c. As informed by the Management, the secured creditors have also initiated action under Section 13(4) of the SARFAESI Act, 2002 which was challenged before Bombay High Court by the Company through writ petition. The Bombay High Court vide its order dated 23rd June, 2016, disposing off the writ petition granted six weeks period from the date of the order for seeking appropriate legal remedy from DRAT and directed lenders to seek only symbolic possession during such period granted to the Company. The Company is in the process of taking appropriate legal course in this regard.

For Aabid & Co
ACS No.: 22283
C.O.P. No.: 14244

(Dipa Atmaram Kudalkar)
Partner

Place: Mumbai
Date : 29/07/2016

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

ANNEXURE - I

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the Financial Year ended 31st March, 2015.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration committee, along with Attendance Register held during the financial year under review.
4. Minutes of General Body Meetings held during the financial year under review.
5. Agenda papers submitted to all the directors/members for the Board Meetings and Committee meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of Companies Act, 2013.
7. E-forms filed by the company, from time to time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the financial year under review.
8. Statutory Registers viz.
 - Register of Directors' & Key Managerial Personnel (KMP)
 - Register of Members (being maintained with M/s Link Intime India Pvt. Ltd Registrar and Transfer Agents of the Company)
 - Register of Renewed & Duplicate Share Certificate
 - Register of Charges
 - Register of Contracts with Related Party and bodies corporate in which Directors are interested.
 - Register of loans, guarantee, security and investment
 - Register of Investment not held in its own name.

ANNEXURE - II

List of Applicable Laws to the Company

Registered Office :

37/2, Chinar Park, New Town, Rajarhat Main Road P.O. Hatiara Kolkata - 700157 West Bengal, India

Plant Location:

Binanipuram, Ernakulam District, Kerala- 683 502

Under the Major Group and Head:

1. Companies Act, 2013.
2. The Maternity Benefit Act, 1961.
3. The Payment of Gratuity Act, 1972.
4. The Employee's State Insurance Act, 1948.
5. Employee's Compensation Act, 1923.
6. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
7. The Employees Provident Funds and Miscellaneous Provisions Act, 1952.
8. The Profession Tax Act, 1975.
9. Legal Metrology Act, 2009
10. The Environment (Protection) Act, 1986
11. Water (Prevention and Control of Pollution) Act, 1974
12. Air (Prevention and Control of Pollution) Act, 1981
13. Environment Protection Act, 1986
14. Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008
15. Income Tax Act, 1961
16. Relevant provisions of the Service Tax and Rules and Regulations thereunder.
17. The Foreign Exchange Management Act, 1999, Rules and Regulations made thereunder.

ANNEXURE - III

To,
The Members,
Edayar Zinc Limited,

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

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

ANNEXURE - E

FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016

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

I REGISTRATION AND OTHER DETAILS

i)	CIN	U27204WB2000PLC091214
ii)	Registration Date	25/02/2000
iii)	Name of the Company	Edayar Zinc Limited (formerly known as Binani Zinc Limited)
iv)	Category/Sub-Category of the Company	Public Company/limited by shares
v)	Address of the Registered office and contact details	37/2. Chinar Park, New Town, Rajarhat, Main Road, P.O. Hatiara, West Bengal - 700157 Email: mumbai@binani.net, Tel 08100326795/ 08100126796 , Fax : +91- 33 4008 8802
vi)	Whether Listed Company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agents, if any	Link Intime India Pvt. Ltd C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078 Tel: 022-25946970 Fax: 022-25946969 email: satyan.desai@linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/Service	% to total turnover of the Company
1	Zinc and its alloys	24203	75.14%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Binani Industries Limited 37/2. Chinar Park, New Town, Rajarhat, Main Road, P.O. Hatiara, West Bengal - 700157	L24117WB1962PLC025584	Holding Company	89.90	2(46)
2	R.B.G. Minerals Industries Limited 22, Shubham Enclave, Parivahan Marg, C-Scheme, Jaipur - 302001	U27101RJ1997PLC014021	Subsidiary	100	2(87)

IV SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2015)				No. of Shares held at the end of the year (As on 31st March, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	6,07,88,138	6,07,88,138	89.90%	-	6,07,88,138	6,07,88,138	89.90%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	-	6,07,88,138	6,07,88,138	89.90%	-	6,07,88,138	6,07,88,138	89.90%	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	6,07,88,138	6,07,88,138	89.90%	-	6,07,88,138	6,07,88,138	89.90%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	333	333	-	-	333	333	-	-
b) Banks / FI	39,564	4,889	44,453	0.07%	39,564	4,889	44,453	0.07%	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	20	20	-	-	20	20	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	6,14,553	-	6,14,553	0.91%	6,14,553	-	6,14,553	0.91%	-
g) FIs	1,793	-	1,793	-	1,793	-	1,793	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Foreign Portfolio Investor)	-	-	-	-	-	-	-	-	-
j) Foreign Financial Institution	-	1,042	1,042	-	-	1,042	1,042	-	-
Sub-total (B)(1):-	6,55,910	6,284	6,62,194	0.98%	6,55,910	6,284	6,62,194	0.98%	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	52,778	32,10,142	32,62,920	4.83%	48,125	32,10,202	32,58,327	4.82%	0.01
ii) Overseas	576	2,793	3,369	-	576	2,793	3,369	-	-
b) Individuals	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2015)				No. of Shares held at the end of the year (As on 31st March, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	9,13,483	13,96,948	23,10,431	3.42%	9,10,985	13,86,892	22,97,877	3.40%	0.42
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	25,211	3,20,415	3,45,626	0.51%	25,211	3,20,395	3,45,606	0.51%	-
c) Others (specify)			-	-			-	-	-
Clearing member	2,160	-	2,160	-	2,193	-	2,193	-	-
Non-Resident Indians (Repat & Non Repat)	40,130	1,86,868	2,26,998	0.34%	41,076	1,85,955	2,27,031	0.34%	0.002
Hindu Undivided Family	-	12,838	12,838	0.02%	17,181	12,815	29,996	0.04%	0.02
Office Bearers	-	2,183	2,183	-	-	2,103	2,103	-	-
Trusts	-	34	34	-	23	34	57	-	-
Foreign Nationals	28	1,163	1,191	-	28	1,163	1,191	-	-
Sub-total (B)(2):-	10,34,366	51,33,384	61,67,750	9.13%	10,45,398	51,22,352	61,67,750	9.12%	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	16,90,276	51,39,668	68,29,944	10.10%	17,01,308	51,28,636	68,29,944	10.10%	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	16,90,276	6,59,27,806	6,76,18,082	100.00%	17,01,308	6,59,16,774	6,76,18,082	100.00%	-

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year - 2015			Shareholding at the end of the year - 2016			% change in shareholding during the year
		NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged /encumbered to	NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged/ encumbered to	
1	BINANI INDUSTRIES LIMITED	6,07,88,138	89.90%	-	6,07,88,138	89.90%	-	-

iii) Change in Promoters Shareholding

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2015		Transactions during the year		Cumulative Shareholding at the end of the year - 2016	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	BINANI INDUSTRIES LIMITED	6,07,88,138	89.90%			6,07,88,138	89.90%
	Transfer					6,07,88,138	89.90%
	AT THE END OF THE YEAR					6,07,88,138	89.90%

iv) Shareholding pattern of top ten shareholders (other than Directors, promoters and Holder's of GDR's and ADR's)

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2015		Transactions during the year		Cumulative Shareholding at the end of the year - 2016	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	TRITON TRADING CO PVT LTD	124007600	183.3941			124007600	183.3941
	Transfer			03 Apr 2015	(121053219)	2954381	4.3692
	Transfer			29 May 2015	1051	2955432	4.3708
	Transfer			05 Jun 2015	22	2955454	4.3708
	Transfer			12 Jun 2015	(1073)	2954381	4.3692
	Transfer			19 Jun 2015	1073	2955454	4.3708
	Transfer			24 Jul 2015	(22)	2955432	4.3708
	Transfer			21 Aug 2015	(11)	2955421	4.3708
	Transfer			20 Nov 2015	23	2955444	4.3708
	AT THE END OF THE YEAR					253917094	375.5166
2	LIFE INSURANCE CORPORATION OF INDIA	366794	0.5424			366794	0.5424
	AT THE END OF THE YEAR					366794	0.5424
3	THE NEW INDIA ASSURANCE COMPANY LIMITED	247373	0.3658			247373	0.3658
	AT THE END OF THE YEAR					247373	0.3658
4	SUSHIL BHATTER & V SUBRAMANIAN	32490	0.0480			32490	0.0480
	AT THE END OF THE YEAR					32490	0.0480
5	SAJJID A KHAN	25211	0.0373			25211	0.0373
	Transfer			25 Sep 2015	25211	50422	0.0746
	Transfer			30 Sep 2015	(25211)	25211	0.0373
	AT THE END OF THE YEAR					25211	0.0373
6	LOK PRAKASHAN LTD	25136	0.0372			25136	0.0372
	AT THE END OF THE YEAR					25136	0.0372
7	ORIENTAL BANK OF COMMERCE	23076	0.0341			23076	0.0341
	AT THE END OF THE YEAR					23076	0.0341
8	MAYUR ENCLAVE PRIVATE LIMITED	14014	0.0207			14014	0.0207
	AT THE END OF THE YEAR					14014	0.0207
9	BANK OF BARODA	11538	0.0171			11538	0.0171
	AT THE END OF THE YEAR					11538	0.0171
10	NAVADIA MANJIBHAI HARJIBHAI	8232	0.0122			8232	0.0122
	AT THE END OF THE YEAR					8232	0.0122

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	BRAJ BINANI (Chairman)				
	At the beginning of the year	12,259	1.81%	12,259	1.81%
	No change in holding	-	0.00%	12,259	1.81%
	At the End of the year	12,269	1.81%	12,259	1.81%

V INDEBTEDNESS

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	18,705	-	-	18,705
ii) Interest due but not paid	2,255	-	-	2,255
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	20,960	-	-	20,960
Change in Indebtedness during the financial year				
Addition	3,723	-	-	3,723
Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	18,792	-	-	18,792
ii) Interest due but not paid	5,891	-	-	5,891
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	24,683	-	-	24,683

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD	Total Amount (₹)
1		Sushil Bhattar*	
	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil
5	Others, please specify	Nil	Nil
	Total (A)	Nil	Nil
	Ceiling as per the Act	-	30,00,000

*Resigned on 21 April 2016

B. Remuneration to other Directors:

(Amount in ₹)

Sl. no.	Particulars of Remuneration Category	Name of Directors			Total
		Braj Binani Non-Executive Chairman	V. Subramanian Non-Executive Director	Rahul Asthana Independent Director	
1	Fee for attending board committee meetings	90,000	2,05,000	2,40,000	5,35,000
2	Commission	-			
3	Others, please specify	-			
4	Total (B)	90,000	2,05,000	2,40,000	5,35,000
5	Total Managerial Remuneration*				5,35,000
6	Overall Ceiling as per the Act				30,00,000

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

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

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

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

STANDALONE FINANCIAL STATEMENT

INDEPENDENT AUDITORS' REPORT

To The Members of Edayar Zinc Limited
[Formerly Binani Zinc Limited]

Kolkata

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of Edayar Zinc Limited [formerly Binani Zinc Limited] ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2016, and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

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

- a) Note No.32 of the Financial Statements stating that the net worth of the company has been fully eroded and a reference has been made by the company to the Board for Industrial and Financial Reconstruction, which, along with other matters as stated in the Note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, for the reasons stated in the Note, the management is of the opinion that it is possible to revive and turnaround the Company and to continue as a going concern, and accordingly the accounts of the company are drawn up on a going concern basis.
- b) Note No.33 of the Financial Statements stating that in the opinion of the management, there is no impairment in the value of the fixed assets to be recognized in the accounts at this stage, within the meaning of Accounting Standard (AS) 28 – Impairment of Assets, notified by the Companies Accounting Standards Rules 2006, which is however dependant on various uncertainties over its ability to continue as a going concern, as stated therein.

- c) Note No. 36 of the Financial Statements stating that stay has been granted by Hon'able Bombay High Court against the proceedings initiated by Banks under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act), the lifting of which can affect the going concern assumption of the company.
- d) Note No 37 of the Financial Statements stating that application for closure of plant was rejected by the Government of Kerala and rejection of review petition filed under the Industrial Disputes Act 1947 against which the company has filed a writ petition in the Kerala High Court. Based on a legal opinion the Company has not provided for wages and statutory dues of non-managerial staff from July 1, 2015.

Our report is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) In our opinion, the matters described in sub paragraphs (a) to (d), under the Emphasis of Matters paragraph above regarding the ability of the Company to continue as a going concern and regarding the impairment in the value of the fixed assets, regarding the proceedings initiated by Banks under SARFAESI Act and pendency of the closure petition, may have an adverse effect on the functioning of the Company.
 - (f) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) We have been informed that the company has discontinued its operations and in absence of any activity and manpower, no internal financial control policies have been separately framed. In absence of any such defined policies we cannot comment on the effectiveness of the internal financial control.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27.2, Note 27.3, Note 36, Note 37 and Note 39 in the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

CA Paresh Vijaysinh Udeshi
Partner
MRN 042082

Place: Mumbai
Date : 21st April, 2016

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF EDAYAR ZINC LIMITED [FORMERLY BINANI ZINC LIMITED] FOR THE YEAR ENDED 31ST MARCH 2016

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As per information and explanation given to us, substantial portion of fixed assets have been physically verified by the management during the year and in our opinion, the frequency of such verification is reasonable having regards to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of all immovable properties except for freehold land of ₹ 41.42 lakhs are held in the name of the company.
2. (a) As per information and explanation given to us, the inventory has been physically verified by the management. In our opinion, the frequency of verification is reasonable and the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of accounts.
3. (a) According to the information and explanations given to us and the records of the company examined by us, the Company had placed inter-corporate deposits with its holding company, Binani Industries Limited. However it has not granted any loans during the year, to the parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (b) The principal amount of the inter-corporate deposit is repayable on demand. According to the information and explanations given to us no demands have been made by the Company for the repayment of the principal. The party has not been regular in remitting the amount of interest, which is repayable yearly and an amount of ₹ 949.63 lakhs is outstanding towards interest as at 31st March, 2016.
- (c) According to the information and explanations given to us, the Company has taken reasonable steps for recovery of the overdue interest amounts in respect of the above inter-corporate deposits.
4. According to the information and explanations given to us and based on the legal opinion obtained by the Company, we are of the opinion that the Company has complied with the provisions specified under section 185 and section 186 of Act with respect to the loans and guarantee given by the company. No security has been given by the Company. The Company has not made any investments during the year.
5. The Company has not accepted any deposits from the public during the year and hence, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder are not applicable.
6. The maintenance of cost records has been prescribed by the Central Government under Section 2(13) read with section 148 of the Act. We have been informed that as the plant has not operated during the year and as there is no production, the maintenance of cost records under section 148 of the Act may not be necessary.
7. (a) As per the information and explanations furnished to us and according to our examination of the records of the Company, the Company, subject to matter described in sub paragraph (d), under the paragraph ‘Emphasis of Matters’, has been generally regular in depositing undisputed statutory dues including Provident Fund, Employee’s State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, and other statutory dues as applicable to the Company with the appropriate authorities during the year.
There are no arrears of undisputed statutory dues outstanding at the last day of the financial year for a period of more than six months from the date on which they became payable except for import duties amounting to ₹ 2,944.68 lakhs which is not paid pending the final assessment thereof.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the following disputed amounts of tax demanded (including those related to the erstwhile Zinc Division of the holding company Binani Industries Limited) have not been deposited with the authorities as at 31st March, 2016 as per the details given below.

Name of the Statute	Nature of Dues	Amount	Year to which the amount relates	Forum where dispute is pending
		(₹ in lakhs)		
Central Excise Act, 1944	Excise duty including penalty (Service tax credit on Forward Exchange Contracts)	1.35	2007-08	Customs, Excise and Service Tax, Appellate Tribunal
	Excise duty (Modvat credit)	2.40	2000-01* 2001-02* 2002-03*	High Court of Kerala, Ernakulam
	Excise duty including penalty (Service tax credit on Forward Exchange Contracts)	0.70	2009-10	Customs, Excise and Service Tax, Appellate Tribunal
	Excise duty including penalty (Service tax credit on Forward Exchange Contracts)	0.71	2009-10	Customs, Excise and Service Tax, Appellate Tribunal
	Excise duty including penalty (Service tax credit on Public Welfare Activities)	0.22	2008-09	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Forward Exchange Contracts)	1.19	2012-13	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Forward Exchange Contracts)	1.22	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Forward Exchange Contracts)	1.13	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Forward Exchange Contracts)	0.39	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Forward Exchange Contracts)	0.31	2010-11	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty penalty (service tax credit on Supplementary Invoices)	31.83	2008-09	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Carriage Outwards)	48.58	2005-06 & 2006-07	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise duty including penalty (Service tax credit on Carriage Outwards)	90.88	2007-08	Customs, Excise and Service Tax, Appellate Tribunal, Bangalore
	Excise duty including penalty (service tax credit on Selling Commission)	13.49	2005-06	Customs, Excise and Service Tax, Appellate Tribunal, Bangalore
	Excise duty penalty (service tax credit on Rent & Hire Charges)	2.19	2010-11 2011-12	Commissioner of Central Excise, Customs & Service Tax (Appeals)
	Excise/Service Tax	10.85	Various Years	Commissioner of Central Excise (Appeals) / CESTA

Name of the Statute	Nature of Dues	Amount	Year to which the amount relates	Forum where dispute is pending
		(₹ in lakhs)		
Indian Customs Act, 1962	Customs duty (Concessional Duty)	78.4	1984-85*	Asst. Commissioner of Customs, Kochi
	Custom Duty (Item Classification)	2.11	Various Years	Commissioner of Central Excise (Appeals) / CESTA
	Custom Duty (Item Classification)	11.09	1993-94*	Customs, Excise & Service Tax Appellate Tribunal, Chennai
Income Tax Act, 1961	Income Tax and interest thereon	6.29	2009-10	Commissioner of Income Tax (Appeals), Kolkata
Kerala VAT Act, 2005	Sales Tax dues and interest thereon	194.69	2007-08	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax dues and interest thereon	243.75	2006-07	Asst. Commissioner (Appeals), Commercial Taxes, Ernakulam
	Central Sales Tax dues and Interest thereon	62.04	2007-08	Appellate Tribunal
	Sales Tax dues and interest thereon	178.34	2008-09	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax dues and interest thereon	92.44	2009-10	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax dues and interest thereon	21.62	2005-06	Appellate Tribunal
	Sales Tax dues and interest thereon	82.91	2012-13	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax dues and interest thereon	32.42	2013-14	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam

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

8. According to the information and explanations given to us and the records of the Company examined by us, the Company has defaulted in repayment of dues to banks, particulars of which are as follows:

Name of bank	Nature of Instrument	Period of default (in Days)	Amount of Default (₹ in lakhs)
Punjab National Bank	Letter of credit	744	4141.12
Oriental Bank of Commerce	Letter of credit	743	4881.83
Punjab National Bank	Letter of credit	669	4581.98
Oriental Bank of Commerce	Letter of credit	602	5,401.33
Punjab National Bank	Letter of credit	473	4,645.19
Oriental Bank of Commerce	Bank Guarantee Invoked	177	157.13
Oriental Bank of Commerce	Bank Guarantee Invoked	28	50.60
Punjab National Bank	Bank Guarantee Invoked	177	13.63
Punjab National Bank	Bank Guarantee Invoked	177	16.10
Punjab National Bank	Bank Guarantee Invoked	177	115.82

Note: LC devolved and bank guarantees invoked have been included in the Cash Credit balance.

9. According to the information and explanations given to us and based on the records of the company examined by us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Also no term loan has been obtained by the company.
10. Based upon the audit procedures performed and as per information and explanations given to us, to the best of our knowledge no fraud on or by the Company has been noticed or reported during the course of our audit.
11. According to information and explanations given to us, no managerial remuneration has been paid during the year and hence, clause (xi) of paragraph 3 of the said order is not applicable to the company.
12. The Company is not a Nidhi Company so, the question of commenting on whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability does not arise
13. According to the information and explanations given to us and based on the records of the Company examined by us, all the transactions with the related parties entered into by the Company, are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable. The details of the same have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations given to us and based on the records of the Company examined by us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

CA Paresh Vijaysinh Udeshi
Partner
MRN 042082

Place: Mumbai
Date : 21st April, 2016

BALANCE SHEET AS AT 31ST MARCH 2016

(₹ in Lakhs)

PARTICULARS	Note No.	31st March 2016	31st March, 2015
I. EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
(a) Share Capital	2	6761.81	6761.81
(b) Reserves and Surplus	3	(14553.66)	(9809.95)
		(7791.85)	(3048.14)
2. NON-CURRENT LIABILITIES			
(a) Long-Term Provisions	4	-	162.20
		-	162.20
3. CURRENT LIABILITIES			
(a) Short-Term Borrowings	5	24,683.21	20,960.54
(b) Trade Payables	6	1,906.55	3,267.71
(c) Other Current Liabilities	7	1,796.79	2,225.31
(d) Short-Term Provisions	8	619.90	269.77
		29,006.45	26,723.33
TOTAL		21,214.60	23,837.39
II. ASSETS			
1. NON-CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible Assets	9	6,551.66	6,951.42
(ii) Intangible Assets	9	2.16	3.85
(iii) Capital Work-in-Progress	10	2,752.27	3,124.48
(b) Non-Current Investments	11	522.89	522.89
(c) Deferred Tax Assets (net)	12	-	-
(d) Long-Term Loans and Advances	13	468.28	847.16
		10,297.26	11,449.80
2. CURRENT ASSETS			
(a) Inventories	14	2,645.73	2,731.53
(b) Trade Receivables	15	-	0.74
(c) Cash and Cash Equivalents	16	244.37	867.97
(d) Short-Term Loans and Advances	17	6,983.52	8,096.24
(e) Other Current Assets	18	1,043.72	691.11
		10,917.34	12,387.59
TOTAL		21,214.60	23,837.39
Summary of Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our separate report of even date attached

For Udeshi Shukla & Associates
Chartered Accountants
Firm Registration No : 114886W

CA Paresh Vijaysinh Udeshi
Partner
Membership No : 042082

Place : Mumbai
Date : 21st April, 2016

For and on behalf of the Board of Directors

Braj Binani
Chairman
DIN-00009165

Rajesh Hegde
Company Secretary
A-23859

Sushil Bhatler
Managing Director
DIN-00009101

Place : Mumbai
Date : 21st April, 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lakhs)

PARTICULARS	Note No.	31st March 2016	31st March, 2015
I REVENUE FROM OPERATIONS	19		
Sale of Products		143.53	11,322.93
Other Operating Revenue		7.21	227.32
Less: Excise Duty		5.24	1,140.43
Total Revenue from Operations		145.50	10,409.82
II OTHER INCOME	20	758.45	905.17
III Total Revenue		903.95	11,314.99
IV EXPENSES			
Cost of Materials Consumed	21	-	5,906.91
Changes in Inventories of Finished Goods and Work-In Process	22	81.71	1,737.17
Employee Benefits Expense	23	1,034.24	2,257.27
Finance Costs	24	3,636.41	2,560.21
Depreciation and Amortisation Expense	9	401.45	814.40
Other Expenses	25	493.85	3,241.55
V Total Expenses		5,647.66	16,517.51
VI Loss before tax		(4,743.71)	(5,202.52)
VII Loss for the Period		(4,743.71)	(5,202.52)
VIII Earnings per Share(Basic/Diluted) (in ₹) (Nominal value of share ₹10/-)	26	(7.02)	(7.69)
Summary of Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our separate report of even date attached

For Udeshi Shukla & Associates
Chartered Accountants
Firm Registration No : 114886W

CA Paresh Vijaysinh Udeshi
Partner
Membership No : 042082

Place : Mumbai
Date : 21st April, 2016

Rajesh Hegde
Company Secretary
A-23859

For and on behalf of the Board of Directors

Braj Binani
Chairman
DIN-00009165

Sushil Bhatner
Managing Director
DIN-00009101

Place : Mumbai
Date : 21st April, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(₹ in Lakhs)

PARTICULARS		31st March, 2016	31st March, 2015
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Earnings before exceptional and extraordinary items and tax	(4,743.71)	(5,202.52)
	Adjustments for:		
	Depreciation / Amortization / Impairment	401.45	814.40
	Interest and Finance Charges	3,636.41	2,560.21
	Sundry Balances written off / Liabilities no longer required written back & other income	(219.29)	(30.22)
	Loss / (profit) on repatriation of capital of foreign subsidy		(0.54)
	Unrealised (Gain) / Loss on Exchange Rate Fluctuation (Net)	6.62	(0.01)
	Tax on Dividend Income		2.37
	Dividend income received from BZ Minerals (Australia) Pty Ltd	-	(31.64)
	Interest and Dividend Income	(537.60)	(836.07)
	Operating Profit Before Working Capital Changes	(1,456.12)	(2,724.02)
	Adjustments for:		
	Inventories	85.80	1,957.34
	Trade and Other Receivables	1,054.81	656.42
	Trade and Other Payables	(874.93)	(14,550.01)
	Cash Generated from Operations	(1,190.44)	(14,660.27)
	Direct Taxes Paid (including TDS)	(2.27)	(22.61)
	Net Cash from/(used in) Operating Activities	(1,192.71)	(14,682.88)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets (including capital Work - in Progress)	(5.79)	232.14
	Sale of Fixed Assets / Refund from CWIP Suppliers	37.25	0.22
	Intercorporate Deposits (given)/received back (net)	-	339.00
	Other Current Assets	-	9.41
	Repatriation of Investment from Foreign subsidiary (including Foreign Exchange Gain)	-	0.48
	Interest and Dividend Income Received	184.99	180.25
	Net Cash from/(used in) Investing Activities	216.45	761.50

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016 (Cont...)

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest & Finance Charges paid	(0.07)	(1,396.13)
Proceeds / Repayment from Short Terms Borrowings (Net)	352.73	13,851.63
Net Cash from / (used in)Financing Activities	352.66	12,455.50
D Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(623.60)	(1,465.88)
E Opening Cash & Cash Equivalents	867.97	2,333.85
F Closing Cash & Cash Equivalents (D+E)	244.37	867.97

Note : Cash and Cash Equivalents of the end of the year includes ₹ 190.30 Lakhs (Previous year ₹ 176.06 Lakhs) under lien which is not available for use as on the Balance Sheet date.

As per our separate report of even date attached

For Udeshi Shukla & Associates
Chartered Accountants
Firm Registration No : 114886W

CA Paresh Vijaysinh Udeshi
Partner
Membership No : 042082

Place : Mumbai
Date : 21st April, 2016

Rajesh Hegde
Company Secretary
A-23859

For and on behalf of the Board of Directors

Braj Binani
Chairman
DIN-00009165

Sushil Bhatler
Managing Director
DIN-00009101

Place : Mumbai
Date : 21st April, 2016

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****1.1. BASIS OF ACCOUNTING**

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

1.2. USE OF ESTIMATES

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

1.3. REVENUE RECOGNITION

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

1.4. TANGIBLE FIXED ASSETS

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

1.5. INTANGIBLE FIXED ASSETS

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

1.6. DEPRECIATION AND AMORTISATION

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

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

1.7. IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

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

1.8. VALUATION OF INVENTORIES

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

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

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

By-products are valued at estimated selling price.

1.9. INVESTMENTS

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

1.10 EXPORT INCENTIVES

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

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

1.11 FOREIGN CURRENCY TRANSACTIONS

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

1.12 EMPLOYEE BENEFITS

Defined Contribution Plans

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

Defined Benefit Plans

(i) Gratuity

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

(ii) Loyalty

The Company has a scheme for payment of loyalty on retirement to eligible employees. The scheme is unfunded and the present value of obligation is recognised in the accounts. Gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

Other Long Term Employee Benefits

Compensated absences

The Company has a scheme for compensated absences for employees, the liability of which is determined at the end of the year. Gains and Losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

Short-term employee benefits

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

1.13. BORROWING COSTS

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

1.14. INCOME TAX

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

1.15. PROVISIONS AND CONTINGENT LIABILITIES

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

1.16. RISK MANAGEMENT TRANSACTIONS

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

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 2. SHARE CAPITAL

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Authorised:		
7,50,00,000 (Previous Year 7,50,00,000) Equity Shares Par Value of ₹ 10/- per Share	7,500.00	7,500.00
	7,500.00	7,500.00
Issued, Subscribed and Fully Paid up:		
6,76,18,082 (Previous Year 6,76,18,082) Equity Shares Par Value of ₹ 10/- per Share Fully Paid up (Refer Notes 2.1 to 2.4 below)	6,761.81	6,761.81
Total	6,761.81	6,761.81

2.1 RECONCILIATION OF NUMBER OF SHARES

PARTICULARS	31st March 2016	31st March, 2015
Number of shares outstanding at the beginning of the year	6,76,18,082	6,76,18,082
Number of shares outstanding at the end of the year	6,76,18,082	6,76,18,082

2.2 Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹10 per share. Each holder of Equity Shares is entitled to one vote per share.

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

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

NAME OF SHAREHOLDER	No. of shares held	% of Holding
Binani Industries Limited, Holding Company		
As at 31.03.2016	6,07,88,138	89.90%
As at 31.03.2015	6,07,88,138	89.90%

NOTE NO. 3. RESERVES AND SURPLUS

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Surplus/(Deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	(9809.95)	(4,505.32)
Add: Profit/(Loss) for the year as per Statement of Profit and Loss	(4743.71)	(5,202.52)
Add/(Less): Depreciation on Account of revised Useful Life of Fixed Assets as per Part C of Schedule II of Companies Act 2013	-	(102.11)
Total	(14,553.66)	(9,809.95)

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 4. LONG-TERM PROVISIONS

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Provision for Employee Benefits: (Refer Note 4.1 below)		
For Leave Encashment	-	63.75
For Loyalty (Refer note 30.2.2)	-	47.32
For Gratuity (Refer note 30.2.1)	-	51.13
Total	-	162.20

4.1 The Company had not operated the plant from November 27, 2014. An application for closure of the plant was made to the Government of Kerala on June 12, 2015 and the same was rejected without granting us an opportunity to be heard. On October 16, 2015 the Labour Secretary rejected the review petition filed under Section 25-O(5) of the Industrial Disputes Act, 1947. Consequently, the Company filed a writ Mandamus in High Court of Kerala seeking directive to refer the matter for adjudication. Under the circumstance the entire provisions for employee benefits has been classified as Short-Term liability.

NOTE NO. 5. SHORT-TERM BORROWINGS

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Loans Repayable on Demand		
From Bank:		
Cash Credit (Secured)	24,683.21	13,521.98
Temporary Overdraft (Secured)	-	7,438.56
Total	24,683.21	20,960.54

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

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

PARTICULARS	31st March, 2016 (₹ in Lakhs)	Period (In months)
L/C Devolved during 2013-14*	4,141.12	25
	4,881.83	25
L/C Devolved during 2014-15*	4,581.98	22
	5,401.33	20
	4,645.19	16
B/G Invoked during 2015-16	115.82	6
	16.10	6
	13.63	6
	157.13	6
	20.30	1
	30.30	1

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

* The Amount represents full amount of L/C opened. The portion of amount was paid though margin money available.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 6. TRADE PAYABLES

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Trade Payables (including acceptances) (refer Note 6.1 below)	1,906.55	3,267.71
Total	1,906.55	3,267.71

6.1 Amount Due to Micro and Small Enterprises

The Company has initiated the process of identifying the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March 2016, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

NOTE NO. 7. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Other Payables:		
Security Deposit Received	61.88	61.88
Advance from Customers	93.02	152.87
Other Liabilities (Refer Note 7.1 below)	1,641.89	2,010.56
Total	1,796.79	2,225.31

7.1. OTHER LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Customs Duty on Zinc Concentrate	474.88	474.88
Other Statutory Dues	3.31	63.95
Creditors for Capital Goods	295.19	565.51
Retention Money	265.12	381.30
Others	603.39	524.92
Total	1,641.89	2,010.56

NOTE NO. 8. SHORT-TERM PROVISIONS

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Provision for Employee Benefits: (Refer Note 4.1)		
For Leave Encashment	146.86	4.47
For Gratuity	254.32	44.77
For Loyalty	218.72	0.49
Other Provisions:		
Provision for Disputed Electricity Demands	-	220.04
Total	619.90	269.77

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 9. FIXED ASSETS

(₹ in Lakhs)

PARTICULARS	Gross Block (At Cost)				Depreciation					Net Block	
	01-04-2015	Additions	Deletions	31-03-2016	01-04-2015	Adjusted to Reserves	For the year	Deletions/ Adjustments	31-03-2016	01-04-2015	31-03-2016
Tangible Assets											
Land (Refer Note 9.1)	274.73	-	-	274.73	-	-	-	-	-	274.73	274.73
	(274.73)	(-)	(-)	(274.73)	(-)	(-)	(-)	(-)	(-)	(274.73)	(274.73)
Buildings (Including Roads)	1,625.32	-	-	1,625.32	1,093.63	-	48.29	-	1,141.92	531.69	483.40
	(1,625.32)	(-)	(-)	(1,625.32)	(1,008.58)	(27.32)	(57.73)	(-)	(1,093.63)	(616.74)	(531.69)
Plant and Equipment	22,950.70	-	-	22,950.70	16,832.07	-	341.95	-	17,174.02	6,118.63	5,776.68
(Refer Note 9.2)	(22,951.53)	(-)	(0.83)	(22,950.70)	(16,030.55)	(68.50)	(733.63)	(0.61)	(16,832.07)	(6,920.98)	(6,118.63)
Furniture and Fixtures	204.32	-	-	204.32	190.34	-	4.06	-	194.40	13.98	9.92
(Refer Note 9.3)	(204.32)	(-)	(-)	(204.32)	(173.25)	(6.10)	(10.99)	(-)	(190.34)	(31.07)	(13.98)
Vehicles	146.37	-	-	146.37	133.97	-	5.47	-	139.44	12.39	6.93
	(146.37)	(-)	-	(146.37)	(123.42)	(0.19)	(10.37)	(-)	(133.98)	(22.95)	(12.39)
Total	25,201.44	-	-	25,201.44	18,250.01	-	399.77	-	18,649.78	6,951.42	6,551.66
Previous Year	(25,202.27)	(-)	(0.83)	(25,201.44)	(17,335.80)	(102.11)	(812.72)	(0.61)	(18,250.02)	(7,866.47)	(6,951.42)
Intangible Assets											
Computer Software	8.41	-	-	8.41	4.57	-	1.68	-	6.25	3.85	2.16
	(8.41)	(-)	(-)	(8.41)	(2.88)	(-)	(1.68)	(-)	(4.56)	(5.53)	(3.85)
Total	8.41	-	-	8.41	4.57	-	1.68	-	6.25	3.85	2.16
Previous Year	(8.41)	(-)	(-)	(8.41)	(2.88)	(-)	(1.68)	(-)	(4.56)	(5.53)	(3.85)
Grand Total	25,209.85	-	-	25,209.85	18,254.58	-	401.45	-	18,656.03	6,955.27	6,553.82
Previous Year	(25,210.68)	(-)	(0.83)	(25,209.85)	(17,338.68)	(102.11)	(814.40)	(0.61)	(18,254.58)	(7,872.00)	(6,955.27)

(Figures in brackets represent previous year figures)

- 9.1 Land includes freehold land amounting to ₹41.42 Lakhs (₹41.42 Lakhs) taken possession of for which documentation / registration formalities are being completed.
- 9.2 Includes ₹ Nil Lakhs (₹ 391.69 Lakhs) provided towards impairment/writeoff of assets.
- 9.3 Furniture and Fixtures include office equipments, the amount of which is not material.
- 9.4. The plant was not operational during the entire financial year. However normal depreciation has been charged to all the assets as the management is of the opinion that there has been no unusual deterioration in the condition of the assets due to non operation.

NOTE NO. 10. CAPITAL WORK-IN PROGRESS

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Projects -In Progress	2,752.27	3,124.48
Total	2,752.27	3,124.48

Note : The projects in progress is net of some equipments taken away by the suppliers on account of non-payment of their dues.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 11. NON CURRENT INVESTMENTS

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Non Trade Investments (valued at cost) (Unquoted)		
Investment in Equity Instruments of Subsidiaries, fully paid up		
50,00,000 (Previous Year 50,00,000) Shares of ₹ 10/- each in R.B.G. Minerals Industries Limited	505.39	505.39
Other Investments (valued at cost)		
Investment in Equity Instruments of Other Companies, fully paid up		
1,75,000 (Previous Year 1,75,000) Shares of ₹ 10/- each in Kerala Enviro Infrastructure Limited	17.50	17.50
Aggregate amount of unquoted investments	522.89	522.89

NOTE. NO. 12. DEFERRED TAX ASSET (NET)

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
A. Deferred Tax Liabilities		
On difference between written down value of Fixed Assets as per Income Tax Act and as per Books / Others	(1,157.69)	(1,384.02)
	(1,157.69)	(1,384.02)
B. Deferred Tax Assets		
Unabsorbed Depreciation	1,825.42	1,691.29
	1,825.42	1,691.29
Net Deferred tax Asset*	667.73	307.27
(not recognized in the Financial Statement)		

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

NOTE NO. 13. LONG TERM LOANS AND ADVANCES

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Unsecured, Considered good		
Capital Advances	239.22	264.25
Security Deposits	50.60	406.72
Advance Tax/TDS (Net of Provision for Tax)	178.46	176.19
Total	468.28	847.16

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 14. INVENTORIES

(₹ in Lakhs)

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

14.1 Method of Valuation of Inventories - Refer Note 1.8

14.2 BREAK-UP OF INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

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

14.3 BREAK-UP OF INVENTORIES OF WORK-IN-PROCESS

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Calcine	299.99	299.99
Zinc Dust	4.10	4.10
Total	304.09	304.09

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

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

NOTE NO. 15. TRADE RECEIVABLES

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Other debts	-	0.74
Total	-	0.74

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 16. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Balances with Banks		
- In Current Accounts	53.83	46.07
- in Deposit Accounts	-	643.51
Cash on Hand	0.35	2.33
Balances with banks in deposit accounts to the extent held as security against letter of credit facilities and guarantees *	190.19	176.06
Total	244.37	867.97

* includes interest accrued on the deposits

NOTE NO.17. SHORT-TERM LOANS AND ADVANCES

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Loans and Advances to Related Parties (Unsecured, considered good)		
Due from Subsidiary Companies -R.B.G.Minerals Industries Ltd.	4.58	1.00
Due from Holding Company:		
- Inter Corporate Deposits with Binani Industries Limited	3,346.59	4,416.00
Others (Unsecured, considered good)		
Advances Recoverable in cash or in kind	1,294.85	1,314.63
Deposits	70.05	70.40
Balance with Customs and Excise Authorities	2,267.45	2,294.21
Total	6,983.52	8,096.24

NOTE NO. 18. OTHER CURRENT ASSETS

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Interest Accrued on Deposits/ICD	1,043.72	691.11
Total	1,043.72	691.11

NOTE NO. 19. REVENUE FROM OPERATIONS

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Sale of Products		
Zinc Ingots	75.09	8,283.32
Zinc Alloy:		
Zamak 3	32.76	2,238.13
Zamak 5	-	435.85
Zinc Dust	-	2.74
Sulphuric Acid	35.68	340.58
Cadmium	-	22.31
Total	143.53	11,322.93
Other Operating Revenue		
Industrial Waste Sales/Scrap Sales	7.21	42.94
Income from Risk Management Transactions (Net)	-	184.38
Total	7.21	227.32

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

19.1 QUANTITATIVE DETAILS

(₹ in Lakhs)

PARTICULARS	UoM	31st March 2016	31st March, 2015
Zinc Ingots	MT	24	4,567
Zinc Alloy:			
Zamak 3	MT	31	1,142
Zamak 5	MT	-	228
Zinc Dust	MT	-	1
Sulphuric Acid	MT	665	7,306
Cadmium	MT	-	14

NOTE NO.20. OTHER INCOME

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Interest Income	537.60	836.07
KSEB Old Provision Written Back (Refer Note 25.2)	220.03	-
Other Non Operating Income	0.82	69.10
Total	758.45	905.17

NOTE NO. 21. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Raw Materials Consumed - Zinc Concentrate/Oxides (refer note 34.1)	-	5,413.60
Raw Materials Consumed - Alloy Production (refer note 34.1)	-	493.31
Total	-	5,906.91

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

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Inventories as at the beginning of the year		
Finished Goods (Refer Note 14.2)	93.37	2,115.30
Work -In Process (Refer Note 14.3)	304.09	162.53
	397.46	2,277.83
Inventories as at the end of the year		
Finished Goods (Refer Note 14.2)	7.92	93.37
Work- In Process (Refer Note 14.3)	304.09	304.09
	312.01	397.46
Changes in Inventories of Finished Goods and Work-In Process	85.45	1,880.37
Excise Duty on Stock Adjustment	(3.74)	(143.20)
Total	81.71	1,737.17

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 23. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Salaries and Wages	732.83	1,816.48
Retrenchment Compensation	107.48	-
Contribution to Provident and Other Funds	193.05	335.39
Workmen and Staff Welfare Expenses	0.88	105.40
Total	1,034.24	2,257.27

NOTE NO. 24. FINANCE COST

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Interest Expenses	3,636.41	2,546.65
Other Borrowing Costs	-	13.56
Total	3,636.41	2,560.21

NOTE NO. 25. OTHER EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Power and Fuel	205.28	1,763.02
Consumption of Stores and Spares (Refer Note 25.3 & 34.2)	10.53	258.93
Repairs to:		
Buildings	-	0.59
Machinery	1.91	145.82
Others	4.16	30.59
Other Operating Expenses	0.92	37.79
Freight and Transport	4.25	120.28
Insurance	17.57	40.24
Rates and Taxes	6.55	26.95
Directors' Sitting Fees	5.45	4.90
Exchange Rate Difference (Net)	6.62	325.55
Rent	1.40	1.92
Management Service Fees (refer note 31.3)	-	-
Royalty (refer note 31.2)	-	-
Commission to Selling Agents	-	116.78
Bank Charges	3.88	37.29
Security Expenses	29.08	39.58
Professional Charges	95.88	100.14
Miscellaneous Expenses (refer note 25.1)	100.37	191.18
Total	493.85	3,241.55

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 25.1 Miscellaneous Expenses

(₹ in Lakhs)

	31st March 2016	31st March, 2015
Legal Expenses	29.65	96.46
Travelling and Conveyance	11.32	44.55
Other Miscellaneous Expenses	58.27	40.23
Payment to Auditors:-		
for Statutory Audit	0.75	5.75
for Tax Audit	0.38	0.60
for Half Yearly Audit	-	2.00
for Other Services	-	0.40
for Reimbursement of Expenses	-	1.19
Total	100.37	191.18

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

25.3 Consumption Of Stores And Spares

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

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

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
Loss for the year as per Statement of Profit and Loss (₹ Lakhs)	(4,743.71)	(5,202.52)
Weighted Average number of Equity Shares of ₹ 10/- each (fully paid)	67,618,082	67,618,082
Earnings Per Share (Basic/Diluted)(Rs)	(7.02)	(7.69)

NOTE NO. 27. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Contingent Liabilities:		
Claims against the Company not acknowledged as debt (Disputed Tax/duty and other demands)	3,508.47	1524.53
Guarantees (Refer Note 27.1)	220,975.63	206,862.79
Commitments:		
Estimated amount of Contracts remaining to be executed on capital account and not provided for	-	2,126.96
Other commitments (Refer Note 27.4)	817.81	693.06
Total	225,301.91	211,207.34

The project is on hold and hence unable to estimate.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

27.1. Details of Guarantees (₹ in Lakhs)

Particulars	31 st March, 2016	31 st March, 2015
Corporate Guarantees given to Financial Institutions and Banks in respect of loans availed by the Holding Company Binani Industries Limited and by other subsidiaries/step down subsidiaries of the Holding Company. (* includes ₹1,69,661/- lakhs jointly and severally by BIL,BCL, & GGFL for 105% of the outstanding amount.)	220,802.13*	206,354.00
Other Guarantees	155.50	508.79
Total	220,975.63	206,862.79

27.2. In the year 2004 KSEB had imposed penalty of ₹20 lakhs per month for unauthorized additional load. The Single Bench of the Hon'ble High Court of Kerala, had in December 2009, disposed the Company's Petition against the Order of the Appellate Authority (Dy. Chief Engineer KSEB) and quashed the order levying penalty for unauthorised additional load. Matter was remanded with a direction to take a decision afresh in accordance with Law considering the bonafide conduct of the Company. The Single Judge held that the Company had obtained all the necessary approvals & energization order from Electrical Inspectorate as stipulated in the conditions of supply of KSEB and since there was no violation, the penal charges are not payable. However matter was remanded. Company filed appeal against remand before the Division Bench. Division Bench held in Company's favor completely. Hence no provision is considered necessary at this stage.

27.3. In respect of electricity charges payable for certain years in the prior period, KSEB had withdrawn the concessional tariff eligible for the Company. Though initially the tariff concession was extended, it was subsequently withdrawn by KSEB, on the specific plea that the capacity expansion (which was the criteria for eligibility) was not achieved before due date. KSEB raised claim for ₹ 816.88 Lakhs for those years, which was provided for. The Company had taken up the matter before the Hon'ble High Court of Kerala, which was admitted. KSEB withdrew its earlier order and sought permission for de novo determination, which was accepted by the Single Judge. Company went before Division Bench to issue necessary orders for accepting Company's eligibility. Hearings have been completed and reserved for judgement. Since the matter is pending for nearly three decades and based on the legal advice obtained, the said amount of ₹ 816.88 lakhs provided for, was considered no longer payable and written back in the accounts of the Company in the year 2003-04. The Company, as legally advised, is hopeful of a favourable decision on final settlement of the issues involved in the matter and hence no provision is made for the said amount, which is included under contingent liabilities.

27.4. In respect of capital goods imported at concessional rate of duty under the Export Promotion Capital Goods Scheme, the Company has an export obligation of ₹ 817.81 lakhs (P.Y ₹ 693.06 lakhs), which is required to be met at different dates, before November 2019. In the event of non fulfillment of the export obligation, the Company will be liable to refund the avilment of concessional customs duties and penalties as applicable.

NOTE NO. 28. SEGMENT REPORTING

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

NOTE NO. 29. RISK MANAGEMENT TRANSACTIONS

29.1. The Company undertakes hedging against the risk in commodity prices (zinc prices) through derivative instruments in London Metal Exchange. The gain/losses are recognised in the Statement of Profit and Loss on settlement of the transaction. However, during the year 2015-16, the Company has not undertaken any fresh hedging activities.

29.2. In pursuance of the announcement dated 29.03.2008 of the Institute of Chartered Accountants of India on accounting for derivatives, mark to market gains (net) on outstanding derivative instruments as at 31st March, 2016 stood at ₹ Nil (Previous Year ₹ Nil), which is not recognised in the accounts.

29.3. Particulars of foreign currency exposures as at 31st March, 2016 not hedged by derivative instruments or otherwise are given below:

PARTICULARS	Amount in Foreign Currency (in lakhs)	Currency	Exchange Rate	Amount (₹ in lakhs)
Receivables	0.27 (0.27)	USD (USD)	66.77 (62.22)	18.11 (17.10)
Trade Payables	2.06 (2.06)	USD (USD)	66.77 (63.06)	137.67 (129.90)

(Figures in brackets pertain to previous year)

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 30 EMPLOYEE BENEFITS

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

30.1 Defined Contribution Plans

During the year the Company has recognised ₹ 32.33 Lakhs (Previous Year ₹133.73 lakhs) in the Statement of Profit and Loss on account of defined contribution plans ie Employers Contribution to Provident Fund and ESIC.

30.2 Defined Benefit Plans

30.2.1 Gratuity (Funded)

(i) Actuarial Assumptions	31 st March, 2016	31 st March, 2015
Discount Rate (per annum)	8.25% p.a.	8.25% p.a.
Expected return on plan assets	8.00% p.a.	8.00% p.a.
Salary escalation rate *	0.00% p.a.	4.00% p.a.
Mortality rate	LIC (1994-1996)rate	LIC (1994-1996)rate

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

(₹ in Lakhs)

(ii) Reconciliation of present value of obligation:	31 st March, 2016	31 st March, 2015
Present value of obligation at the beginning of the Year	552.15	396.07
Current Service Cost	24.36	31.84
Interest Cost	47.38	33.99
Actuarial (gain)/loss	92.50	152.37
Benefits Paid	(379.87)	(62.12)
Curtailments	-	-
Settlements	-	-
Present value of obligation at the end of the Year	336.52	552.15

(₹ in Lakhs)

(iii) Reconciliation of fair value of plan assets :	31 st March, 2016	31 st March, 2015
Fair value of plan assets at the beginning of the Year	456.25	471.78
Expected return on Plan Assets	36.50	37.74
Actuarial gain/(loss)	(30.66)	(3.69)
Contributions	-	12.54
Benefits paid	(379.87)	(62.12)
Assets distributed on settlement	-	-
Fair value of plan assets at the end of the Year	82.21	456.25

(₹ in Lakhs)

(iv) Net (Asset)/Liability recognised in the Balance Sheet as at year end:	31 st March, 2016	31 st March, 2015
Present value of obligation	336.52	552.15
Fair value of Plan Assets	82.21	456.25
Net present value of unfunded obligation recognised as (Asset)/Liability in the Balance Sheet	254.32	95.90

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

(v)	Expenses recognised in the Statement of Profit and Loss:	31 st March, 2016	31 st March, 2015
	Current Service Cost	24.36	31.84
	Interest Cost	47.38	33.99
	Expected return on Plan Assets	(36.50)	(37.74)
	Actuarial (gain) /loss recognised in the period	123.17	156.05
	Past Service Cost	-	-
	Curtailment cost	-	-
	Settlement cost	-	-
	Total expenses recognised in the Statement of Profit and Loss	158.41	184.14
	Actual return on Plan Assets	5.84	34.05

The Company has not operated the plant since November - 2014 and yet had been paying salaries to the workers and management staff. An application for closure of the plant was made to the Government of Kerala on June 12, 2015 and the same was rejected without granting us an opportunity to be heard. On October 16, 2015 the Labour Secretary rejected the review petition filed under Section 25-0(5) of the Industrial Disputes Act, 1947. Consequently, the Company filed a writ in High Court of Kerala seeking directive to refer the matter for adjudication. The Company has paid full salaries to the workers till June 2015. All the management staff were retrenched w.e.f 31 July, 2015. Based on a legal opinion the Company is of the view that refusal of the permission for closure would not result in the closure of the undertaking being deemed illegal within the meaning of sub-section (6) of section 25-0 of the Industrial Disputes Act, 1947. As a consequence thereof, pending final adjudication of the matter, the fact of closure of the plant would not ipso facto entitle the workmen to benefits under any law for the time being in force as if the undertaking had not been closed down. The actuarial liability has been worked out accordingly.

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

30.2.2 Defined Benefit Plans - Loyalty (Unfunded)

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

(i)	Actuarial Assumptions	31 st March, 2016	31 st March, 2015
	Discount Rate (per annum)	Nil	8.25%
	Salary escalation rate	Nil	4%
	Mortality rate	Nil	LIC (1994-1996) rate

(₹ in Lakhs)

(ii)	Reconciliation of present value of obligation:	31 st March, 2016	31 st March, 2015
	Present value of obligation at the beginning of the Year	Nil	41.00
	Current Service Cost	Nil	7.90
	Interest Cost	Nil	3.71
	Actuarial (gain)/loss	Nil	5.41
	Benefits Paid	Nil	(10.21)
	Present value of obligation at the end of the Year	Nil	47.81

(₹ in Lakhs)

(iii)	Net (Asset)/Liability recognised in the Balance Sheet as at year end:	31 st March, 2016	31 st March, 2015
	Present value of obligation at end of the year	Nil	47.81
	Fair value of plan assets at end of the year	Nil	-
	Net (Asset)/liability recognised in Balance Sheet	Nil	47.81

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

(iv)	Expenses recognised in the Statement of Profit and Loss for the year:	31 st March, 2016	31 st March, 2015
	Current Service Cost	Nil	7.90
	Interest Cost	Nil	3.71
	Expected return on plan assets	Nil	-
	Actuarial (gain) /loss recognised in the period	Nil	5.41
	Total expenses recognised in the Statement of Profit and Loss for the year	Nil	17.02

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

As Company has applied for closure, provision for loyalty has not been made for current year.

NOTE NO. 31

RELATED PARTY DISCLOSURE AS PER ACCOUNTING STANDARD-18 ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

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

(₹ in Lakhs)

Particulars	Subsidiaries	Fellow Subsidiaries (including step down subsidiaries)	Holding Company	KMP#	Enterprises where Promoters have got significant influence	Total
<u>A. TRANSACTIONS</u>						
Interest Income	- (-)	- (-)	468.52 (642.40)	-	- (-)	468.52 (642.40)
Advertisement Expenses	- (-)	- (-)	7.12*** (-)	- (-)	- (2.57)	7.12 (2.57)
Payment Towards Remuneration (Net)	- (-)	- (-)	- (-)	(210.12)	- (-)	- (210.12)
Director's Sitting Fees	- (-)	- (-)	- (-)	0.90 (0.70)	- (-)	0.90 (0.70)
Service Charges Expenses	- (-)	14.91*** (-)	- (-)	- (-)	- (24.48)	14.91 (24.48)
Repatriation of investment	- (0.48)	- (-)	- (-)	- (-)	- (-)	- (0.48)
Investment Written - off	- (8.27)	- (-)	- (-)	- (-)	- (-)	- (8.27)
Loans & Advances	3.58 (1.00)	- (-)	- (-)	- (-)	- (-)	3.58 (1.00)
Inter Corporate Deposit Received Back	- (-)	- (-)	1069.41** (339.00)	- (-)	- (-)	1069.41 (339.00)
Dividend from foreign subsidiary	- (31.64)	- (-)	- (-)	- (-)	- (-)	- (31.64)
<u>B. BALANCES AS ON 31.03.2016</u>						
Assets:						
Investment in Equity Shares	505.39 (505.39)	- (-)	- (-)	- (-)	- (-)	505.39 (505.39)
Short Term Loans & Advances (including ICDs and interest on ICDs)	4.58 (1.00)	- (-)	4,296.22** (5051.97)	- (-)	- (-)	4,300.80 (5052.97)

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Subsidiaries	Fellow Subsidiaries (including step down subsidiaries)	Holding Company	KMP#	Enterprises where Promoters have got significant influence	Total
Liabilities:						
Trade Payables	- (-)	4.62*** (-)	- (1069.41)**	- (-)	- (6.16)	4.62 (1,075.57)
Corporate Guarantees Given	- (-)	169,661.00* (161,241.00)	51,141.00 (45,113.00)	- (-)	- (-)	220,802.00 (206,354.00)
Corporate Guarantees Received	- (-)	- (-)	24,838.00 (21,470.00)	- (-)	- (-)	24,838.00 (21,470.00)

(Figures in brackets pertain to previous year)

KMP refers to Key Management Personnel

* Jointly and Severally with the Holding Company and Fellow Subsidiaries

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

*** Pursuant to Amalgamation of Binani Metals Limited with Binani Industries Limited w.e.f. 01.04.2015 (Appointed Date) vide H'onble Calcutta High Court order dated 21.01.2016, Nirbhay Management Services Private Limited and Narsingh Management Services Private Limited became fellow subsidiaries of the Company.

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

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

31.4 Names of related parties and description of relationship:

- Holding Company: Binani Industries Limited
- Fellow Subsidiary (including step down subsidiaries): Binani Cement Limited, Goa Glass Fibre Limited, Nirbhay Management Services Private Limited, Narsingh Management Services Private Limited, BIL Infratech Limited, 3B Binani Glassfibre Sarl and 3B Fibreglass Norway AS.
- Subsidiaries: R.B.G. Minerals Industries Limited,.
- Key Management Personnel: Mr. Sushil Bhatte.
- Enterprises where Promoters have got significant influence:
(excluding holding Company, subsidiaries and fellow subsidiaries) Mr. Braj Binani and Triton Trading Company Private Limited.

NOTE NO. 32

On account of the operational losses and the consequent negative net worth, the Company has referred the matter under the Sick Industrial Companies (Special Provisions) Act, 1985 to the Board for Industrial and Financial Reconstruction (BIFR) in November 2014. The Company has made a reference to BIFR. The Company is hopeful of getting a suitable revival and rehabilitation package sanctioned. BIFR has suspended all its hearing since 28th October, 2015 due to vacancy in the constituted bench. The status would continue till appointment of new bench members. In the opinion of the management, the assets of the Company are sufficient to discharge the liabilities at this stage. Accordingly the financial statements for the current year are drawn up on going concern basis.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 33

The management is of the opinion, taking due consideration of the factors stated in Note No. 32 above and also that the realisable value of the assets is more than the carrying value in accordance with the provisions of Accounting Standard – AS 28 (of the Companies Accounting Standards Rules 2006)-Impairment of Assets- the asset is not tested for impairment.

NOTE NO. 34 ADDITIONAL INFORMATION

34.1 Raw Material Consumption

(₹ in Lakhs)

Particulars	31 st March, 2016	%	31 st March, 2015	%
Zinc Concentrate/Oxide - Imported	-	-	5,413.60	92
Raw Material for Alloy - Indigenous	-	-	493.31	8
Total	-	-	5,906.91	100

34.2 Stores and Spares Consumption (Refer note 25.3)

(₹ in Lakhs)

Particulars	31 st March, 2016	%	31 st March, 2015	%
Stores and Spares - Imported	-	-	43.57	22
Stores and Spares - Indigenous	-	-	153.65	73
Total	-	-	197.22	100

34.3 Value of imports calculated on CIF basis

(₹ in Lakhs)

Particulars	31 st March, 2015	31 st March, 2015
Raw Materials	-	5,311.08
Stores and Spares	-	26.25
Capital Goods	-	-
Total	-	5,337.33

34.4 Expenditure in Foreign Currency (on accrual basis)

(₹ in Lakhs)

Particulars	31 st March, 2016	31 st March, 2015
Professional & Consultancy fees	-	2.92
Interest	-	58.32
Others	-	2.39
Advance written off	-	-
Total	-	63.63

34.5 Earnings in Foreign Exchange (on accrual basis)

(₹ in Lakhs)

Particulars	31 st March, 2016	31 st March, 2015
Income from Risk Management Transactions (Net)	-	184.38
Others	-	32.18
Total	-	216.56

NOTE NO 35. ELECTRICITY CHARGES

Kerala State Electricity Board have been raising electricity bills based on minimum payable of contract demand (75% of 18mva) even though the Plant has been shut since Nov 2014. The Company has made written representations before the Board to reduce the contract demand to 1.5mva from February 2015 and has been paying based on minimum payable of this contract demand from July 2015 onwards. KSEB had appointed a Committee to study the matter which has recommended refixation of CD as 300 kva. Company therefore submitted fresh application in December 2015. The Company has been effecting payments based on 300 kva cd. KSEB has given written confirmation that bills will be reworked as soon as they complete their internal procedures. After considering the payments /provisions made by the Company, an amount of ₹ 335.8 lakhs has not been recorded as liability in the Financial Statements nor has been disclosed as contingent liability.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 36.

During November 2015, the Company has received notice from Punjab National Bank, Oriental Bank of Commerce and Punjab & Sind Bank under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) in respect of outstanding amount of ₹ 197 crores for enforcing the security interest on the assets of the Company situated at its plant location. As the Company approached BIFR for registration as per the provisions of Sick Industrial Companies (Special Provisions) Act, 1985, the Company approached Hon'ble High Court at Bombay. Bombay High Court has granted stay on the proceedings initiated by Banks under SARFAESI Act.

NOTE NO 37.

LIABILITY FOR SALARIES & WAGES POST RETRENCHMENT

Non Management Staff

Company has given stay-at-home notice to all employees as on 01 May, 2015. Further, closure application was submitted and thereafter review petition to Government of Kerala has been rejected. A writ of mandamus has been filed in the High Court by the Company. For Non - Managerial staff, arrears in LTS till 31st May, 2015 has been provided for in the books of accounts. Wages of Non managerial Staff has been provided and paid till Jun 2015. Based on the legal opinion obtained by the Company, estimated wage bill including statutory dues of non-managerial staff from July 2015 till March 2016 amounting to ₹ 539 lakhs has not been recognized in the financial statements pending disposal of writ petition which the management is confident of favourable outcome.

Management Staff

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

NOTE NO 38.

BONUS LIABILITY AS PER AMENDED BONUS ACT

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

NOTE NO 39.

ADVANCE FOR SALE OF LAND

The agreement with M/s Rhea Realty Private Limited for sale of land is pending before the Honourable High Court of Kerala. This is pursuant to the order of the Paravoor Civil Court in the subject matter. While discussions are underway, in the matter of dispute on the sale agreement, ₹ 100 lakhs was received from M/s Megalith Builders Private Limited (a related party of M/s Rhea Realty Private Limited) as further advance for land sale as a goodwill gesture.

As per our separate report of even date attached

For Udeshi Shukla & Associates

Chartered Accountants
Firm Registration No : 114886W

CA Paresh Vijaysinh Udeshi

Partner
Membership No : 042082

Place : Mumbai

Date : 21st April, 2016

For and on behalf of the Board of Directors

Braj Binani

Chairman
DIN-00009165

Sushil Bhatner

Managing Director
DIN-00009101

Place : Mumbai

Date : 21st April, 2016

Rajesh Hegde
Company Secretary
A-23859

CONSOLIDATED FINANCIAL STATEMENT

INDEPENDENT AUDITORS' REPORT

To The Members of Edayar Zinc Limited
[Formerly Binani Zinc Limited]
Kolkata

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of Edayar Zinc Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

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

- a) Note No.33 of the financial statements stating that the net worth of the Holding Company has been fully eroded and a reference has been made by the company to the Board for Industrial and Financial Reconstruction, which, along with other matters as stated in the Note, indicate the existence of a material uncertainty that may cast significant doubt about the Holding Company's ability to continue as a going concern. However, for the reasons stated in the Note, the management is of the opinion that it is possible to revive and turnaround the Company and to continue as a going concern, and accordingly the accounts of the Holding Company are drawn up on a going concern basis.

- b) Note No.34 of the financial statements stating that in the opinion of the management, there is no impairment in the value of the fixed assets to be recognized in the accounts of the Holding Company at this stage, within the meaning of Accounting Standard (AS) 28 – Impairment of Assets, notified by the Companies Accounting Standards Rules 2006, which is however dependant on various uncertainties over its ability to continue as a going concern, as stated therein.
- c) Note No. 37 of the financial statements stating that stay has been granted by Hon'able Bombay High Court against the proceedings initiated by Banks against the Holding Company under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act), the lifting of which can affect the going concern assumption of the company.
- d) Note No 38 of the financial statements stating that application made by the Holding Company for closure of plant was rejected by the Government of Kerala and rejection of review petition filed under the Industrial Disputes Act 1947 against which the company has filed a writ petition in the Kerala High Court. Based on a legal opinion the company has not provided for wages and statutory dues of non-managerial staff from July 1, 2015.

Our report is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

- 1. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as applicable.
 - (e) In our opinion, the matters described in sub paragraphs (a) to (d), under the Emphasis of Matters paragraph above regarding the ability of the Holding Company to continue as a going concern and regarding the impairment in the value of the fixed assets, regarding the proceedings initiated by Banks under SARFAESI Act and pendency of the closure petition, may have an adverse effect on the functioning of the Holding Company.
 - (f) On the basis of the written representations received from the directors of the Group companies as on 31st March, 2016 and taken on record by the Board of Directors of the respective Group companies, none of the directors of the Group companies is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) We have been informed that the Holding company has discontinued its operations and in absence of any activity and manpower, no internal financial control policies have been separately framed. In absence of any such defined policies we cannot comment on the effectiveness of the internal financial control.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 28.2, Note 28.3, Note 36, Note 37 and Note 39 to the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

For **Udeshi Shukla & Associates**

Chartered Accountants

FRN 11886W

CA Paresh Vijaysinh Udeshi

Partner

MRN 042082

Place: Mumbai

Date : 21st April, 2016

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2016

(₹ in Lakhs)

PARTICULARS	Note No.	31 st March, 2016	31 st March, 2015
I. EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
(a) Share Capital	2	6,761.81	6,761.81
(b) Reserves and Surplus	3	(14,554.20)	(9,810.11)
		(7,792.39)	(3,048.30)
2. NON-CURRENT LIABILITIES			
(a) Long -Term Provisions	4	-	162.20
		-	162.20
3. CURRENT LIABILITIES			
(a) Short-Term Borrowings	5	24,683.21	20,960.54
(b) Trade Payables	6	1,906.55	2,625.48
(c) Other Current Liabilities	7	1,796.98	2,225.34
(d) Short-Term Provisions	8	620.17	269.77
		29,006.91	26,081.13
Total		21,214.52	23,195.03
II. ASSETS			
1. NON-CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible Assets	9	6,583.50	6,983.39
(ii) Intangible Assets	9	2.17	3.85
(iii) Capital Work-in-Progress	10	3,215.77	3,577.73
(b) Goodwill on consolidation		5.39	5.39
(c) Non-Current Investments	11	17.50	17.50
(d) Deferred Tax Assets (net)	12	-	-
(e) Long-Term Loans and Advances	13	468.28	847.72
(f) Other Non-Current Assets	14	3.25	4.08
		10,295.86	11,439.66
2. CURRENT ASSETS			
(a) Inventories	15	2,645.73	2,731.53
(b) Trade Receivables	16	-	0.74
(c) Cash and Cash Equivalents	17	244.43	874.05
(d) Short-Term Loans and Advances	18	6,978.94	8,100.34
(e) Other Current Assets	19	1,049.56	48.71
		10,918.66	11,755.37
Total		21,214.52	23,195.03
Summary of Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our separate report of even date attached

For Udeshi Shukla & Associates
Chartered Accountants
Firm Registration No : 114886W

CA Paresh Vijaysinh Udeshi
Partner
Membership No : 042082

Place : Mumbai
Date : 21st April, 2016

For and on behalf of the Board of Directors

Braj Binani
Chairman
DIN-00009165

Rajesh Hegde
Company Secretary
A-23859

Sushil Bhatner
Managing Director
DIN-00009101

Place : Mumbai
Date : 21st April, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lakhs)

PARTICULARS	Note No.	31 st March, 2016	31 st March, 2015
I REVENUE FROM OPERATIONS	20		
Sale of Products		143.53	11,322.93
Other Operating Revenue		7.21	227.32
Less: Excise Duty		5.24	1,140.43
Total Revenue from Operations		145.50	10,409.82
II OTHER INCOME	21	758.45	905.17
III Total Revenue		903.95	11,314.99
IV EXPENSES			
Cost of Materials Consumed	22	-	5,906.31
Changes in Inventories of Finished Goods and Work-In Process	23	81.71	1,737.97
Employee Benefits Expense	24	1,034.24	2,257.27
Finance Costs	25	3,636.41	2,560.21
Depreciation and Amortisation Expense	9	401.45	814.40
Other Expenses	26	494.01	3,241.71
V Total Expenses		5,647.82	16,517.67
VI Loss before tax		(4,743.87)	(5,202.68)
VII Tax Expense:			
Current Tax		0.14	-
Tax on earlier years		0.09	-
Deferred Tax		-	-
VIII Loss for the Period		(4,744.09)	(5,202.68)
IX Earnings per Share(Basic/Diluted) (in ₹) (Nominal value of share ₹.10/-)	27	(7.02)	(7.69)
Summary of Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our separate report of even date attached

For Udeshi Shukla & Associates
Chartered Accountants
Firm Registration No : 114886W

CA Paresh Vijaysinh Udeshi
Partner
Membership No : 042082

Place : Mumbai
Date : 21st April, 2016

For and on behalf of the Board of Directors

Braj Binani
Chairman
DIN-00009165

Rajesh Hegde
Company Secretary
A-23859

Sushil Bhatner
Managing Director
DIN-00009101

Place : Mumbai
Date : 21st April, 2016

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(₹ in Lakhs)

Particulars	31 st March, 2016	31st March, 2015
A CASH FLOW FROM OPERATING ACTIVITIES		
Earnings before exceptional and extraordinary items and tax	(4,743.86)	(5,202.52)
Adjustments for:		
Depreciation / Amortization	401.45	422.72
Impairment of fixed assets	-	391.68
Interest and Finance Charges	3,636.41	2,560.21
Liabilities no longer required written back	(219.29)	(30.22)
Loss/(Profit) on repatriation of capital of foreign subsidiary	-	(0.54)
Unrealised (Gain) / Loss on Exchange Rate Fluctuation (Net)	6.62	(0.01)
Dividend income received from BZ Minerals (Australia) Pty Ltd	-	(31.64)
Tax on dividend income	-	2.37
Interest and Dividend Income	(537.60)	(836.07)
Operating Profit Before Working Capital Changes	(1,456.27)	(2,724.18)
Adjustments for:		
Inventories	85.80	1,957.34
Trade and Other Receivables	1,054.96	656.92
Trade and Other Payables	(874.82)	(14,550.02)
Cash Generated from Operations	(1,190.34)	(14,660.44)
Direct Taxes Paid (including TDS)	(2.34)	(22.42)
Net Cash from/(used in) Operating Activities	(1,192.68)	(14,682.86)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (including capital Work - in Progress)	(11.84)	227.34
Sale of Fixed Assets	37.25	0.22
Intercorporate Deposits (given)/received back (net)	-	339.00
Repatriation of Investment from Foreign Subsidiary (including foreign exchange gain)	-	0.48
Dividend received from Foreign Subsidiary (net of tax)	-	29.25
Interest and Dividend Income Received	184.99	151.00
Net Cash from/(used in) Investing Activities	210.40	747.29

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016 (Cont...)

(₹ in Lakhs)

Particulars	31 st March, 2016	31st March, 2015
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest & Finance Charges paid	(0.07)	(1,396.13)
Proceeds / Repayment from Short Term Borrowings (Net)	352.73	13,851.63
Net Cash from / (used in)Financing Activities	352.66	12,455.50
D Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(629.62)	(1,480.07)
E Opening Cash & Cash Equivalents	874.05	2,354.12
F Closing Cash & Cash Equivalents (D+E)	244.43	874.05

Note: Cash and Cash Equivalents at the end of the year includes ₹190.19 Lakhs (₹.176.06 Lakhs) under lien which is not available for use as on the Balance Sheet date.

As per our separate report of even date attached

For Udeshi Shukla & Associates
Chartered Accountants
Firm Registration No : 114886W

CA Paresh Vijaysinh Udeshi
Partner
Membership No : 042082

Place : Mumbai
Date : 21st April, 2016

Rajesh Hegde
Company Secretary
A-23859

For and on behalf of the Board of Directors

Braj Binani
Chairman
DIN-00009165

Sushil Bhatner
Managing Director
DIN-00009101

Place : Mumbai
Date : 21st April, 2016

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO.1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1. BASIS OF PREPARATION

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

1.2. BASIS OF ACCOUNTING

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

1.3. USE OF ESTIMATES

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

1.4. REVENUE RECOGNITION

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

1.5. TANGIBLE FIXED ASSETS

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

1.6. INTANGIBLE FIXED ASSETS

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

1.7. DEPRECIATION AND AMORTISATION

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

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

1.8. IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

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

1.9. VALUATION OF INVENTORIES

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

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

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

By-products are valued at estimated selling price.

1.10 INVESTMENTS

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

1.11 EXPORT INCENTIVES

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

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

1.12 FOREIGN CURRENCY TRANSACTIONS

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

1.13 EMPLOYEE BENEFITS

Defined Contribution Plans

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

Defined Benefit Plans

(i) Gratuity

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

(ii) Loyalty

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

Other Long term employee benefits

Compensated absences

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

Short-term employee benefits

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

1.14 BORROWING COSTS

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

1.15 INCOME TAX

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

1.16 PROVISIONS AND CONTINGENT LIABILITIES

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

1.17 RISK MANAGEMENT TRANSACTIONS

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

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO.2. SHARE CAPITAL

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Authorised:		
7,50,00,000 (Previous Year 7,50,00,000) Equity Shares Par Value of ₹10/- per Share	7,500.00	7,500.00
	7,500.00	7,500.00
Issued, Subscribed and Fully Paid up:		
6,76,18,082 (Previous Year 6,76,18,082) Equity Shares Par Value of ₹10/- per Share Fully paidup(Refer Notes 2.1 to 2.4 below)	6,761.81	6,761.81
Total	6,761.81	6,761.81

2.1 RECONCILIATION OF NUMBER OF SHARES

PARTICULARS	31st March, 2016	31st March, 2015
Number of shares outstanding at the beginning of the year	6,76,18,082	6,76,18,082
Number of shares outstanding at the end of the year	6,76,18,082	6,76,18,082

2.2 Terms/Rights attached to Equity Shares

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

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

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

NAME OF SHAREHOLDER	No. of Shares Held	% of Holding
Binani Industries Limited, Holding Company		
As at 31.03.2016	6,07,88,078	89.90%
As at 31.03.2015	6,07,88,078	89.90%

NOTE NO. 3. RESERVES AND SURPLUS

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Surplus/(Deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	(9,810.11)	(4,505.32)
Add: Profit/(Loss) for the year as per Statement of Profit and Loss	(4,744.09)	(5,202.68)
Add/(Less): Depreciation on transition to Schedule II of The Companies Act, 2013 on fixed assets with nil remaining useful life	-	(102.11)
Total	(14,554.20)	(9,810.11)

NOTE NO. 4. LONG-TERM PROVISIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Provision for Employee Benefits: (Refer Note 4.1 below)		
For Leave Encashment	-	63.75
For Loyalty (Refer Note 31.2.2)	-	47.32
For Gratuity (Refer Note 31.2.1)	-	51.13
Total	-	162.20

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

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO.5. SHORT-TERM BORROWINGS

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Loans Repayable on Demand		
From Bank:		
Cash Credit (Secured, Refer Note 5.1 below)	24,683.21	13,521.98
Temporary Loan (Secured, Refer Note 5.1 below)	-	7,438.56
Total	24,683.21	20,960.54

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

5.2. Period and amount of default as on the Balance Sheet date in respect of loans and interest and devolved letter of credit/ BG invoked:

PARTICULARS	31st March, 2016 (₹ in Lakhs)	Period (In months)
L/C Devolved during 2013-14*	4,141.12	25
	4,881.83	25
L/C Devolved during 2014-15*	4,581.98	22
	5,401.33	20
	4,645.19	16
B/G Invoked during 2015-16	115.82	6
	16.10	6
	13.63	6
	157.13	6
	20.30	1
	30.30	1

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

* The Amount represents full amount of L/C opened. The portion of amount was paid though margin money available.

NOTE NO.6. TRADE PAYABLES

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Trade Payables (including acceptances) (Refer Note 6.1 below)	1,906.55	2,625.48
Total	1,906.55	2,625.48

6.1 Amount Due to Micro and Small Enterprises

The Group has initiated the process of identifying the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March 2016, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO.7. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Other Payables:		
Security deposit received	61.88	61.88
Advance from Customers	93.02	152.87
Other Liabilities (Refer Note 7.1 below)	1,642.08	2,010.59
Total	1,796.98	2,225.34

7.1. OTHER LIABILITIES

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Customs Duty on Zinc Concentrate	474.88	474.88
Other Statutory Dues	3.50	63.98
Creditors for Capital Goods	295.19	565.51
Retention Money	265.12	381.30
Others	603.39	524.92
Total	1,642.08	2,010.59

NOTE NO.8. SHORT-TERM PROVISIONS

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Provision for Employee Benefits: (Refer Note 4.1)		
For Leave Encashment	146.86	4.47
For Gratuity (Refer Note 31.2.1)	254.32	44.77
For Loyalty (Refer Note 31.2.2)	218.72	0.49
For Bonus	0.12	-
For Taxation	0.15	-
Other Provisions:		
Provision for Disputed Electricity Demands	-	220.04
Total	620.17	269.77

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO.9. FIXED ASSETS

(₹ in Lakhs)

Particulars	Gross Block (At Cost)		Accumulated Depreciation			Net Block	
	01-04-2015	31-03-2016	01-04-2015	Adjusted to Reserves	For the year	31-03-2016	31-03-2015
Tangible Assets							
Land (Refer Note 9.1)	306.40 (306.40)	306.40 (306.40)	- (-)	- (-)	- (-)	306.40 (306.40)	306.40 (306.40)
Buildings (Including Roads)	1,625.32 (1,625.32)	1,625.32 (1,625.32)	- (-)	- (-)	48.29 (57.73)	531.69 (616.74)	483.40 (531.69)
Plant and Equipment (Refer Note 9.2)	22,954.14 (22,955.83)	22,954.14 (22,954.14)	- (-)	- (-)	342.07 (733.68)	6,118.93 (6,921.33)	5,776.86 (6,118.93)
Furniture and Fixtures (Refer Note 9.3)	204.32 (204.32)	204.32 (204.32)	- (-)	- (-)	4.06 (10.99)	13.98 (31.07)	9.92 (13.98)
Vehicles	146.37 (146.37)	146.37 (146.37)	- (-)	- (-)	5.47 (10.37)	12.39 (22.95)	6.92 (12.39)
Total	25,236.55 (25,238.23)	25,236.55 (25,236.54)	- (-)	- (-)	399.89 (812.77)	6,983.39 (7,898.49)	6,583.50 (6,983.39)
Intangible Assets							
Computer Software	8.41 (8.41)	8.41 (8.41)	- (-)	- (-)	1.68 (1.68)	3.85 (5.53)	2.17 (3.85)
Total	8.41 (8.41)	8.41 (8.41)	- (-)	- (-)	1.68 (1.68)	3.85 (5.53)	2.17 (3.85)
Grand Total	25,244.96 (25,246.64)	25,244.96 (25,244.95)	- (-)	- (-)	401.57 (814.45)	6,987.24 (7,904.02)	6,585.67 (6,987.24)

(Figures in brackets represent previous year figures)

9.1 Land includes freehold land amounting to ₹ 41.42 Lakhs (₹ 41.42 Lakhs) taken possession of for which documentation / registration formalities are being completed.

9.2 Includes ₹ 391.68 Lakhs (Nil) provided towards impairment/writeoff of assets.

9.3 Furniture and Fixtures include office equipments, the amount of which is not material.

9.4 The Plant was not operational during the entire Financial Year. However normal depreciation has been charged to all the assets as the management is of the opinion that there has been no unusual depreciation in the condition of the assets due to non operation.

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO.10. CAPITAL WORK-IN PROGRESS

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Projects -In Progress	3,215.77	3,577.73
Total	3,215.77	3,577.73

The Projects in progress is net of some equipments taken away by the suppliers on account of non-payment of their dues.

NOTE NO.11. NON CURRENT INVESTMENTS

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Other Investments (valued at cost)		
Investment in Equity Instruments of Other Companies, fully paid up		
1,75,000 (Previous Year 1,75,000) Shares of Rs 10/- each in Kerala Enviro Infrastructure Limited	17.50	17.50
Aggregate amount of unquoted investments	17.50	17.50

NOTE. NO. 12. DEFERRED TAX ASSET (NET)

(₹ in Lakhs)

PARTICULARS	31st March 2016	31st March, 2015
A. Deferred Tax Liabilities		
On difference between written down value of Fixed Assets as per Income Tax Act and as per Books / Others	(1,157.69)	(1,384.02)
	(1,157.69)	(1,384.02)
B. Deferred Tax Assets		
Unabsorbed Depreciation	1,825.42	1,691.29
	1,825.42	1,691.29
Net Deferred tax Asset*	667.73	307.27
(not recognized in the Financial Statement)		

*Deferred Tax Asset in respect of unabsorbed depreciation has been recognized only to the extent of Deferred Tax Liability. In terms of Accounting Standard on 'Accounting for Taxes on Income' (AS 22), Deferred Tax Asset (Net) has not been recognised by the Company in the accounts for the year as a matter of prudence, in the absence of virtual/reasonable certainty of future taxable profit.

NOTE NO.13. LONG TERM LOANS AND ADVANCES

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Unsecured, Considered good		
Capital Advances	239.22	264.25
Security Deposits	50.60	406.72
Advance Tax/TDS (Net of Provision for Tax)	178.46	176.75
Total	468.28	847.72

NOTE NO.14. OTHER NON CURRENT ASSET

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Miscellaneous Expenditure (to the extent not written off adjusted)	3.25	4.08
Total	3.25	4.08

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO.15. INVENTORIES

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Raw Materials	1,421.18	1,421.18
Work-In Process (Refer Note 15.3 below)	304.09	304.09
Finished Goods (Refer Note 15.2 below)	7.92	93.37
Stores and Spares	912.54	912.89
Total	2,645.73	2,731.53

15.1 Method of Valuation of Inventories - Refer Note 1.9

15.2 BREAK-UP OF INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

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

15.3 BREAK-UP OF INVENTORIES OF WORK-IN-PROCESS

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Calcine	299.99	299.99
Zinc Dust	4.10	4.10
Total	304.09	304.09

NOTE NO.16. TRADE RECEIVABLES

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Other debts	-	0.74
Total	-	0.74

NOTE NO.17. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Balances with Banks		
- In Current Accounts	53.89	48.81
- In Deposit Accounts	-	646.79
Cash on hand	0.35	2.39
Balances with banks in deposit accounts to the extent held as security against letter of credit facilities and guarantees	190.19	176.06
Total	244.43	874.05

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO.18. SHORT-TERM LOANS AND ADVANCES

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Loans and Advances to Related Parties (Unsecured, considered good)		
Due from Holding Company:		
- Inter Corporate Deposits with Binani Industries Limited	3,346.59	4,416.00
Others (Unsecured, considered good)		
Advances Recoverable in cash or in kind	95.24	1,314.63
Deposits	70.05	75.50
Balance with Customs and Excise Authorities	3,467.06	2,294.21
Total	6,978.94	8,100.34

NOTE NO.19. OTHER CURRENT ASSETS

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Interest Accrued on Deposits	1,044.00	48.71
Other Current Assets	5.56	-
Total	1,049.56	48.71

NOTE NO.20. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	31st March, 2016	31st March, 2015
Sale of Products		
Zinc Ingots	75.09	8,283.32
Zinc Alloy:		
Zamak 3	32.76	2,238.13
Zamak 5	-	435.85
Zinc Dust	-	2.74
Sulphuric Acid	35.68	340.58
Cadmium	-	22.31
Total	143.53	11,322.93
Other Operating Revenue		
Industrial Waste Sales/Scrap Sales	7.21	42.94
Income from Risk Management Transactions (Net)	-	184.38
Total	7.21	227.32

20.1 QUANTITATIVE DETAILS

PARTICULARS	UoM	31st March, 2016	31st March, 2015
Zinc Ingots	MT	24	4,567
Zinc Alloy:			
Zamak 3	MT	31	1,142
Zamak 5	MT	-	228
Zinc Dust	MT	-	1
Sulphuric Acid	MT	665	7,306
Cadmium	MT	-	14

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO.21. OTHER INCOME

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Interest Income	537.60	836.07
KSEB Old Provision Written Back	220.03	-
Other Non Operating Income	0.82	69.10
Total	758.45	905.17

NOTE NO.22. COST OF MATERIALS CONSUMED

PARTICULARS	31st March, 2016	31st March, 2015
Raw Materials Consumed - Zinc Concentrate/Oxides (Refer Note 35.1)	-	5,413.60
Raw Materials Consumed - Alloy Production (Refer Note 35.1)	-	493.31
Total	-	5,906.91

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

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Inventories as at the beginning of the year		
Finished Goods (Refer Note 15.2)	93.37	2,115.30
Work -In Process (Refer Note 15.3)	304.09	162.53
	397.46	2,277.83
Inventories as at the end of the year		
Finished Goods (Refer Note 15.2)	7.92	93.37
Work- In Process (Refer Note 15.3)	304.09	304.09
	312.01	397.46
Changes in Inventories of Finished Goods and Work-In Process	85.45	1,880.37
Excise Duty on Stock Adjustment	(3.74)	(143.20)
Total	81.71	1,737.17

NOTE NO.24. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Salaries and Wages	840.31	1,816.48
Contribution to Provident and Other Funds	193.05	335.39
Workmen and Staff Welfare Expenses	0.88	105.40
Total	1,034.24	2,257.27

NOTE NO.25. FINANCE COST

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Interest Expenses	3,636.41	2,546.65
Other Borrowing Costs	-	13.56
Total	3,636.41	2,560.21

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 26. OTHER EXPENSES

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Power and Fuel	205.28	1,763.02
Consumption of Stores and Spares (Refer Note 26.2 & 35.2)	10.53	258.93
Repairs to:		
Buildings	-	0.59
Machinery	1.91	145.82
Others	4.16	30.59
Other Operating Expenses	0.92	37.79
Freight and Transport	4.25	120.28
Insurance	17.57	40.24
Rates and Taxes	6.55	26.95
Directors' Sitting Fees	5.45	4.90
Exchange Rate Difference (Net)	6.62	325.55
Rent	1.40	1.92
Management Service Fees (Refer Note 32.3)	-	-
Royalty (Refer Note 32.2)	-	-
Bank Charges	3.88	37.29
Security Expenses	29.08	-
Professional Charges	95.88	116.78
Miscellaneous Expenses (Refer Note 26.1)	100.53	331.06
Total	494.01	3,241.71

26.1 Miscellaneous Expenses

(₹ in Lakhs)

PARTICULARS	31st March, 2016	31st March, 2015
Security Expenses	-	39.58
Legal & Professional Expenses	29.65	96.46
Travelling & Conveyance	11.32	44.55
Other Miscellaneous Expenses	58.29	140.37
Payment to Auditors*		
For Statutory Audit	0.90	5.87
For Tax Audit	0.38	0.64
For Half Yearly Audit	-	2.00
For Other Services	-	0.40
For Reimbursement of Expenses	-	1.19
Total	100.53	331.06

* Exclusive of Service Tax

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

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

PARTICULARS	31st March, 2016	31st March, 2015
Loss for the year as per Statement of Profit and Loss (₹.in Lakhs)	(4,744.09)	(5,202.68)
Weighted Average number of Equity Shares of ₹.10/- each (fully paid)	6,76,18,082	6,76,18,082
Earnings Per Share (Basic/Diluted)(₹)	(7.02)	(7.69)

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 28. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Lakhs)

Particulars	31 st March, 2016	31 st March, 2015
Contingent Liabilities:		
Claims against the Company not acknowledged as debt (Disputed Tax/duty and other demands)	3508.47	1524.53
Guarantees (Refer Note 28.1)	220,975.63	206,862.79
Commitments:		
Estimated amount of Contracts remaining to be executed on capital account and not provided for	-	2,126.96
Other Commitments (Refer Note 28.4)	817.81	693.06
Total	225,301.91	211,207.34

The project is on hold and hence unable to estimate

28.1. Details of Guarantees

(₹ in Lakhs)

Particulars	31 st March, 2016	31 st March, 2015
Corporate Guarantees given to Financial Institutions and Banks in respect of loans availed by the Holding Company Binani Industries Limited and by other subsidiaries/step down subsidiaries of the Holding Company. (* includes ₹1,69,661/- lakhs jointly and severally by BIL, BCL, & GGFL for 105% of the outstanding amount.)	220,802.13*	206,354.00
Other Guarantees	155.50	508.79
Total	220,975.63	206,862.79

28.2 In the year 2004 KSEB had imposed penalty of ₹20 lakhs per month for unauthorized additional load. The Single Bench of the Hon'ble High Court of Kerala, had in December 2009, disposed the Company's Petition against the Order of the Appellate Authority (Dy. Chief Engineer KSEB) and quashed the order levying penalty for unauthorised additional load. Matter was remanded with a direction to take a decision afresh in accordance with Law considering the bonafide conduct of the Company. The Single Judge held that the Company had obtained all the necessary approvals & energization order from Electrical Inspectorate as stipulated in the conditions of supply of KSEB and since there was no violation, the penal charges are not payable. However matter was remanded. Company filed appeal against remand before the Division Bench. Division Bench held in Company's favor completely. Hence no provision is considered necessary at this stage.

28.3 In respect of electricity charges payable for certain years in the prior period, KSEB had withdrawn the concessional tariff eligible for the Company. Though initially the tariff concession was extended, it was subsequently withdrawn by KSEB, on the specific plea that the capacity expansion (which was the criteria for eligibility) was not achieved before due date. KSEB raised claim for ₹ 816.88 Lakhs for those years, which was provided for. The Company had taken up the matter before the Hon'ble High Court of Kerala, which was admitted. KSEB withdrew its earlier order and sought permission for de novo determination, which was accepted by the Single Judge. Company went before Division Bench to issue necessary orders for accepting Company's eligibility. Hearings have been completed and reserved for judgement. Since the matter is pending for nearly three decades and based on the legal advice obtained, the said amount of ₹ 816.88 Lakhs provided for, was considered no longer payable and written back in the accounts of the Company in the year 2003-04. The Company, as legally advised, is hopeful of a favourable decision on final settlement of the issues involved in the matter and hence no provision is made for the said amount, which is included under contingent liabilities.

28.4 In respect of capital goods imported at concessional rate of duty under the Export Promotion Capital Goods Scheme, the Company has an export obligation of ₹ 817.81 Lakhs (P.Y ₹ 693.06 Lakhs), which is required to be met at different dates, before November 2019. In the event of non fulfillment of the export obligation, the Company will be liable to refund the availment of concessional customs duties and penalties as applicable.

NOTE NO. 29. SEGMENT REPORTING

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

NOTE NO. 30. RISK MANAGEMENT TRANSACTIONS

30.1 The Company undertakes hedging against the risk in commodity prices (zinc prices) through derivative instruments in London Metal Exchange. The gain/losses are recognised in the Statement of Profit and Loss on settlement of the transaction. However, during the year 2015-16, the Company has not undertaken any fresh hedging activities.

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

30.2 In pursuance of the announcement dated 29.03.2008 of the Institute of Chartered Accountants of India on accounting for derivatives, mark to market gains (net) on outstanding derivative instruments as at 31st March, 2016 stood at ₹ Nil (Previous Year ₹ Nil), which is not recognised in the accounts.

30.3 Particulars of foreign currency exposures as at 31st March, 2016 not hedged by derivative instruments or otherwise

Particulars	Amount in Foreign Currency (in lakhs)	Currency	Exchange Rate	Amount (₹ in lakhs)
Receivables	0.27 (0.27)	USD (USD)	66.77 (62.22)	18.11 (17.10)
Trade Payables	2.06 (2.06)	USD (USD)	66.77 (63.06)	137.67 (129.90)

(Figures in brackets pertain to previous year)

NOTE NO. 31 EMPLOYEE BENEFITS

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

Note No. 31.1 Defined Contribution Plans

During the year the Company has recognised ₹ 32.33Lakhs (Previous Year ₹ 133.73 Lakhs) in the Statement of Profit and Loss on account of defined contribution plans ie Employers Contribution to provident fund and ESIC.

31.2 Defined Benefit Plans

31.2.1 Gratuity (Funded)

(i)	Actuarial Assumptions	31 st March, 2016	31 st March, 2015
	Discount Rate (per annum)	8.25% p.a.	8.25% p.a.
	Expected return on plan assets	8.00% p.a.	8.00% p.a.
	Salary escalation rate *	0.00% p.a.	4.00% p.a.
	Mortality rate	LIC (1994-1996) rate	LIC (1994-1996) rate

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

(₹ in Lakhs)

(ii)	Reconciliation of present value of obligation:	31 st March, 2016	31 st March, 2015
	Present value of obligation at the beginning of the year	552.15	396.07
	Current Service Cost	24.36	31.84
	Interest Cost	47.38	33.99
	Actuarial (gain)/loss	92.50	152.37
	Benefits Paid	(379.87)	(62.12)
	Curtailements	-	-
	Settlements	-	-
	Present value of obligation at the end of the year	336.52	552.15

(₹ in Lakhs)

(iii)	Reconciliation of fair value of plan assets :	31 st March, 2016	31 st March, 2015
	Fair value of plan assets at the beginning of the year	456.25	471.78
	Expected return on plan assets	36.50	37.74
	Actuarial gain/(loss)	(30.66)	(3.69)
	Contributions	-	12.54
	Benefits paid	(379.87)	(62.12)
	Assets distributed on settlement	-	-
	Fair value of plan assets at the end of the year	82.21	456.25

(₹ in Lakhs)

(iv)	Net (Asset)/Liability recognised in the Balance Sheet as at year end:	31 st March, 2016	31 st March, 2015
	Present value of obligation	336.52	552.15
	Fair value of plan assets	82.21	456.25
	Net present value of unfunded obligation recognised as (asset)/liability in the Balance Sheet	254.31	95.90

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

(v) Expenses recognised in the Statement of Profit and Loss:	31 st March, 2016	31 st March, 2015
Current Service Cost	24.36	31.84
Interest Cost	47.38	33.99
Expected return on plan assets	(36.50)	(37.74)
Actuarial (gain) /loss recognised in the period	123.17	156.05
Past Service Cost	-	-
Curtailment cost	-	-
Settlement cost	-	-
Total expenses recognised in the Statement of Profit and Loss	158.41	184.14
Actual return on plan assets	5.84	34.05

The Company has not operated the plant since November - 2014 and yet had been paying salaries to the workers and management staff. An application for closure of the plant was made to the Government of Kerala on June 12, 2015 and the same was rejected without granting us an opportunity to be heard. On October 16, 2015 the Labour Secretary rejected the review petition filed under Section 25-O(5) of the Industrial Disputes Act, 1947. Consequently, the Company filed a writ in High Court of Kerala seeking directive to refer the matter for adjudication. The Company has paid full salaries to the workers till June 2015. All the management staff were retrenched w.e.f 31 July 2015. Based on a legal opinion the Company is of the view that refusal of the permission for closure would not result in the closure of the undertaking being deemed illegal within the meaning of sub-section (6) of section 25-O of the Industrial Disputes Act, 1947. As a consequence thereof, pending final adjudication of the matter, the fact of closure of the plant would not ipso facto entitle the workmen to benefits under any law for the time being in force as if the undertaking had not been closed down. The actuarial liability has been worked out accordingly.

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

31.2.2 Defined Benefit Plans –Loyalty (Unfunded) The Company has a scheme of payment of loyalty to employees if they have rendered a minimum of 10 years of service at the Company

(₹ in Lakhs)

(ii) Actuarial Assumptions	31 st March, 2016	31 st March, 2015
Discount Rate (per annum)	Nil	8.25%
Salary escalation rate	Nil	4%
Mortality rate	Nil	LIC (1994-1996) rate

(₹ in Lakhs)

(ii) Reconciliation of present value of obligation:	31 st March, 2016	31 st March, 2015
Present value of obligation at the beginning of the year	Nil	41.00
Current Service Cost	Nil	7.90
Interest Cost	Nil	3.71
Actuarial (gain)/loss	Nil	5.41
Benefits Paid	Nil	(10.21)
Present value of obligation at the end of the year	Nil	47.81

(₹ in Lakhs)

(iii) Net (Asset)/Liability recognised in the Balance Sheet as at year end:	31 st March, 2016	31 st March, 2015
Present value of obligation at end of the year	Nil	47.81
Fair value of plan assets at end of the year	Nil	-
Net (Asset)/liability recognised in Balance Sheet	Nil	47.81

(₹ in Lakhs)

(iv) Expenses recognised in the Statement of Profit and Loss for the year:	31 st March, 2016	31 st March, 2015
Current Service Cost	Nil	7.90
Interest Cost	Nil	3.71
Expected return on plan assets	Nil	-
Actuarial (gain) /loss recognised in the period	Nil	5.41
Total expenses recognised in the Statement of Profit and Loss for the year	Nil	17.02

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

As Company has applied for closure , provision for loyalty has not been made.

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 32

RELATED PARTY DISCLOSURE AS PER ACCOUNTING STANDARD-18 ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA.

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

(₹ in Lakhs)

Particulars	Subsidiaries	Fellow Subsidiaries (including step down subsidiaries)	Holding Company	KMP#	Enterprises where Promoters have got significant influence	Total
<u>A. TRANSACTIONS</u>						
Interest Income	- (-)	- (-)	468.52 (642.40)	- -	- -	468.52 (642.40)
Advertisement Expenses	- (-)	- (-)	- (-)	- (-)	7.12 (2.57)	7.12 (2.57)
Payment Towards Remuneration (Net)	- (-)	- (-)	- (-)	- (210.12)	- (-)	- (210.12)
Director's Sitting Fees	- (-)	- (-)	- (-)	0.90 (0.70)	- (-)	0.90 (0.70)
Service Charges Expenses	- (-)	- (-)	- (-)	- (-)	14.91 (24.48)	14.91 (24.48)
Repatriation of investment	- (0.48)	- (-)	- (-)	- (-)	- (-)	- (0.48)
Investment Written - off	- (8.27)	- (-)	- (-)	- (-)	- (-)	- (8.27)
Inter Corporate Deposit Received Back	- (-)	- (-)	1069.41** (339.00)	- (-)	- (-)	1069.41 (339.00)
Dividend from foreign subsidiary	- (31.64)	- (-)	- (-)	- (-)	- (-)	- (31.64)
<u>B. BALANCES AS ON 31.03.2016</u>						
Assets:						
Investment in Equity Shares	505.39 (505.39)	- (-)	- (-)	- (-)	- (-)	505.39 (505.39)
Short Term Loans & Advances (including ICDs and interest on ICDs)	4.58 (1.00)	- (-)	4,296.22** (5051.97)	- (-)	- (-)	4,300.80 (5052.97)
Liabilities:						
Trade Payables	- (-)	4.62*** (-)	- (1069.41)**	- (-)	- (6.16)	4.62 (1,075.57)
Corporate Guarantees Given	- (-)	169,661.00* (161,241.00)	51,141.00 (45,113.00)	- (-)	- (-)	220,802.00 (206,354.00)
Corporate Guarantees Received	- (-)	- (-)	24,838.00 (21,470.00)	- (-)	- (-)	24,838.00 (21,470.00)

(Figures in brackets pertain to previous year)

KMP refers to Key Management Personnel

* Jointly and Severally with the Holding Company and Fellow subsidiaries

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

*** Pursuant to Amalgamation of Binani Metals Limited with Binani Industries Limited w.e.f. 01.04.2015 (Appointed Date) vide H'onble Calcutta High Court order dated 21.01.2016, Nirbhay Management Services Private Limited and Narsingh Management Services Private Limited became fellow subsidiaries of the Company.

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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

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

32.4 Names of related parties and description of relationship:

- Holding Company: Binani Industries Limited
- Fellow Subsidiary (including step down subsidiaries): Binani Cement Limited, Goa Glass Fibre Limited, BIL Infratech Limited, 3B Binani Glassfibre Sarl, 3B Fibreglass Norway AS, Nirbhay Management Services Private Limited, and Narsingh Management Services Private Limited.
- Subsidiaries: R.B.G. Minerals Industries Limited,.
- Key Management Personnel: Mr. Sushil Bhatler
- Enterprises where Promoters have got significant influence (excluding holding company, subsidiaries and fellow subsidiaries) Mr. Braj Binani and Triton Trading Private Limited,

Note No. 33

On account of the operational losses and the consequent negative net worth, the Company has referred the matter under the Sick Industrial Companies (Special Provisions) Act, 1985 to the Board for Industrial and Financial Reconstruction (BIFR) in November 2014. The Company has made a reference to BIFR. The Company is hopeful of getting a suitable revival and rehabilitation package sanctioned. BIFR has suspended all its hearing since 28th October, 2015 due to vacancy in the constituted bench. The status would continue till appointment of new bench members. In the opinion of the management, the assets of the Company are sufficient to discharge the liabilities at this stage. Accordingly the financial statements for the current year are drawn up on going concern basis.

Note No. 34

The management is of the opinion, taking due consideration of the factors stated in Note No. 32 above and also that the realisable value of the assets is more than the carrying value in accordance with the provisions of Accounting Standard – AS 28 (of the Companies Accounting Standards Rules 2006)-Impairment of Assets- the asset is not tested for impairment.

NOTE NO. 35 ADDITIONAL INFORMATION

35.1 Raw Material Consumption

(₹ in Lakhs)

Particulars	31 st March, 2016	%	31 st March, 2015	%
Zinc Concentrate/Oxide - Imported	-	-	5,413.60	92
Raw Material for Alloy - Indigenous	-	-	493.31	8
Total	-	-	5,906.91	100

35.2 Stores and Spares Consumption

(₹ in Lakhs)

Particulars	31 st March, 2016	%	31 st March, 2015	%
Stores and Spares - Imported	-	-	43.57	22
Stores and Spares - Indigenous	-	-	153.65	73
Total	-	-	197.22	100

35.3 Value of imports calculated on CIF basis

(₹ in Lakhs)

Particulars	31 st March, 2016	31 st March, 2015
Raw Materials	-	5,311.08
Stores and Spares	-	26.25
Capital Goods	-	-
Total	-	5,337.33

35.4 Expenditure in Foreign Currency (on accrual basis)

(₹ in Lakhs)

Particulars	31 st March, 2016	31 st March, 2015
Professional & Consultancy fees	-	2.92
Interest	-	58.32
Others	-	2.39
Advance written off	-	-
Total	-	63.63

35.5 Earnings in Foreign Exchange (on accrual basis)

(₹ in Lakhs)

Particulars	31 st March, 2016	31 st March, 2015
Income from Risk Management Transactions (Net)	-	184.38
Others	-	32.18
Total	-	216.56

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO 36. ELECTRICITY CHARGES

Kerala State Electricity Board have been raising electricity bills based on minimum payable of contract demand (75% of 18mva) even though the Plant has been shut since Nov 2014. The Company has made written representations before the Board to reduce the contract demand to 1.5mva from February 2015 and has been paying based on minimum payable of this contract demand from July 2015 onwards. KSEB had appointed a Committee to study the matter which has recommended refixation of CD as 300 kva. Company therefore submitted fresh application in December 2015. Since the Company has been effecting payments based on 300 kva cd. KSEB has given written confirmation that bills will be reworked as soon as they complete their internal procedures. After considering the payments /provisions made by the Company, an amount of ₹335.8 lakhs has not been recorded as liability in the Financial Statements nor has been disclosed as contingent liability.

NOTE NO. 37.

During November 2015, the Company has received notice from Punjab National Bank, Oriental Bank of Commerce and Punjab & Sind Bank under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) in respect of outstanding amount of ₹197 crores for enforcing the security interest on the assets of the Company situated at its plant location. As the Company approached BIFR for registration as per the provisions of Sick Industrial Companies (Special Provisions) Act, 1985, the Company approached Hon'ble High Court at Bombay. Bombay High Court has granted stay on the proceedings initiated by Banks under SARFAESI Act.

NOTE NO 38. LIABILITY FOR SALARIES & WAGES POST RETRENCHMENT

Non Management Staff

Company has given stay-at-home notice to all employees as on 01 May, 2015. Further, closure application was submitted and thereafter review petition to Government of Kerala has been rejected. A writ of mandamus has been filed in the High Court by the Company. For Non - Managerial staff, arrears in LTS till 31st May, 2015 has been provided for in the books of accounts. Wages of Non managerial Staff has been provided and paid till Jun 2015. Based on the legal opinion obtained by the Company, estimated wage bill including statutory dues of non-managerial staff from July 2015 till March 2016 amounting to ₹ 539 lacs has not been recognized in the financial statements pending disposal of writ petition which the management is confident of favourable outcome.

Management Staff

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

NOTE NO 39. BONUS LIABILITY AS PER AMENDED BONUS ACT

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

NOTE NO 40. ADVANCE FOR SALE OF LAND

The agreement with M/s Rhea Realty Private Limited for sale of land is pending before the Honourable High Court of Kerala. This is pursuant to the order of the Paravoor Civil Court in the subject matter. While discussions are underway, in the matter of dispute on the sale agreement, ₹ 100 lakhs was received from M/s Megalith Builders Private Limited (a related party of M/s Rhea Realty Private Limited) as further advance for land sale as a goodwill gesture.

NOTES ATTACHED TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO 41.

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

Name of the Entity	For the year ended 31.03.2016				For the year ended 31.03.2015			
	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated net assets	Amount (₹ in Lakhs)
1	2	3	4	5	2	3	4	5
Edayar Zinc Limited	106%	(8,291.85)	100%	(4,743.71)	116%	(3,548.14)	100%	(5,202.52)
R.B.G. Minerals Industries Limited	(6%)	499.46	0%	(0.38)	(16%)	499.84	0%	(0.16)
TOTAL	100%	(7,792.39)	100%	(4,744.09)	100%	(3,048.30)	100.00	(5,202.68)

As per our separate report of even date attached

For Udeshi Shukla & Associates

Chartered Accountants
Firm Registration No : 114886W

CA Paresh Vijaysinh Udeshi

Partner
Membership No : 042082

Place : Mumbai
Date : 21st April, 2016

Rajesh Hegde
Company Secretary
A-23859

For and on behalf of the Board of Directors

Braj Binani
Chairman
DIN-00009165

Sushil Bhatler
Managing Director
DIN-00009101

Place : Mumbai
Date : 21st April, 2016

Form AOC-I

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

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

Part "A": Subsidiaries

(₹ in lakhs)

Sl. No	Name of the subsidiary	Reporting period	Reporting currency	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1	R.B.G.MINERALS INDUSTRIES LIMITED	April to March	INR	500.00	NIL	504.50	504.50	NIL	NIL	NIL	NIL	NIL	NIL	100

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

For and on behalf of the Board of Directors

Braj Binani
Chairman
DIN-00009165

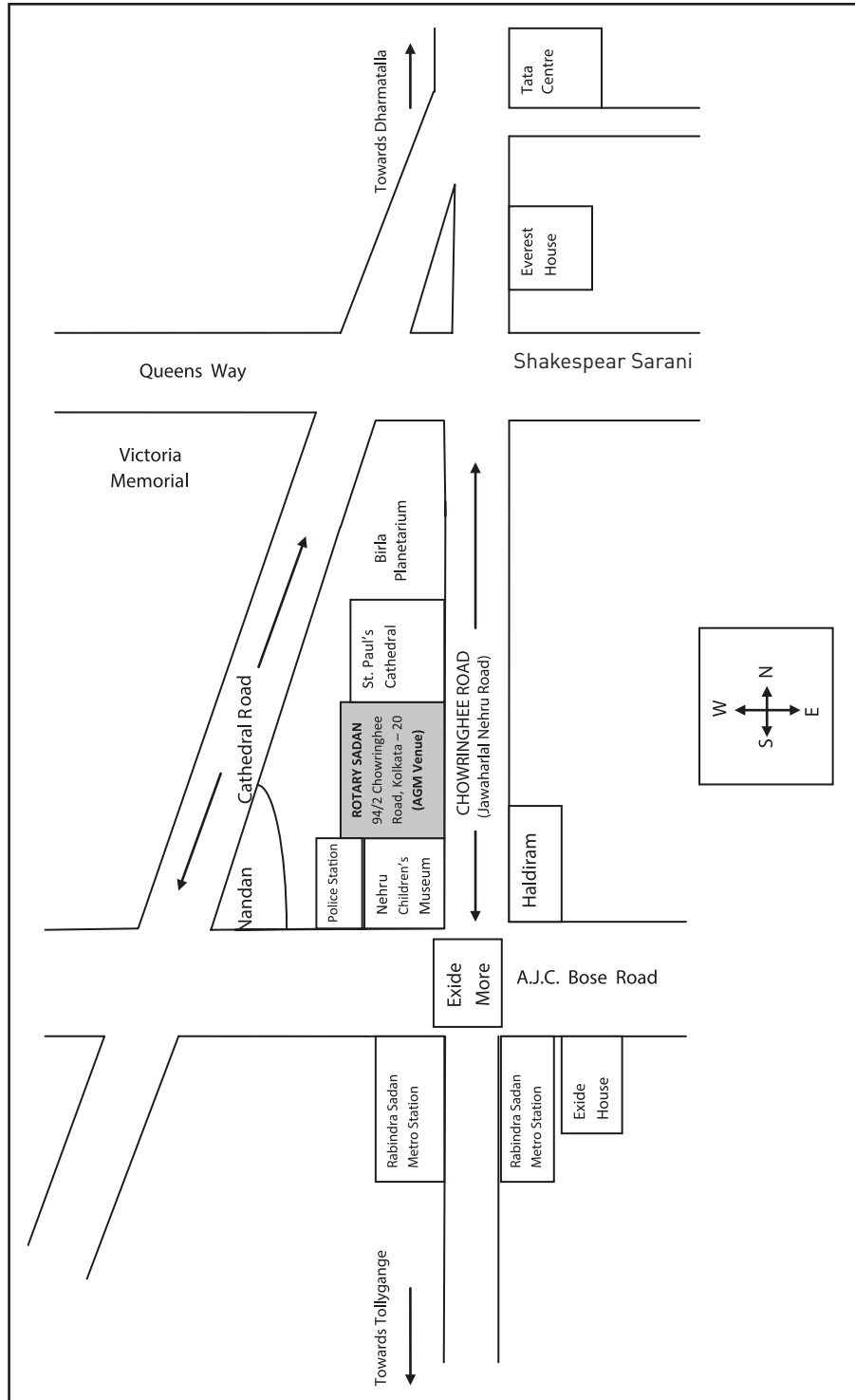
Rajesh Hegde
Company Secretary
A-23859

Sushil Bhatner
Managing Director
DIN-00009101

Place : Mumbai
Date : 21st April, 2016

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AGM ROUTE MAP



**EDAYAR ZINC LIMITED** (Formerly Binani Zinc Limited)

[CIN :U27204WB2000PLC091214]

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

E-mail: mumbai@binani.net Tel:08100326795 / 08100126796 Fax : 033-40088802

ATTENDANCE SLIP

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

DP Id*	
--------	--

Folio No.	
-----------	--

Client Id*	
------------	--

No. of Shares	
---------------	--

Name of the Member / Proxy _____

I hereby record my presence at the **16th Annual General Meeting** of the Company to be held on Thursday, **29th September, 2016 at 1:30 P.M. IST** at Rotary Sadan, 94/2 Chowringhee Road, Kolkata – 700 020.

*Applicable for investors holding shares in electronic form.

Signature of Shareholder / Proxy

**EDAYAR ZINC LIMITED** (Formerly Binani Zinc Limited)

[CIN :U27204WB2000PLC091214]

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

E-mail: Mumbai@binani.net Tel:08100326795 / 08100126796 Fax : 033-40088802

PROXY FORM

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

Name of the Member(s): _____

Registered Address: _____

E-mail ID: _____

Folio No./Client ID: _____

DPID : _____

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

1. Name: _____ Address : _____

E-mail ID : _____ Signature : _____ or failing him / her,

2. Name: _____ Address : _____

E-mail ID : _____ Signature : _____ or failing him / her,

3. Name: _____ Address : _____

E-mail ID : _____ Signature : _____

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **16th Annual General Meeting** of the Company to be held on Thursday, **29th September, 2016 at 1:30 P.M. IST** at Rotary Sadan, 94/2 Chowringhee Road, Kolkata – 700 020.

West Bengal, and at any adjournment thereof in respect of such resolutions as are indicated below:

**I wish my above Proxy to vote in the manner as indicated in the box below:

Item No.	Resolution	For	Against
1	Adoption of the Audited Financial Statements including Audited Consolidated Financial Statements for the financial year ended 31st March, 2016 together with Reports of the Board of Directors and the Auditors thereon.		
2	Ratification of appointment of M/s Udeshi Shukla & Associates, Chartered Accountants, as Statutory Auditors of the Company		
3	Appointment of Mr. R. S. Joshi as Director of the Company		
4	Appointment of Ms. Bhumika Batra as an Independent Director of the Company		
5	Appointment of Mr. Krishnan Sangameshwaran as an Independent Director of the Company		

Signed this _____ day of _____ 2016.



Signature of Proxyholder(s) _____ Signature of Shareholder _____

NOTES:

1. This Form of Proxy in order to be effective should be duly completed, stamped, signed and deposited at the Registered Office of the Company 37/2, Chinar Park, New Town, Rajarhat Main Road, P.O : Hatiara, Kolkata – 700157, not less than 48 hours before the commencement of the Meeting.
- **2. This is only optional. Please put a 'v' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Appointing proxy does not prevent a member from attending in person if he / she so wishes.
4. The Proxy Form should be signed by the Member or his attorney authorised in writing, or in case of a corporate Member, should be under its seal or should be signed by an officer or attorney authorised by such Member. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



EDAYAR ZINC LIMITED

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