

BOARD OF DIRECTORS

Mr. Braj Binani - Chairman
Mr. Sunil Sethy - Executive Vice Chairman
& Managing Director

Mr. S. Padmakumar
Dr. V. C. Shah
Mr. A. C. Chakrabortti
Mr.N.C.Singhal
Ms.Nidhi Singhania
Mr.Jitender Balakrishnan

AUDIT COMMITTEE

Mr. S.Padmakumar - Chairman
Mr. A.C.Chakrabortti - Member
Dr. V.C.Shah - Member

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. S.N.Sridhar

CHIEF FINANCIAL OFFICER- GROUP CONTROL ACCOUNTS

Mr. R. Venkiteswaran

CORE MANAGEMENT COMMITTEE

Mr. Braj Binani - Chairman
Mr. Sunil Sethy - Executive Vice Chairman & Managing Director
Mr. Sushil Bhatler - MD, BZL
Mr. Alok Agarwal - Sr.ED -Marketing & Strategy
Ms. Nidhi Singhania - Director
Ms. Shradha Binani
Mr. MK.Chattopadhyaya - ED & Group CFO
(Secretary to the Committee)

AUDITORS

Kanu Doshi Associates, Mumbai

BANKERS

Punjab National Bank
Axis Bank Limited
HDFC Bank Limited
Dena Bank
IDBI Bank Limited
Syndicate Bank
Bank of Baroda
Indian Overseas Bank

LEGAL ADVISORS

Udwadia & Udeshi - Mumbai
AZB Partners - Mumbai

REGISTERED OFFICE

37/2 Chinar Park,
Rajarhat New Town Road,
P.O.Hatiara, Kolkata 700 157
(Tel: 033-40161800,32562726)

CORPORATE OFFICE

Mercantile Chambers,
12, J N Heredia Marg, Ballard Estate,
Mumbai 400 001. (Tel.022 30263000-02)

SUBSIDIARIES

Binani Cement Ltd(BCL)

Binanigram, Pindwara,
Dist. Sirohi, Rajasthan - 307 022

Binani Zinc Ltd(BZL)

Binanipuram, Ernakulam, Kerala - 683 502

Goa Glass Fibre Ltd(GGFL)

Colvale, Bardez, Goa - 403 513

BT Composites Ltd(BTCL)

C5 to C9, Madkaim Industrial Estate,
Mardol Post, Madkaim, Goa - 403 404.

Wada Industrial Estate Ltd

Wada, Dist Thane

BIL Infratech Ltd

37/2 Chinar Park, Rajarhat New Town Road,
P.O.Hatiara, Kolkata-700 157

Binani Ready Mix Concrete Ltd

Feltham House, 10 J.N Heredia Marg,
Ballard Estate, Mumbai - 400 001

Sankalp Holdings Ltd(SHL)

Arch.Makariou III, 229 Meliza Court,4th Floor,
Limassol, Cyprus.

CPI Binani Inc

1700 Wilkie Drive, P.O. Box 108, Winona,
Minnesota-55987, USA

REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Pvt. Limited

C-13 Pannalal Silk Mills Compound,
L B S Marg, Bhandup (W),
Mumbai - 400 078

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NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Forty Eighth Annual General Meeting of the shareholders of the Company will be held at 2.00 p.m at Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700020 on Monday, the 27th June, 2011 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2011 and Profit and Loss Account for the year ended on that date together with the Reports of the Directors' and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Ms. Nidhi Singhania who retires by rotation and being eligible, offers herself for reappointment.
4. To appoint a Director in place of Mr. N.C. Singhal who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint M/s Kanu Doshi Associates, Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and authorize the Board of Directors and/ or Committee thereof to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT Mr. Jitender Balakrishnan, who was appointed as an Additional Director and who in terms of Section 260 of the Companies Act, 1956 read with Article 89 of the Articles of Association of the Company, holds office upto this Annual General Meeting and in respect of whom the Company has received a notice from a member of the Company under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director alongwith a deposit of Rs. 500/-, be and is hereby appointed as a Director of the Company."

By order of the Board
For Binani Industries Limited
S.N.Sridhar

Place : Mumbai Sr. Vice President (Corporate Legal)
Dated : 22nd April 2011 & Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxy form in order to be effective should be duly stamped, signed and completed in all respects and must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
3. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Item No.6 of the Notice is appended hereto and forms part of this Notice.
4. No person shall be entitled to attend or vote at the

meeting as a duly authorized representative of any body corporate which is a shareholder of the Company, unless a certified copy of the resolution appointing him/her as duly authorized representative has been deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.

5. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 20th June, 2011 to Monday, the 27th June, 2011 (both days inclusive).
6. Dividend, if declared, will be paid to those members whose names appear on the Company's Register of Members on 27th June, 2011 on the paid up capital of the Company as on 31st March, 2011. In respect of shares held in electronic form (Demat mode), the dividend will be paid to the beneficial owners position received from the depositories as at the close of 18th June, 2011.
7. Pursuant to the provisions of Section 205A of the Companies Act, 1956, all unclaimed / unpaid Dividends upto and inclusive of financial year 1994-95 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed the dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, West Bengal, Nizam Palace, II M.S.O Building, 234/4, AJC Bose Road, Kolkata - 700 020. Those members who have not encashed their dividend warrants for the financial years ended on 31st March 2006, 31st March, 2007, 31st March 2008, 31st March, 2009 and 31st March, 2010 may lodge a claim with the Company immediately failing which the balance will be transferred to the Investor Education & Protection fund established by the Central Government on or before the dates indicated below:

Sl. No.	Year ended	Last date for claiming the amount of dividend from the Company
1.	31.03.2006	10.08.2013
2.	31.03.2007	07.08.2014
3.	31.03.2008	04.08.2015
4.	31.03.2009	07.08.2016
5.	31.03.2010	06.08.2017

After the above dates, the Shareholders are not entitled to claim the outstanding dividend pursuant to the provisions of Section 205C (2) of the Companies Act, 1956.

In respect of the dividend for the years ended 31.3.1996, 31.3.1997, 31.3.1998, 31.3.1999 and 31.3.2000 the balances on 27.8.2003, 2.12.2004, 25.1.2006, 21.01.2007 and 11.11.2007 respectively have been transferred to Investor Education & Protection Fund.

8. Members holding shares in identical names under different ledger folios are requested to apply for consolidation of such folios and send the relevant equity share certificates to the Company's Registrars & Share Transfer Agents.

9. **Members who are holding shares in single name are advised, in their own interest, to get the shares transferred in joint names. There is a facility available for nomination and shareholders are advised in their own interest to nominate persons for transferring the interest on those shares . Nomination form is available on request.**
10. If there are any Shareholders of the Company still holding Share Certificates of the Company with the old name Binani Zinc Limited, they should immediately write to the Registered Office of the Company asking for change of name stickers to be affixed on such Share Certificates to change the name to Binani Industries Limited indicating the number of such certificates being held. **Such Share Certificates need not be send, only the details of the Certificates are to be furnished for issue of another set of Stickers for change of name.**
11. Members who are holding shares in physical form are advised to get their physical shares dematerialized in their own interest so that they get their dividend credited into their Bank Account directly. This will not only enable them to get quicker credit of the dividend amount but also save them from facing unnecessary hardship of the dividend warrants getting lost in postal transit. Further, note that the Company's shares are traded in Stock Exchange(s) only in dematerialized form.
12. **In spite of repeated requests, some shareholders (mostly upto Folio No. 34409) are still holding certificates of Rs.100/- each. They are requested to surrender them immediately for exchange into shares of Rs.10/- each to the Registered Office of the Company.**
13. The practice of distributing copies of Annual Reports at the Annual General Meeting has been discontinued as a measure of economy. Members are therefore requested to bring their copy of the Annual Report and Attendance Slip duly completed to the Meeting.
14. **Recently the Ministry of Corporate Affairs, Government of India, vide Circular No. 17/2011 allowed service of documents by e-mode as a Green initiative in the Corporate Governance. Members are requested to Register their e-mail addresses with the Company's Registrar & Share Transfer Agents M/s. Link Intime India Pvt. Limited Unit: Binani Industries Limited, C-13 Pannalal Silk Mills Compound, L.B.S .Marg, Bhandup (W), Mumbai -400 078, for the purpose of service of documents under Section 53 of the Companies Act, 1956 The form for sending the response is annexed at the end of the Annual Report,**
15. Members are requested to:
 - a) Notify promptly any change in their address and send all correspondence relating to shares including requests for transfers, change of status, change of mandate, fresh mandate etc either to the Company at its Registered office or to the Company's Registrar and Share Transfer Agents **M/s Link Intime India Pvt Limited** Unit: Binani Industries Limited, C-13 Pannalal Silk Mills Compound, L.B.S .Marg, Bhandup (W), Mumbai -400 078, Tel.No. 022-25946970 - Fax: 022-25946969 E-mail: rnt.helpdesk@linkintime.co.in
 - b) Notify the change in the address and change in the bank mandate to the concerned Depository Participants only if the shares are held in dematerialized form.
 - c) Send their queries, if any, at least 15 days in advance of the meeting at the Company's Registered office so that information can be made available at the meeting.
 - d) Fill in the attendance slip for attending the meeting and those who hold the shares in dematerialized form are requested to bring their client ID and DPID for identification of attendance at the meeting.
16. Binani Zinc Limited (BZL), a subsidiary of the Company had forwarded Physical Share Certificates to all shareholders including those who were holding shares in Dematerialised mode in the Company as on record date viz.30.4.2004 as per the scheme of arrangement for hiving off the erstwhile Zinc Division of the Company to BZL. These Shares have been issued free of cost which means the shareholders of the Company in addition to their continued shareholding in the Company have also become shareholders of BZL. Those shareholders who have not received BZL's Share Certificates are requested to contact BZL immediately. The Shares of BZL can be dematted either through National Securities Depository Limited and Central Depository Services India Limited and ISIN Number of the Company is INE310H01010. However, being unlisted the Shares of BZL cannot be traded in demat mode.
17. (i) Pursuant to the General Exemption granted by the Central Government, Ministry of Corporate Affairs under Section 212 of the Companies Act, 1956 vide Circular No.2/2011 dated 8th February, 2011, the Board of Directors at its meeting held on 22nd April, 2011, granted its consent not to attach the Director's Report, Auditors Report, Balance Sheet, Profit & Loss Accounts and Schedules and Annexures thereto of the following subsidiaries and step down subsidiaries with the Annual Accounts of the Company subject to the Company fulfilling the conditions prescribed therein.
 1. Binani Cement Ltd
 2. Binani Zinc Ltd
 3. Goa Glass Fibre Ltd
 4. BT Composites Ltd
 5. Wada Industrial Estate Ltd
 6. Sankalp Holdings Ltd
 7. Abhinav Holdings Ltd
 8. BIL Infratech Ltd
 9. Binani Ready Mix Concrete Ltd
 10. Krishna Holdings Pte. Ltd, Singapore
 11. Shangdong Binani Rong An Cement Co. Ltd. Republic of China
 12. Mukundan Holdings Ltd. BVI
 13. Binani Cement Factory LLC, Dubai
 14. Murari Holdings Ltd, BVI
 15. Bhumi Resources (Singapore) Pte. Ltd, Singapore
 16. PT Anggana Energy Resources, Indonesia
 17. Binani Cement Factory (Mauritius) Ltd, Mauritius
 18. Binani Cement Factory (SFZ) Ltd
 19. Swiss Merchandise Infrastructure Ltd
 20. Merit Plaza Ltd
 21. Binani Energy Pvt.Ltd
 22. R.B.G.Minerals Inds. Ltd
 23. BZ Minerals (Australia) Pty.Ltd
 24. Binani Infrastructure (Mauritius) Limited
 25. Binani Cement Co. Ltd., Sudan.
- (ii) The Company has fulfilled the conditions (i) to (v) & (vii) of the said Circular by attaching the consolidated Financial Statement of the Holding and all the

Subsidiaries duly audited by the Statutory Auditors.

- (iii) The Company undertake to the Shareholders that the Annual Accounts of the aforesaid subsidiary companies and the related detailed information shall be made available to the Shareholders of the Company and that of the subsidiary companies, free of cost. A copy of the Annual Accounts of the aforesaid subsidiaries shall also be given to Shareholders free of cost on demand.
- (iv) The Annual Accounts of the Company and its Subsidiaries as above shall be kept for inspection by any shareholder in the Registered Office of the Company at 37/2, Chinar Park, Rajarhat, P.O. Hatiara, Kolkata 700 157 and Corporate Office of the Company and its Subsidiaries at Mercantile Chambers, 12 J N Heredia Marg, Ballard Estate, Mumbai 400 001

between 11.00 a.m. and 1.00 p.m. on any working day (excluding Saturdays & Sundays).

- (v) The Annual Accounts of the Company and all its Subsidiaries as above have also been posted on the Company's website www.binani.com. Any shareholder may access the Company's Website for the Annual Accounts of the Company and its Subsidiaries.

18. Ms. Nidhi Singhania and Mr N.C. Singhal , Directors retire by rotation and are eligible for re-appointment at the Annual General Meeting. Mr. Jitender Balakrishnan, Additional Director is being appointed as a Director at the ensuing Annual General Meeting. Brief resume of the said Directors as required under Clause 49 of the Listing Agreement are as under:

Name	Ms. Nidhi Singhania	Mr N. C. Singhal	Mr. Jitender Balakrishnan
Age	26	74	61
Qualifications	B.A with specialisation in Economics.	Postgraduate in Economics, Statistics and Administration.	B.E (Mechanical) & PG Diploma in Industrial Management
Expertise in specific functional area	Coordination in Cement Marketing and international operations of group	Consultant and Management Specialist	Management, Finance & Banking
Date of appointment on the Board of the Company	23.4.2009	19.1.2008	27.7.2010
Name (s) of other Companies in which Directorship held	Binani Cement Limited Binani Metals Limited CPI Binani Inc.	Deepak Fertilizers & Petrochemicals Corporation Ltd. Max India Limited. Birla Sunlife Asset Management Co. Ltd. Tolani Shipping Limited. Maha Gujarat Chamunda Cement Co. Pvt. Ltd SCI Forbes Limited Forbes Bumi Armada Limited Amal Limited Future Capital Holdings Ltd Forbes Bumi Armada Offshore Ltd. Samalpatti Power Company Pvt. Ltd. Ambit Holdings Pvt. Ltd. Gati Asia Pacific Pte Limited, Singapore.	Bharti AXA Life Insurance Co.Ltd. Bharati AXA General Insurance Co.Ltd. Usha Martin Ltd, Bhoruka Powers Ltd. Aditya Birla Finance Ltd. Polyplex Corpn. Ltd. IL&FS Investment Mangers Ltd. S.Kumar Nationwide Ltd. Sarda Energy & Minerals Ltd. India Glycols Ltd. Essar Steel Ltd. Magus Estates & Hotels Ltd.
Name(s) of the Companies in which Committee Membership(s)/ Chairmanship(s) held (as per Clause 49 of the Listing Agreement)	Nil	Chairman Audit Committee : Max India Limited Deepak Fertilizers & Petrochemicals Corpn. Ltd Amal Limited Tolani Shipping Company Limited. Share Transfer Committee : Amal Limited Member : Shareholders & Investor Grievance Committee : Max India Limited Binani Industries Limited	Chairman Policy Holders Protection Committee : Bharti AXA Life Insurance Company Ltd. Audit Committee: Usha Martin Ltd. Member: Audit Committee: Magus Estates & Hotels Ltd.
Shareholding in the Company	6,250	Nil	Nil

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item No.6 :

Mr. Jitender Balakrishnan was appointed as an Additional Director on the Board at the Meeting of the Board of Directors held on 27th July, 2010 . He holds office as Director upto the date of the ensuing Annual General Meeting. The Company has received a notice from a member alongwith a deposit of Rs. 500 /- proposing his appointment as a Director of the Company.

Mr. Jitender Balakrishnan, aged 61 years is a B. E. (Mechanical) from National Institute of Technology, Madras University and Post Graduate Diploma holder in Industrial Management has got wide experience in diverse fields. Mr. Jitender Balakrishnan has worked as Deputy Managing Director and Group Head of Corporate Banking in IDBI Bank Limited and was responsible for complete credit advances of USD 25 Billion , asset growth of bank in Corporate Banking , Investments, Sourcing and Debt Syndication. He has wide experience in sectors like Oil & Gas, Refineries, Power, Telecom, Airports, Ports, Steel, Cement, Fertilizers, Petrochemicals etc.

In addition to Binani Industries Limited, Mr. Jitender Balakrishnan serves on the Board of Directors of Bharati AXA Life Insurance Co. Ltd, Bharati AXA General Insurance Co. Ltd, Bhoruka Power Limited, Usha Martin Limited, Aditya Birla Finance Limited, Polyplex Corporation Limited, Sarda Energy & Minerals Limited, IL& FS Investment Managers Limited,

S. Kumars Nationwide Limited, India Glycoils Limited, Essar Steel Limited and Magus Estate & Hotels Limited.

He also functions as the Chairman of the Audit Sub Committee of Usha Martin Limited and Chairman of the Policy Holders Protection Committee of Bharati AXA Life Insurance Company Limited.

Mr. Jitender Balakrishnan's knowledge, expertise and valuable guidance could be of immense use for the Company. Therefore, your Directors recommend appointment of Mr. Jitender Balakrishnan as Director of the Company. None of the Directors is in any way concerned or interested in this resolution except Mr. Jitender Balakrishnan to the extent of his appointment.

The relevant documents under the above items are available for inspection by the members of the Company during working hours from 11.00 a.m to 1.00 p.m at the Registered Office of the Company on any working day except Saturdays and Sundays upto the date of this Meeting.

By order of the Board
For Binani Industries Limited

Place : Mumbai
Dated : 22nd April 2011

S.N.Sridhar
Sr. Vice President (Corporate Legal)
& Company Secretary

DIRECTORS' REPORT & MANAGEMENT DISCUSSION & ANALYSIS REPORT TO THE SHAREHOLDERS

Your Directors present the Forty Eighth Annual Report of the Company together with the Audited Statement of the Accounts for the year ended 31st March, 2011

1. FINANCIAL PERFORMANCE

(Rs. in Lacs)

Particulars	Year ended 31.3.2011	Year ended 31.03.2010
Sales/Profit on sale of fixed assets, investments/ other Income	8,591	5,104
Profit before, Depreciation, Interest, extraordinary Items and Taxation.	4,570	2,216
Provision for Depreciation	40	27
Profit before Interest, extraordinary Items and Taxation	4,530	2,189
Interest and Financial Charges	3,384	524
Profit before Exceptional items and Taxation	1,146	1,665
Provision for Taxation including Deferred Tax and Fringe Benefit Tax	-	-
Profit after Tax but before extraordinary items	1,146	1,665
Extra Ordinary Items	-	-
Profit for the year	1,146	1,665
APPROPRIATIONS / ADJUSTMENTS		
Transfer to General Reserve	(115)	(167)
Proposed Dividend	(888)	(888)
Tax on Dividend	NIL	NIL
(Loss) brought forward from last year	(3,198)	(3,975)
Adjusted with credit balance of General Reserve	115	167
(Loss) carried to balance sheet	(2,940)	(3,198)

Previous years' figures have been regrouped/reclassified wherever necessary.

1.1 Review of Operations

The Company, being a holding Company, has no manufacturing activities. Its main source of income is dividend from its subsidiaries on its investments and income from Management and support services provided by the Company to all its subsidiaries in the areas of Accounts, Finance, Treasury, Audit, Forex / Commodity, Risk Management, Purchase, Taxation, Corporate Strategy, Media Services etc. During the year under review, Company received from its subsidiary, Binani Cement Limited, dividend income of Rs.4,614 Lacs and Management Service fee from all its subsidiaries aggregating to Rs.3,510 Lacs. During the year, the Company earned a Net Profit of Rs.1,146 Lacs compared to Rs.1,665 Lacs in the previous year. Out of the profit of Rs.1,146 Lacs, Rs.115 Lacs has been transferred to General Reserve.

1.2 Future Prospects

The Company's flagship subsidiary, Binani Cement Limited(BCL) has a Net Profit of Rs.9,051 Lacs. During the year, Net profit of BCL has suffered compared to previous year due to increase in the cost of raw materials, freight, coal etc. Binani Zinc Limited (BZL) has made an operating profit of Rs.1,073 Lacs and Net Loss of Rs.857 Lacs after considering provision for earlier periods with respect to electricity dues to KSEB with whom the Company has reached a long term settlement in the electricity tariff matter. In view of stabilization of LME prices during the year, it is expected that BZL's performance in the coming years will be better.

Goa Glass Fibre Ltd. (GGFL) performance during the year has been significant in terms of sales, revenue and operating profit (EBIDTA).GGFL sold 14,429 MT of glass fibre products with the sales revenue of Rs.10,378 Lacs compared to 8,290 MT and Rs.5,787 Lacs respectively last year. Operating profit has been Rs.1,091 Lacs compared to operating loss of Rs.875 Lacs last year. The improved performance was mainly due to increase in the prices of glass fibre products DRM & CSM and introduction of new product, namely "wet used chopped strands". However, during the year GGFL made a Net Loss of Rs.1,089 Lacs compared to Net Loss of Rs.2,519 Lacs last year. If the prices of glass fibre products remain stable as at present, the performance of the Company is expected to be better in the coming years as well.

During the year under review, Company incorporated two wholly owned subsidiaries namely, Binani Ready Mix Concrete Limited (BRMC) for manufacture of Ready Mix Concrete and aggregates and BIL Infratech Limited (BIL Infratech) engaged in the business of execution of all the group Companies projects and also to take up and execute outside projects as well. Once these companies are fully operational, your Company is expected to earn both dividend and management service income from these subsidiaries as well. Company has also acquired 100% stake in Composite Products, Inc, Minnesota, USA which is engaged in the manufacture of Composite Moulded parts using Direct inline compounding Long Fibre Thermoplastic (D-LFT) Technology. The acquisition was made through an incorporation of an SPV, Binani Composites Inc., USA which was merged with Composites Products Inc., USA. As a result, the resultant Company CPI Binani Inc, USA has become a wholly owned subsidiary of the Company. Your Company also has a wholly owned subsidiary in Cyprus namely Sankalp Holding Limited mainly for the purpose of potential investments abroad.

Your Company also proposes to licence the Intellectual Property owned by it to its major operational subsidiaries in India and earn Royalty based on a percentage of the Net Sales Turnover(Net of inter company transfers) of each of the subsidiary in the year 2011-12 and thereafter. Company propose to incur expenditure in building its brand.

The aforesaid measures are expected to improve the income and profitability of the Company in the coming years.

2. SUBSIDIARIES

2.1. BINANI CEMENT LIMITED (BCL)

2.1.1 Industry Overview

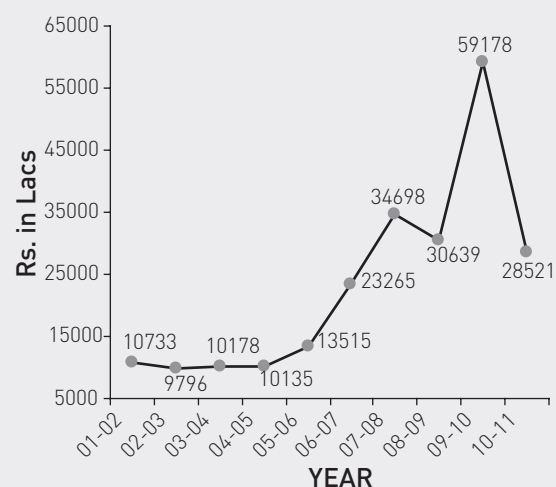
Cement production in India has grown at a brisk pace during the last few years. Indian Cement Industry foresees a 10.50% CAGR growth in cement production during FY 2010-14. Against 9.2% growth forecast of GDP in 2011-12, industry is likely to show growth of 11%. Housing sector, increased activity in infrastructure development and exports recovery continuing to remain key growth drivers. However, huge capacity addition in pipeline, increased cost of raw materials, fuel, logistics and change in Excise duty structure are key concerns to the bottom-line in the short to medium term.

2.1.2 Financial Performance

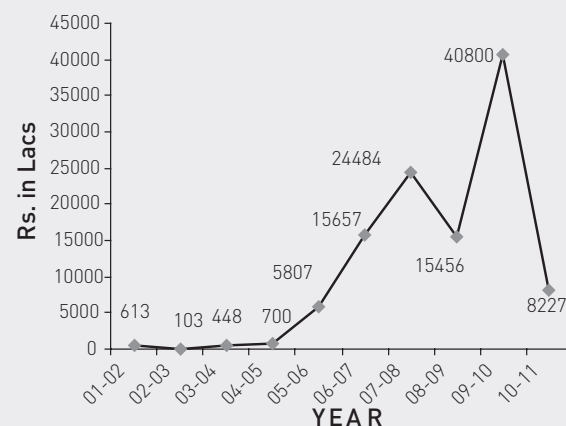
The financial performance for the year ended 31st March, 2011 is summarized below:

Particulars	Rs. in Lacs		
	2010-11	2009-10	% (increase/decrease)
Net Sales and other Income	174,335	187,216	-7
Operating Costs	145,814	128,038	14
EBIDTA	28,521	59,178	-52
Interest & Financial Charges	10,344	7,850	32
Cash Profit	18,177	51,327	-65
Depreciation and Amortisation	9,950	9,166	9
Profit before Tax	8,227	40,800	-80
Profit after Tax	9,051	28,192	-68

EBIDTA (Rs/Lacs)



PROFIT BEFORE TAX (Rs/Lacs)

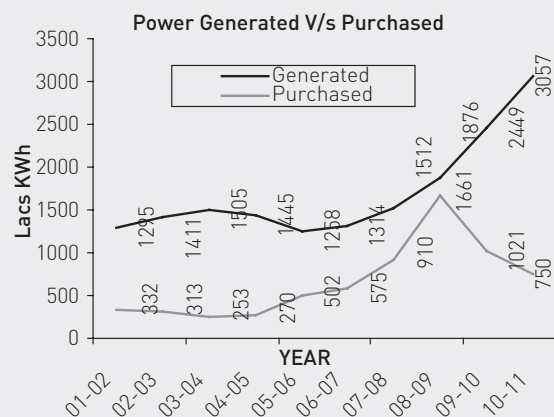
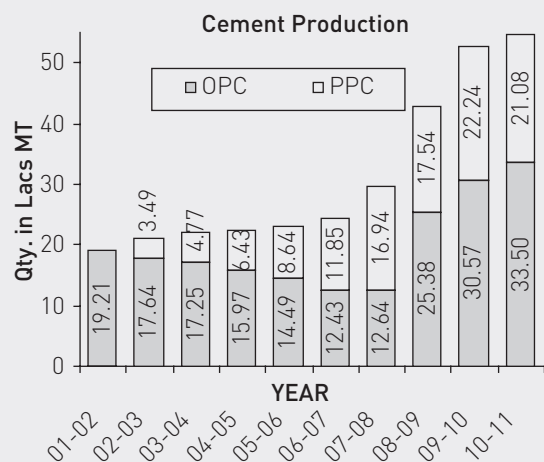


2.1.3 Review of Operations

BCL's operations continues to maintain its growth path. During the year under review, BCL's production and

sales figures have surpassed all the previous highs. The production of the cement has increased by 3.37% compared to 2009-10. BCL produced 54.58 lacs MT cement compared to 52.80 lacs MT in 2009-10. The sale of the cement has increased by 2.70% over the previous year sales. BCL sold 54.38 lacs MT of cement compared to 52.95 lacs MT in the previous year. Captive power generation during the year under review was 3,056.69 lacs KWh (net) compared to 2,449.07 lacs KWh in 2009-10.

In line with the Industry trend, BCL registered a much lower profitability during the year compared to previous year due to lower cement price, increased fuel, raw material, logistics costs and increase in excise duty from 8% to 10%. During the year, BCL has registered a Net Profit (before tax) of Rs. 8,227 Lakhs compared to Rs. 40,800 Lakhs previous year. However, from January, 2011 onwards there has been sign of improvement in the cement prices resulting in improved bottom-line.



2.1.4 Future Outlook

Indian Cement Industry : Growth in domestic cement demand is expected to remain strong on the back of growing demand from the housing sector, increased activity in infrastructure development and exports. It is anticipated that industry players will continue to increase their annual cement output in the coming years and the Country's total cement production will grow at a CAGR of around 10.5% during 2010-11 to 2013-14.

Housing and Infrastructure sector is continuing to be the key driver for cement demand in the coming years as well.

2.1.5 Project Overview

MODERNISATION / EXPANSION

Binanigram unit :

During the year 2010-11, following modifications / expansion projects have been commissioned:

- 1) Up-gradation of existing Pre-heater fans for Unit # 2 to increase capacity of Kiln.
- 2) Modification of Raw Mill-II separator to increase capacity of the mill.
- 3) Installation of pre-crushing system for reduction of feed size for Raw Mill # 2.
- 4) Up-gradation of wagon loading system by introducing third loading point with four additional wagon loaders in order to reduce rake loading time.
- 5) Installation of air cooled condenser in CPP 1 to conserve water and meet statutory obligation.
- 6) Installation of additional rail track as per requirement of railways.
- 7) Interconnection of cement silos in order to have better flexibility in packing operation.

Following modifications / expansion projects have been taken up during the year which are under progress

1. Mechanized loading arrangement of clinker in the rakes.
2. Installation of wagon tippler for unloading of coal rakes.
3. Installation of Fly ash collection system at Suratgarh Thermal Power Station in order to ensure uninterrupted supply of flyash to Binanigram and Neem Ka Thana.

Neem Ka Thana unit :

Installation of additional packer at Neem Ka Thana for having redundancy and matching grinding capacity.

Overseas Projects

Shandong Binani Rong'An Cement Co. Ltd, China (SBRCC)

The construction of new clinker production line of 2.5 MTPA is progressing well and it shall be mechanically completed by end of May, 2011. The No-load trials of individual equipment and groups shall start immediately thereafter. The commissioning of the project is expected to be in July, 2011. The capacity of the plant will increase to 3 million tons per annum after the commissioning of the new production line.

Binani Cement Factory LLC, Dubai (BCFLLC)

During the year, the Dubai cement grinding unit continues to be non-operational barring few intermittent operations for meeting some export requirements. The Dubai market also continues to be in slump during the year under review. To tide over the situation and to capitalise on the demand for Cement in the East African Countries, the Company has opened marketing offices through its subsidiaries in Sudan, Djibouti, Kuwait, Uganda and Madagascar. Further, marketing offices are proposed to be set up in Tanzania, Namibia, Botswana, Mozambique and Mauritius. It is also proposed to enhance the packing capacity of the Dubai plant which is expected to be completed by May, 2011. This is expected to achieve sales from the Dubai plant upto 1 Lakh MT per month from July, 2011 onwards.

Binani Infrastructure (Mauritius)Limited (BIML)

The Mauritius 1.00 MTPA Grinding Unit project of Binani Cement Factory, Mauritius is being executed through Binani Infrastructure (Mauritius) Ltd, a wholly owned subsidiary of BIL Infratech Ltd. Land for the project has been acquired from the Mauritius Port Authority (MPA). Environment Impact Assessment (EIA) study has been completed. Environmental clearance application is pending with the Mauritius Authorities. It is expected to be cleared once the Environmental Tribunal at Mauritius finally decide the objections filed by certain local Cement Industries.

2.1.6 Future Plans

Lignite Project at Nimbri Chandrawatan in District. Nagaur, Rajasthan

The Government of India allocated lignite block (56.4 sq. km) in Dist: Nagaur, Rajasthan on 7th February, 2007 for use of lignite as raw material for captive power generation. Company has acquired 72 Hectare of private land within the mining lease area and also requested

the State Government to assist in acquiring remaining private and Government land for the integrated project.

The Public hearing for the mine and 120 MW Pit Head Power Plant has been successfully completed. The recommendations have been forwarded to the Secretary State Pollution Control Board by Regional Officer, Jodhpur. Formal approval from MoEF, Government of India and State pollution Control Board is awaited.

Cement Project at Sutrapada, District, Junagad in Gujarat.

The Company proposes to set up a Greenfield Cement plant of 5.0 million tons per annum capacity at Sutrapada in Saurashtra, Gujarat. After a long delay, Government of Gujarat (GoG) announced the new mineral policy for Saurashtra and also notified the ML (Mining Lease) blocks in Saurashtra area. Company has applied for ML to the GoG on the basis of the new mineral policy and our request for the grant of ML blocks is under consideration of GoG. Further work on the project will be started after grant of ML.

Cement Grinding Unit, Orissa

The Company has plans to install one million TPA split grinding unit in Orissa. Order for project preplanning has been given to M/s. BIL Infratech Limited. In-principle approval for the acquisition of land has been granted by the Government. Acquisition of land is under progress. Process for EIA study and other statutory compliance is under progress. Basic system engineering has been done and finalization of technical specification is under progress.

2.1.7 Internal Control System

The management maintains adequate internal controls commensurate with the nature and size of operations of the Company which is designed to provide reasonable assurance that assets are safe-guarded, transactions are correctly executed and recorded in accordance with managements' authorization, applicable accounting standards and selected accounting policies which are being applied consistently. After implementation of "SAP" software in previous years at its works and in marketing functions, the Company has successfully implemented plant maintenance and Human Capital Management (HCM) and payroll system to further enhance the Internal controls. Also SOP document will be implemented shortly to document the standard practices. During the year, the Company has framed Risk Management policy and created a detailed Risk Register to identify key risks and safeguard measures to reduce

consequent impact. The Company has adequate Internal Control System which are evaluated periodically by the Internal Auditors.

The Company's internal control system provides high level of system based checks and controls. Regular internal audits and checks ensure that responsibilities are executed efficiently. The Audit committee of Board of Directors reviews the adequacy and effectiveness of internal control system and suggests improvement for strengthening them from time to time.

2.1.8 Opportunities/ Risks/ Threats/ Concerns

Opportunities

The growth of Cement Industry is directly linked with the growth of infrastructure sector. With a large percentage of Indian population being below the age of 25, the construction activity is expected to make a significant contribution in the context of growing housing needs, development of roads and other infrastructure projects etc. Despite second fastest growing economy in the world, per capita cement consumption is very low leaving large room for growth of Industry.

The Company, with its brand image, large dealer network and one of the major supplier of Cement in Rajasthan and Gujarat will witness continuous growth. The requisite boost to the industry will be given by increased Govt. / Pvt. Sector spending on infrastructure to achieve double digit GDP growth and Government's thrust in low cost housing.

Threats, Risks and Concerns

Despite a strong demand growth forecast of 10-11% in the next 3-4 years, relatively higher capacity addition in the near future and increased cost of inputs, fuel, and logistic, upward revision in interest rates may put pressure on the bottom-line in the short to medium term.

2.1.9 Recognition & Rewards

During the year 2010-11, the Company has been conferred with the following awards / recognitions :

National Award for Prevention of Pollution 2008-09 by the Ministry of Environment and Forests, in recognition for Company's commendable efforts towards conservation of energy and water, reduction in waste generation and protection of the environment through use of innovative practices.

National Award for Excellence in Water Management by the Confederation of Indian Industries (CII) in recognition

of Company's outstanding contribution towards consistent reduction in water conservation, groundwater replenishment and implementing innovative water saving schemes during the year 2009-10.

Safety Innovation Award – 2010 by the Institute of Engineers in recognition for Company's efforts towards inculcating behaviour based safety culture, reducing the risk of injuries & ill health to its employees as well as surrounding communities and overall improvement in OHS.

Greentech Environment Excellence Gold Award which is third in a row, for Company's notable contribution towards prevention and control of pollution and overall improvement in the quality of environment.

Certificate of Excellence, Best Employer 2009 given by Employees Association of Rajasthan, Jaipur for Company's commendable efforts towards improving employee-employer relations.

FE-EVI Green Business Leadership Award – 2010 for being the best performer in terms of environmental management in Cement Industry.

Most Useful presentation Award (National Award for Excellence in Water Management) -The award was given for making an outstanding presentation, showcasing the best water conservation practices, methods and technologies.

2.1.10 Corporate Social Responsibility

The Company continues to focus on upliftment of the surrounding community through various programmes like provision of food and shelter, closed toilets, use of smokeless stoves to motivate the villagers towards plantation with a view to divert them from deforestation, provision of training to adivasis on stitching of traditional dresses which can be sold to consumers through cooperative societies and cattle and poultry development. The above programmes are being carried in partnership with M/s. RBKS, an NGO. The programme will not only improve life style of target villagers but also cater to their financial needs.

The Binani Ladies Club regularly contributes towards community development and charity through distribution of school uniforms, books, clothes and blankets to needy tribal people.

2.1.11 Human Relations/ Industrial Relations

The leadership position attained by the Company over the years is due to the dedication and commitment of its employees. The Company firmly believes that

its employees play a vital role in the success of the organization. During the year, major emphasis was laid on talent acquisition and enhanced competency of the employees in order to meet challenges of global competition.

The Company has nurtured a strong learning & performance oriented driven environment by providing training and practical exposure to employees. This reflects in the fact that on an average 3.80 man days per person have been spent on training during the year.

Employee/Industrial Relations have been cordial during the year. The Company enjoys a very healthy relationship with workmen and union which is authenticated by zero man day's loss due to IR problem for two consecutive years.

Total employee involvement culture has been promoted across the organization by introducing best employee of the month award which encourages grass root level employees to come up with innovative ideas for enhancing the bottom line. Besides this, nearly three number of QC are running very effectively. Company has won various State and National level awards.

2.1.12 Subsidiaries of Binani Cement Limited(BCL)

BCL's Subsidiaries and step down subsidiaries are operational in various parts of the globe. Summarised financial performance of all these subsidiaries and step down subsidiaries are given in the Annual Report of BCL and also in the Annual Report of the Company.

2.2. BINANI ZINC LIMITED (BZL)

2.2.1 Industry Overview

The demand for zinc in India is estimated at approx 600 KT and growing at around 8% CAGR. The major consumption is in steel galvanizing, though sectors like alloys are showing impressive growth. With the huge investments in the infrastructure segment planned in the Country, the zinc market is poised to grow further. The average zinc price in the London Metal Exchange (LME) was approximately \$2,185 during 2010-11. Import duty on zinc stands at 5% and duty on concentrate remained at 2% until it was revised in the recent Union budget to 2.5%.

Per capita consumption of zinc in India is low compared to developed Countries. The projected demand for zinc metal in the Country is also high. With increasing demand and high zinc prices, the company is expected to perform well in the coming years.

2.2.2 Review of Operations

(Rs in Lacs)

Particulars	2010-11	2009-10
Net Sales & other Income	41,529	39,528
EBIDTA	758	2,512
Cash Profit/(Loss)	(296)	1,726
Profit/(Loss)before Tax	(1,156)	505
Profit/(Loss) after Tax	(857)	169

2.2.3 Future Plans

The Company plans to enhance its production capacity to 100 kty and also enter into mining space for raw material security. Company has already invested in a Mining Company in Australia in lieu of first right of refusal for 65% of Zinc Concentrate for the mine. Techno-Economic feasibility study to look at the possibility of Investment/acquisition of mines in other territories is under progress.

The Company has entered the domestic die cast alloy market and plans to increase its presence in the coming years. It is also working in bringing other value added products of zinc into the market.

The Company plans to become a low cost producer of zinc. Towards meeting this end, the company has embarked upon a series of improvement initiatives in its operations. These are expected to fetch returns soon.

2.2.4 Strengths/Opportunities/Threats/Risks/Concerns

The major external factors that can have a significant bearing on the company's performance are –

- Fluctuation in zinc prices
- Enhanced metal supply in market
- Raw material availability

The company has drawn up a comprehensive plan to mitigate the perceived threats.

Price fluctuation: Prices are expected to remain volatile in the coming year also. However, the company has attained sufficient expertise in hedging to safeguard itself from wide fluctuations in zinc price.

The company has a good spread of Sales Depots in the Country that can ensure market for its product.

The Company's product quality and brand equity are well accepted in the market. Focus on value adds have brought improved margins and new customers. The IT network is being strengthened by linking all selling agents.

The Company has long term contracts with suppliers of raw material for the coming years. This ensures around 75% of its requirement of zinc concentrate in 2011-12. Investments in mines through its wholly owned subsidiary RBG Minerals Industries Ltd. and BZ Minerals (Australia) Pty Ltd will help to ensure continuous availability of raw material in the long term.

2.2.5 Internal Controls relating to accounting system

The company has adequate internal control systems. External agency has been appointed for periodic internal audit of the Management systems.

2.2.6 Human Resource Development / Industrial Relations

Industrial relations during the year was cordial. With the present 4-year productivity based Long Term Settlement (LTS), more workplace re-organisation and attendance-based payments were achieved through this LTS. A win-win situation in the industrial relations space in the Company is being maintained.

Safety, occupational health and environment (SHE) topped the agenda of the Company employees. Our efforts in this area were recognized and Binani Zinc bagged 6 state level safety awards from Government of Kerala and National Safety Council during this year.

Focused training programmes on topics/ areas assessed were undertaken principally for knowledge and skill upgradation of operatives, Management Development, and Change Management programme for specific target groups. Internal trainers also played an effective role. Management Workshops on 'Personal & Professional Effectiveness' and 'Hazard and Operability Studies' rendered better results this year. Average time spent on learning & development this year rose to 4.34 man days per employee.

2.2.7 Corporate Social Responsibility

Corporate Social Responsibility is all-pervasive, mainly through the launch-pad of Ghanshyam Binani Occupational Health Centre and Ghanshyam Binani Community Hall. This year also, Ghanshyam Binani Occupational Health Centre (GBHC) catered to the health care / medical advice needs of employees, their families, community around, besides rendering annual health

check up service to employees of several industries around.

GBHC, in partnership with Indian Medical Association and National Safety Council, conducted State Level First Aiders training programme this year; thus completing a total of 11 batches and training a total of 392 industrial employees across industries in Kerala.

GBHC serves the community, employees and their family members through health talks, multi- speciality medical camps and medical specialists' camps. GBHC continued to be recognised as "Centre of Public Health Importance" this year also. Medical and nursing students regularly visit here and through their extension service wings, serve the community and school students. This year GBHC also organised health screening camp for contract workers with the assistance of ESIC, a total of 220 contract workers were covered.

Empowerment programmes for the children, women and the aged are regularly conducted and annual camps are organised focusing on the personality development of school children. Assemblage in the Pakalveedu on all Tuesdays have become an active part of the 43-odd old-aged of the community, where the meaningful presence of the Chief Medical Officer, and at times, by Company officials are cherished by the inmates.

Rotary Binani CSR award was constituted with a view of encouraging and inspiring other corporate to take up CSR activities.

This year also, Company's partnership interventions continued for the Binanipuram Government High School students, where the SSLC students bagged 100% results, thus repeating history in the fourth year in succession. The Company's association with Government Hospital, Binanipuram continued this year also.

2.2.8 AWARDS / RECOGNITIONS

BZL has won the following National, Regional and State Level awards and accolades:

- Green Tech Environment Excellence Award in minerals and mining sector – 2010
- Excellence Award – 2010 from the Kerala State Pollution Control Board, among large-scale industries.
- 6 State level safety awards from Government of Kerala and National Safety Council during this year.

2.3. GOA GLASS FIBRE LIMITED (GGFL)

2.3.1 Industry Overview

The key drivers for growth of the industry are Infrastructure, Automobile, Wind Energy and Building Construction sectors. In the current year the Chinese imports have come down and prices are looking upward. This has resulted in higher sales revenue and better realizations of domestic and export, in the current year.

FINANCIALS

(Rs. Lacs)

Particulars	2010-11	2009-10
Gross Sales & Related Income	10,378	5,783
EBIDTA	1,091	(857)
Interest and Finance Charges	942	695
Cash Profit / (Loss)	149	(1,552)
Depreciation	1,238	994
Net Profit / (Loss) before Tax	(1,089)	(2,546)
Net Profit / (Loss) after Tax	(1,089)	(2,519)

2.3.2. PERFORMANCE REVIEW:

Operations:

During the year under review, the Company has produced 12,497 MT. Introduced a new product called "wet used chopped strands" for Tissue manufacturing.

Sales:

During the year, Company sold 14,429 MT with a revenue of Rs. 10,378 Lacs as compared to sales of 8,290 MT and revenue of Rs. 5,783 Lacs in the previous year. The finished goods inventory has been brought down from 2,779 MT to 847 MT by liquidating 1,932 MT of finished goods inventory of last year.

2.3.3 Future Prospects

The Company has initiated steps to reduce cost of production by increasing the production capacity of Glass Fibre products to the optimum level of the Furnace capacity of 19,640 MT per annum which is expected to result into better profitability.

2.3.4 SWOT ANALYSIS

Strengths

GGFL has a committed work force with best HR initiatives. The Flagship product Chopped Strand Mat (CSM) of the Company is continued to be well accepted in the Global Market.

Weakness

The under utilization of Furnace capacity, which is now planned to increase its capacity utilization in the current year.

Opportunities

There are many opportunities in the product portfolios especially Direct Roving related Weave Products for specialized and critical applications. Tie up with OEM's shall provide opportunity to GGFL to increase reach and end-use of product. Due to rise in demand of Glass fibre, additional capacity will enable the company to reap the benefit of economies of scale to remain competitive in the market.

Threats

The new large capacities in Middle East and China shall make the Company's operations uncompetitive as the fuel cost in those countries is much lower than in India. Further, non up gradation of technology shall make the company's operations unviable.

2.3.5 HUMAN RESOURCES / INDUSTRIAL RELATIONS

Industrial relations continued to be harmonious with the active participation of the Union in all programmes. Various training programmes were identified in technical and behavioral traits.

As a part of corporate social responsibility, educational program with respect to safety, health and environment was organized in nearby village Colvale where the Company also conducted free medical camps.

2.4. BT COMPOSITES LIMITED (BTCL)

2.4.1 Financial Performance

(Rs in Lacs)

Particulars	2010-11	2009-10
Net Sales and Other Income	586.75	453.32
Profit before Depreciation & Amortisation and Interest	11.26	35.30
Interest and Financial charges	0.77	1.01
Depreciation & Amortisation of Miscellaneous Expenses	71.80	72.86
Net Loss before Extraordinary Items and Tax	(61.31)	(38.57)
Extraordinary Items	215.99	0
Provision for Taxation	0	0
Net Profit / (Loss) for the year	(277.31)	(38.57)
Loss brought forward	(1,047.04)	(1,008.47)
Loss carried to Balance Sheet	(1,324.35)	(1,047.04)

2.4.2 Review of Operations

During the year under review, the products manufactured by the Company were very well received in the markets. The net Sales and other income was at Rs. 586.75 Lakhs compared to Rs.453.32 Lakhs in the previous year. During the year, sales of SMC Moulded Products were higher at 273 MT compared to 215 MT in the last year.

During the year, prices of raw materials (mainly resins), wages have gone up steeply, but the said cost increase could not be passed on fully to our customers due to severe competition. As a result, EBIDTA for the year was at Rs. 11.26 Lakhs compared to Rs. 35.30 Lakhs last year.

The Company has carried out various process improvements to upgrade the quality of the products. Efforts have been put in upgrading the raw material selection and testing procedures to ensure consistency and reliability of supplies.

The Company is also exploring the possibility of exporting the Company's products for which actions have been initiated to develop export market.

2.4.3 Future Prospects

The Company has been able to focus on private construction companies and South Central Railways.

The Company has been able to achieve good result of RCC/Steel tank conversion to SMC (GRP) panel tanks in SC Railways and North Eastern Railways. Presently, Company is focusing on expanding sales operations in Gulf countries where awareness of SMC (GRP) has already been established.

The Company is working towards improving the production process, obtaining new technology in order to reduce its cost, improve productivity and quality of products apart from new products development.

2.5. WADA INDUSTRIAL ESTATE LIMITED (WIEL)

2.5.1 FINANCIAL RESULTS

(Rs in Lacs)

Particulars	2010-11	2009-10
Other Income	0.33	0.71
Loss before extraordinary item and tax	(24.14)	(19.36)
Loss brought forward from last year	(421.92)	(402.56)
Balance Carried to Balance Sheet	(446.06)	(421.92)

2.5.2 Review of Operation

The Company is evaluating options for the effective use of the land for developing it for commercial activities.

During the year under review, the Company has earned an income of Rs.0.33 Lacs compared to Rs.0.71 Lacs in the previous year and has incurred a loss of Rs.24.14 Lacs compared to loss of Rs. 19.36 Lacs in the previous year.

2.6. ESS VEE ALLOYS PRIVATE LIMITED (ESS VEE)-[Wholly Owned Subsidiary of Binani Zinc Limited].

2.6.1 Financial Performance

During the year under review, Binani Zinc Limited(BZL) sold its 100% investment held in Ess Vee Alloys Pvt. Limited to Binani Metals Limited (a Group Company) based on independent valuation report and it is no more a subsidiary of Binani Zinc Limited.

2.7. R.B.G.MINERALS INDUSTRIES LIMITED-[Wholly Owned Subsidiary of Binani Zinc Ltd.]

2.7.1 Review of Operations

The present status of Deri, Basantgarh and Ambaji mines are as follows:

Deri Mine

In the last Annual Report it was reported that revaluation of asset is being carried out through Indian Bureau of Mines (IBM), Nagpur. The report of IBM has since been received and is under consideration of the Rajasthan State Mines & Minerals Ltd (RSMML). Once RSMML accepts the valuation, the Mining Lease will be transferred in favour of the Company.

Basantgarh Mine

All requisite formalities including execution of Mining lease with the Company has been completed. The mining operations of Basantgarh Mine will commence only after transfer of other mines viz. Ambaji and Deri mines.

Ambaji Mine

In the last Annual Report it was reported that GMDC had invited a Global tender from International Consultants for revaluation of Ambaji Mine assets. On completion of the formalities, GMDC agreed that the operations of the Ambaji Mine would be conducted as a Joint Sector with the Company and transfer the mining lease to

the Joint Sector on approval. In March 2010, GMDC approved the Joint Venture proposal and also for setting up of Beneficiation Plant based on Ambaji, Deri and Basantgarh Mining Lease. GMDC has awarded the work of asset valuation of Ambaji Mine to Indian Bureau of Mines(A Government of Undertaking).The Joint Venture proposal will be submitted to the Government for approval once the valuation is completed.

Land Acquisition & Statutory Clearances of all Mines

The Land required for all the Mines have been acquired. Necessary statutory clearances for all the Mines have also been obtained.

Beneficiation Plant

Land for the Beneficiation Plant has been acquired. Necessary Statutory Clearance for setting up of the Plant has been obtained. Basic Engineering has been completed by Lyntek; USA. Revised bids for supply of equipments, detailed engineering, erection and commissioning of the plant has been received. The Plant is expected to be completed within 18months from the date of financial closure.

2.7.2 Water Dam

The Chief Engineer, Department of Water Resources, Jaipur has accorded approval for construction of dam.

2.8. BINANI ENERGY PVT.LIMITED -[Wholly Owned Subsidiary of Binani Zinc Ltd.]

2.8.1 FINANCIAL RESULTS

(Rupees)

Particulars	2010- 11	2009- 10
Interest Income/Sales	21,388	18,918
Profit/(Loss) before Tax	8,326	12,772
Provision for Tax	2,573	3,947
Profit / (Loss) after Tax	5,753	8,825
Balance of Profit / (Loss) b/f	2,41,491	2,32,666
Balance Carried to Balance Sheet	2,47,244	2,41,491

2.8.2 BUSINESS REVIEW AND CHANGE OF NAME

The Board is evaluating various options to undertake business relating to generation and / or distribution of electricity.

2.9 BINANI READY MIX CONCRETE LIMITED[Wholly Owned Subsidiary of BIL]

2.9.1 FINANCIAL RESULTS

(Rs in Lacs)

Particulars	Year ended 31.3.2011
Net Sales & Other Income	208.18
Profit/Loss before Depreciation, Amortisation and Interest	(17.76)
Interest and Financial Charges	-
Net Loss before Depreciation and Tax	(17.76)
Depreciation	0.39
Net Profit/ Loss for the year before Tax	(18.15)
Net Profit/ loss for the year after Tax	(18.15)

2.9.2. Performance Review

The Company was incorporated on 1st December, 2010 as a wholly owned subsidiary of Binani Industries Ltd for manufacture of Ready Mix Concrete, aggregates etc. This is the Company's first year of operation. During the 4 months of operation, the company could not commence production of Ready Mix concrete and aggregates but commenced selling Ready Mix Concrete (RMC) by getting the same manufactured on job work basis since January 2011. Sales during the year was 4,707 Cum.

2.9.3. Industry Overview

According to Crisil, The Ready Mix Concrete(RMC) market is expected to grow at 18% CAGR over the next five years. The current market size is estimated at about 48 – 50 Million Cum (Rs. 150 – 160 billion). It is estimated that by 2014-15, the demand for RMC will grow to about 105 – 110 Million Cum (Rs. 395 – 400 billion). The demand for RMC will be mainly driven by infrastructure projects like roads, flyovers etc and real estate (led by housing) in the metropolitan region and Tier I cities. As the market size grows, there will be competition for the market pie from both large cement manufacturers setting up RMC business and small players in the segment. A number of cement manufacturers are already in the process of commencement of RMC business to capture the market share.

2.9.4. Future Plans

The Company has plans to set up:

- RMC plants on pan India basis
- R&D centre to develop new and value added products
- Regional laboratories to support RMC Business.

The company is in the process of hiring experienced

people to service the customer and to provide high quality product & service.

2.10 BIL INFRATECH LIMITED [Wholly Owned Subsidiary of BIL]

2.10.1 Financial Performance

(Rs in Lacs)

Particulars	Period from 29-07-2010 to 31.03.2011
Turnover	561.92
Loss before, Depreciation, Interest, extraordinary items and Taxation.	1.70
Provision for Depreciation	2.87
Loss before interest, extraordinary items and Taxation.	1.17
Interest and Financial Charges	1.98
Loss before Exceptional items and Taxation	3.15
Provision for Taxation including Deferred Tax	Nil
Loss after Tax but before extraordinary items	3.15
Extraordinary items	Nil
Loss for the year	3.15
APPROPRIATIONS/ADJUSTMENTS	
Transfer to General Reserve	Nil
Proposed Dividend	Nil
Tax on Dividend	Nil
(Loss) brought forward from last year	Nil
Adjusted with credit balance of General Reserve	Nil
(Loss) carried to balance sheet	5.66

2.10.2 REVIEW OF OPERATIONS

The Company commenced its operations from October, 2010 at Kolkata. To begin with, the Company was entrusted with the Group's Project viz. 1 MTPA Cement Grinding Plant at Mauritius, 1 MTPA Cement Grinding Plant at Orissa, 1 x 55 MW Power Plant at Damleij. The Company undertook the work of pre-feasibility report, feasibility report and initiated action in design engineering and pre-project activities for the aforesaid projects. The company expects to commence the project activities for Orissa Grinding Plant and the Power Plant at Nimbri sometimes between September/October, 2011.

During the period from 15-12-2010 to 31-03-2011, the Company's wholly owned subsidiary, Binani Infrastructure (Mauritius) Ltd. has earned a net profit of MUR 163,671 after providing for MUR 38,762 towards Income Tax on a turnover of MUR 9,525,703.

2.10.3 FUTURE PROSPECTS

The Company has initiated action to secure projects on EPC basis outside the Group as well. The Company has

already secured an order from JSL Stainless Limited for a sum of Rs. 11.67 crores for civil construction of their Coke Oven factory at Kalinga Nagar. The order from Vedanta Alumina for their Alumina Handling Plant at Kakinada for a value of Rs. 56.25 crores and order from NPCC for building the boarder outpost valued at approximately Rs. 5 crores are expected to be received shortly. Tenders for various projects worth about Rs. 500 crores have been submitted. The Company expect to secure orders of at least Rs. 100 crores in the next financial year and expect to execute at least Rs. 50 crores worth project in addition to the Group's project work.

3. Dividend

In view of the overall performance, prospects and income earned during the year, your Directors recommend a dividend @30%(Rs.3/- per Equity Share of Rs.10/- each), the outgo on dividend will be Rs.888 Lacs.

4. Directors

In accordance with Article 100 of the Articles of Association of the Company, Mr. N.C.Singhal and Ms. Nidhi Singhania, Directors retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment. Your Directors recommend re-appointment of Mr. N.C.Singhal and Ms. Nidhi Singhania as Directors on the Board of the Company.

During the year, the Board of Directors appointed Mr. Jitender Balakrishnan as an Additional Director on the Board. Mr. Jitender Balakrishnan holds office upto the date of the ensuing Annual General Meeting. Company has received a notice from a Shareholder along with a deposit of Rs.500 proposing the appointment of Mr. Jitender Balakrishnan as regular Director at the ensuing 48th Annual General Meeting of the Company. Your Directors recommend appointment of Mr. Jitender Balakrishnan as regular Director on the Board of the Company.

5. Auditors' Observations

The management response to the Auditors observations in the consolidated Balance Sheet in respect of Binani Zinc Limited is given below.

5.1 Binani Zinc Limited (BZL)

Regarding the pre-82 tariff concession, as clarified in Note No. 10 of Schedule 16 (Notes to Accounts), the management is of the view that the Company is entitled to the concession which is sub-judice and hence no provision has been considered necessary.

6. Exit opportunity to the shareholders of Binani Cement Limited

During the year, the Company had given exit opportunity to the public shareholders of Binani Cement Limited (BCL) for the acquisition of equity shares under the SEBI (Delisting of Equity Shares) Regulations, 2009, (Delisting Regulations). The delisting offer was successful

and the Company received 268 valid bids from BCL Shareholders for 4,73,58,222 shares. The Company has acquired shares of BCL at the price of Rs, 90/- which was determined through the reserve book building process and paid the entire consideration to the shareholders of BCL who had bid in the reverse book building process in terms of the delisting regulations. Consequent upon the success of the offer, the shareholding of the Company in BCL has increased to 95.01% of the total paid up and issued sharecapital of BCL.

7. Auditors

The Statutory Auditors, M/s. Kanu Doshi Associates, Chartered Accountants, hold office upto the conclusion of the forthcoming Annual General Meeting and have offered themselves for re-appointment. They have confirmed that, if reappointed, their appointment will be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. Your Directors recommend their re-appointment as Statutory Auditors of the Company.

8. Subsidiary Companies

The Statement pursuant to Section 212 of the Companies Act 1956, relating to Company's subsidiaries and step down subsidiaries are annexed to this report.

The Audited Accounts of the aforesaid Companies along with the report of the Board of Directors and the Auditors Report thereon which are required to be attached with the Annual Report of the Company have not been attached as the Board of Directors have given consent not to attach the Annual Accounts of the Company's Subsidiaries and step down subsidiaries with the Annual Accounts of the Company in accordance with the Ministry of Corporate Affairs, Government of India circular No. 2/2011 dated 8th February, 2011 under Section 212 of the Companies Act, 1956.

9. Particulars under Section 217 of the Companies Act, 1956

The Statement of particulars under Section 217(1) (e) relating to Conservation of Energy and Technology Absorption and activities relating to Exports etc. are not applicable to the Company. Details of foreign exchange earnings and outgo are annexed to this report. The Statement of particulars of employees under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 (as amended) is annexed herewith and form part of this report.

10. Corporate Governance

In accordance with Clause 49 of the Listing Agreement, your Company has ensured continued compliance of Corporate Governance requirements during the financial year. Your Company lays strong emphasis on transparency and independent supervision to increase various Stakeholders' value.

The Report on Corporate Governance for the financial year 2010-2011 is given as a separate Section titled "Corporate Governance Report". As required under the said clause, a certificate from the Practicing Company Secretary, M/s. Uma Lodha & Associates has been obtained. The Certificate is appended herewith and form part of this report.

11. Management Discussions & Analysis

The Management Discussion and Analysis form part of this report.

12. Fixed Deposit

During the year, your Company has neither invited nor accepted/renewed deposits from the public within the meaning of Sections 58A, 58AA and other applicable provisions of the Companies Act, 1956.

13. Directors' Responsibility Statement

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

- a) in the preparation of the annual accounts, all applicable Accounting Standards have been followed and proper explanation relating to material departures, if any, have been furnished;
- b) accounting policies as listed in Schedule 12 to the financial statements have been selected and consistently applied and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2011 and of the Profit of the Company for the Accounting Year ended on that day;
- c) proper and sufficient care for the maintenance of adequate accounting records has been taken in accordance with the provisions of this Act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities; and
- d) the annual accounts have been prepared on a going concern basis.

14. Internal Control System and their Adequacy

The Company and its all subsidiaries have adequate internal control systems which are evaluated periodically by the Internal Auditors and the systems are adequate commensurating with the operations of each of the Companies.

15. Acknowledgement

Your Directors acknowledge the assistance and co-operation received from the concerned departments of the State and Central Government, Financial Institutions, Banks, Customers, Selling Agents, Dealers, Distributors, Employees at all levels and the Shareholders.

For and on behalf of the Board

Mumbai
22nd April, 2011

Braj Binani
Chairman

ANNEXURE TO DIRECTORS' REPORT

Companies [Disclosure of Particulars in the Report of the Board of Directors] , Rules 1988:-

Particulars in respect of (a) Conservation of Energy (b) Technology Absorption and (c) Activities relating to exports etc. are not applicable to the Company.

The Company has not earned any foreign exchange during the year under review. The Foreign Exchange used during the year was Rs.196.09 Lacs (Previous Year Rs. 36.34 Lacs).

Statement of Particulars of Employees under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975(as amended)

Sl. No.	Name	Age (Years)	Designation / Nature of Duties	Remuneration Received (Rs.Lakhs)	Qualification	Exp. (Year)	Date of commencement of Employment	Previous Employment	
								Post Held	Name of Previous employer
1	Alok Agarwal	57	Sr.ED(GSP)& M&A	98.43	FCA, MBA	34	9.05.2009	Director	PT.Holicim (Indonesia)Tbk
2	Gautam Ray	52	CFO (RMC Divn.)	27.28	CA	25	15.12.2010*	CFO & Member of Board	Lafarge Aggregates & Concrete India Pvt.Ltd.
3	Ibrahim Ali	77	Advisor	60.00	B. Tech, Diploma in Operations Management,	54	1.4.2008	Director (Projects)	Hindustan Zinc Limited
4	M.K. Chattopadhyaya	54	ED & Group CFO	98.94	B.Com (Hons.), FCA, FCS,LLB	29	12.7.1999	Secretary-cum-Chief Accountant	Triveni Glass Ltd. Kolkata
5	Pradeep Pande	56	ED-HR & Admin	41.94	B Sc,LLB,MLS Dip.Tra.& Dev.	32	04.11.2010*	President Corporate HR	Ispat Industries Ltd, Mumbai
6	R.Venkiteswaran	56	CFO-Group Control Accounts	44.42	FCA, FICWA	31	20.09.2010*	Director(Fin.)/CFO(Corp)	MFAR Group Cochin/Chennai/Bangalore
7	Raj K Poddar	58	Business Head – RMC/GGFL /BTCL	52.67	CA – Diploma in Material & Strategic Management	36	15.09.2010*	Dy.MD	Mehta Group, Mumbai
8	Rajesh Mohan	50	Joint President-IT& Systems	54.29	B.Tech, Mechanical Engg.	24	28.05.2010*	VP-Customer Care	3i Infotech Ltd, Dubai-UAE
9	S.S.Khandekar	64	ED(Proj.Corp)	39.50	B. Tech, IIT	41	1.4.2008*	Wholetime Director	Binani Cement Limited
10	Sushil Bhattar	54	ED (Spl.Projects)	80.65	B.E(Hons.) (Chem.)	32	1.4.2009*	MD	Binani Industries Ltd.
11	Sunil Sethy	60	Exe Vice Chairman & MD	152.70	FCA	36	10.11.2008	Corporate Director	Acme Telepower Limited

*Employed for part of the year

Note:

- Gross Remuneration shown above is subject to tax, and comprises salary, allowances, monetary value of perquisites and Company's contribution to Provident Fund.
- The nature of employment of all the employees as above are contractual except that of Mr. Gautam Ray, Mr. M.K.Chattopadhyaya, Mr. Rajesh Mohan and Mr. Sushil Bhattar whose appointments are on Regular basis.
- None of the above employees are relatives of the Directors of the Company.

For and on behalf of the Board

Place : Mumbai
Date : 22nd April, 2011.

Braj Binani
Chairman

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy

Good Corporate Governance is the adoption of best business practices which ensures that the Company operates within the regulatory framework. The adoption of such Corporate Governance practices ensures accountability of the persons in charge of the Company on the one hand and brings benefits to investors, customers, creditors, employees and the society at large. The Company believes in practicing excellent Corporate Governance practices and endeavours continuously to improve on these practices.

2. Board of Directors

a) Composition

Presently, the Company's Board comprises of 7 Non- Executive Directors and 1 Executive Vice Chairman & Managing Director. Out of 7 Non- Executive Directors, 5 are Independent Directors. The Board Members possess the required skills, experience and expertise necessary to guide the Company.

b) Number of Board Meetings

During the year, the Board met 8 (Eight) times on 6.4.2010, 23.4.2010, 27.7.2010, 6.10.2010, 22.10.2010,15.01.2011,28.01.2011 and 22.03.2011. .

c) Directors' attendance record and Directorship in other Public Limited Companies.

The Composition of the Board of Directors and their attendance at the meetings of the Board held during the year ended 31st March,2011 and at the last Annual General Meeting and also the number of Directorship held in other Companies and Chairman/ Membership of the Committee held by them in other Companies are as follows:

Name of the Director	Category	No. of Board meetings attended (Total No. of Meetings held - 8)	Whether attended Last Annual General Meeting	No. of Directorship in domestic public companies (including this Company)		No. of Committee * memberships in domestic public companies (including this company).	
				As Chairman	As Director	As Chairman	As Member
1	2	3	4	5	6	7	8
Mr Braj Binani	Non- Executive Promoter	5	Yes	5	-	-	3
Mr Sunil Sethy	Executive Vice Chairman & Managing Director	7	Yes	-	2	-	4
Mr S. Padmakumar	Non- Executive Independent	7	Yes	-	5	8	8
Dr V.C.Shah	Non- Executive Independent	8	Yes	-	5	3	9
Mr A.C. Chakrabortti	Non- Executive Independent	6	Yes	4	8	3	4
Mr N.C.Singhal	Non- Executive Independent	7	No	3	8	7	4
Mr. Jitender Balakrishnan (w.e.f 27.7.2010)	Non -Executive Independent	5	--	-	13	2	1
Ms Nidhi Singhania	Non- Executive Promoter	2	No.	-	3	-	-

*None of the Directors is a member of more than ten Board Committees or a chairman of more than five such committees, as required under clause 49 of the Listing Agreement of the Mandatory Committees.

3. Audit Committee

a) Composition

The Audit committee comprises of Mr S. Padmakumar as Chairman and Dr V.C Shah and Mr A.C.Chakrabortti, as members. All the three members of the Audit Committee are independent directors. The Composition of the Committee is in conformity with clause 49 (II)(A) of the Listing Agreement.

All the members of the Audit Committee are financial experts.

The Executive Vice Chairman & Managing Director, Executive Director - Group Chief Financial Officer, CFO –Group Control Accounts and General Manager (Internal Audit) attend all the meetings of the Audit Committee. Representatives of the Statutory Auditors and Internal Auditors are invited to attend the meetings.

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

b) Terms of reference, powers and role of the Committee

The terms of reference of the Audit Committee including its role and powers are as specified in clause 49 of the listing agreement with the stock exchanges, and also in accordance with Section 292 A of the Companies Act, 1956 as amended from time to time, besides other terms as may be referred to it by the Board of Directors.

c) Number of Committee meetings and attendance

The Audit Committee met 4 (four) times during the year under review on 22nd April, 2010, 26th July, 2010, 21st October, 2010 and 27th January, 2011. The gap between two meetings was not more than four months. The Chairman and all the members of the Audit Committee attended the last AGM.

The attendance record of the members of the Audit Committee during the year under review is as under:

Name of the Director	Status	No. of Meetings held	No of Meetings attended
Mr S. Padmakumar	Chairman	4	4
Mr A.C Chakrabortti	Member	4	4
Dr V.C. Shah	Member	4	4

d) Review of Information by the Audit Committee

The Audit Committee is responsible for the financial reporting and ensuring compliances with accounting standards and reviewing financial policies of the Company and to recommend the appointment of Statutory Auditors and Internal Auditors and their fees. The Committee examines in detail the reports of the Internal Auditors of the Company as well as those of the subsidiaries. The Committee reviews the risk management reports on quarterly basis. The Committee also reviews all the unaudited quarterly Financial Results and the audited results including that of Subsidiaries and consolidated financial statements before submission to the Board.

4. Remuneration Committee

a) Composition

The Remuneration Committee comprises of 3 (Three) members, all being Non- Executive Independent Directors. Mr S.Padmakumar is the Chairman of the Committee. The other Members are Mr A.C Chakrabortti and Dr V.C Shah.

b) Terms of Reference

The Committee reviews and recommends the salary and service agreement of Managing Director and other Executive Directors; if any, to the Board.

c) Number of Meetings held and Attendance Record

During the year under review, no meetings were held. .

d) Remuneration Policy and Remuneration of Directors

The Managing Director is paid remuneration as approved by the Board of Directors on the recommendation of the Remuneration Committee. The remuneration so paid is subject to the approval of the shareholders and Central Government and such other authorities as may be required.

The details of the remuneration paid to Mr. Sunil Sethy, Executive Vice Chairman & Managing Director as per his remuneration approved by the Shareholders and the Central Government for the year 2010-11 is given below :

Basic Salary	: Rs. 1,10,64,000 P.A (including arrears of previous Year
Perquisites	: Rs. 47,22,323 P.A (HRA & Car Allowance)
Bonus & Stock Option	: NIL
Pension, Provident Fund & Gratuity	: Nil.

The Non Executive Directors are remunerated by way of sitting fees, as decided by the Board of Directors of the Company from time to time. Mr. N.C.Singhal and Mr. A.C.Chakrabortti, Non-Executive Independent Directors, are being paid Commission as per the Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting held on 15th February, 2008, and the approval of the Central Government has been obtained. The Central Government has approved the payment of commission of Rs. 5 lakhs each for the financial year 2010-11 to both Mr. N. C. Singhal and Mr. A. C. Chakrabortti.

Mr. Braj Binani, Chairman is not in receipt of any Salary/ perquisite or Commission from the Company or any of its Subsidiary Company with effect from 1.4.2005.

5. Investor Relations Committee

a) Composition

The Investor Relations Committee comprises of 3 (Three) Non-Executive Independent Directors and the Executive Vice Chairman & Managing Director. Dr. V.C. Shah, a Non- Executive Independent Director, is the Chairman of the Committee. Other Members are Mr S. Padmakumar, Mr N.C Singhal, both Non- Executive Independent Directors and Mr Sunil Sethy, the Executive Vice Chairman & Managing Director.

The composition of the Committee is in conformity with clause 49 (iv)(G)(iii) of the Listing Agreement.

The Company Secretary acts as Secretary to the Committee.

b) Terms of Reference

The committee has been constituted to specifically look into the issues relating to redressal of investors/ shareholders complaints including complaints relating to transfer of shares, non- receipt of Annual Reports and non- receipt of dividends and/ or any other matter relating to shareholders/ investors.

c) Number of Meetings held and Attendance Record

The committee met 6 (Six) times during the period under review. The Board has formed a Executives Committee for Share Transfer which looks after the dematerialisation and transfer of shares and reports to the investor relations committee which meets at regular intervals. 18 (Eighteen) Meetings of the Executive Committee for Share Transfers were held during the year for approving the Transfer, Transmission, Rematerialisation and Dematerialisation of shares. .

During the year 2010-2011, 108 Complaints were received from investors and all the investors complaints have been resolved. As on 31st March, 2011, there were no complaints pending to be resolved.

The attendance at the Meeting of the said Committee is as under:-

Name of the Director/ Member	No of Meetings attended
Dr V.C Shah	6
Mr S. Padmakumar	4
Mr N.C.Singhal	5
Mr Sunil Sethy	6

Mr. S.N.Sridhar , Sr. Vice President (Corporate Legal) & Company Secretary is the **Compliance Officer**.

6. Finance Committee

The Board has also constituted a Committee of Directors to oversee the financial function and for availing facilities including working capital facilities from Bankers and also for furnishing Corporate Guarantees in favour of its subsidiaries. The Committee comprised of Mr. S.Padmakumar, Dr. V. C. Shah, Mr. N.C.Singhal, Mr. Braj Binani and Mr. Sunil Sethy. The Committee met 6 times during the year to consider matters relating to availing of Corporate Loans, grant of Corporate Guarantee on behalf of the subsidiaries for the loans and other credit facilities availed by the Subsidiaries.

7. Committee for giving exit opportunity to the shareholders of BCL

The Committee for giving exit opportunity to the public shareholders of Binani Cement Limited (BCL) or the acquisition of equity shares under the SEBI (Delisting of Equity Shares) Regulations 2009, (Delisting Regulations) was constituted on 6th October 2010. The Delisting Committee met 3 (Three) times during the year to consider and approve the matters relating to giving exit opportunity to the public shareholders of Binani Cement Limited. The delisting offer was successful and the company received 268 valid bids from Shareholders for 4,73,58,222 shares. The company has acquired shares of BCL at the price of Rs. 90/- which was determined through the reverse book building process and paid the entire consideration to the shareholders of BCL who had bid in the reverse book building process in terms of the delisting regulations. Consequent upon the success of the offer the shareholding of the Company in BCL has increased to 95.01% of the total paid up and issued share capital of Binani Cement Limited (BCL)

8. General Body Meetings

a) Details of last three Annual General Meetings are as under:

Financial Year	Date	Time	Venue	Details of Special Resolution passed, if any
2007-08	23.6.2008	9.30	Kala Mandir, 48 Shakespeare Sarani, Kolkata 700 017	None
2008-09	26.6.2009	9.30	Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700 020	None
2009-10	25.6.2010	9.30	Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700 020	Special Resolution was passed for the payment of remuneration to Mr. Sunil Sethy, Managing Director of the Company and for amendment of the Articles of Association in respect of clause 126 relating to use of common seal.

b) Postal Ballot

During the year under review, Special Resolution under Section 372A of the Companies Act, 1956 for adding the words Inter Corporate Loans and Investments in existing resolution and enhancing the overall limit for Guarantees/Securities, Inter Corporate loans and Investments to Rs. 5,250 Crores was passed alongwith Ordinary Resolution for increase in the borrowing limits to Rs. 1,000 Crores through Postal ballot and the result of Postal Ballot based on the report of the scrutinizer was declared on 26th November, 2010 at Kolkata by the Independent Director, Dr. V. C. Shah in the presence of the Company Secretary.

9. Disclosures

i) Code of Conduct

As required by the amended Clause 49 of the Listing Agreement, the Board of Directors of the Company have adopted a Code of Conduct for all Board Members and Senior management of the Company. The Code of Conduct has been posted on the web site www.binani.com of the Company. The members of the Board of Directors and Senior management of the Company and its Subsidiaries have affirmed compliance of the said Code during the period under review. The Annual Report of the Company contains a declaration to this effect duly signed by the Executive Vice Chairman and Managing Director as required by Clause 49 of the Listing Agreement.

ii) **Subsidiary Companies**

As required by the amended Clause 49, the Company has appointed Mr. S. Padmakumar, independent Director, on the Boards of Binani Zinc Limited and Goa Glass Fibre Limited which are material non-listed Subsidiaries of the Company. Binani Cement Limited is a listed subsidiary. Mr. S.Padmakumar, Independent Director serves on the Board of Binani Cement Limited also.

The Audit Committee of the Company also reviews the Financial Statements of all the subsidiaries.

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

iii) **Related Party Transactions**

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

Based on disclosures received from Company's Senior Management Personnel, none of Senior Management Personnel had any material, financial or commercial transactions wherein they had personal interest that could have potential conflict with the interest of the Company at large.

iv) **Disclosures of Accounting treatment**

Disclosures of Accounting treatment wherever applicable have been made in the Audited Financial Accounts for the year ended 31st March 2011.

v) **Board Disclosures-Risk Management**

The Company has laid down procedures to inform the Board members about the risk assessment and minimization procedures for the Company and also for the material subsidiaries and they are being reviewed at quarterly intervals and report placed before the Audit Committee. .

vi) **Executive Vice Chairman & MD/CFO - Group Control Accounts Certification**

A Certificate from the Executive Vice Chairman & MD/CFO - Group Control Accounts has been placed before the Board confirming that:-

- a) they have reviewed financial statements and the cash flow statement for the year ended 31st March, 2011 and that to the best of their knowledge and belief:
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) there are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c) they accept responsibility for establishing and maintaining internal controls for financial reporting and they have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
 - they have indicated to the Auditors and the Audit Committee
 - significant changes in internal control over financial reporting during the year;
 - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements: and
 - they have not come across any instances of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financing reporting.

vii) Material Transactions of Directors/ Compliances etc

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

However, Registrar of Companies has launched prosecution against the Company and the then two Directors and the then Company Secretary for the alleged violation of Sections 211 and 217 of the Companies Act, 1956 based on the scrutiny of the Accounts for the year ended 31st March 2005, which is pending before the Court at Kolkata. Company is strongly defending the above.

viii) Shareholding of Non- Executive Directors

The shareholding of Non- Executive Directors as on 31.3.2011 are as under:

Sl.No	Name of the Director	No. of Shares held
1.	Mr Braj Binani	53,125
2.	Ms Nidhi Singhania	6,250
3.	Mr S. Padmakumar	Nil
4.	Dr V.C.Shah	Nil
5.	Mr N.C Singhal	Nil
6.	Mr A.C.Chakrabortti	Nil
7.	Mr Jitender Balakrishnan	Nil

10. Means of Communication:

The means of communications are quarterly, half yearly and annual results published in News Papers as per Clause 41 of the Listing Agreement and the results along with shareholding pattern are also available on the Company's Website www.binani.com. The Company had sent the full annual report along with audited reports of subsidiaries as required under the provisions of the Companies Act, 1956 till 2002. However for the years ended 31st March, 2003, 31st March, 2004, 31st March, 2005, 31st March, 2006, 31st March, 2007, 31st March, 2008, 31st March, 2009 and 31st March, 2010 in view of the exemption granted by the Central Government, Annual Accounts of the Subsidiaries were not attached. However, the abstract of financial statements of each subsidiary were attached. In accordance with the circular 2/2011 dated 8th February, 2011 of the Ministry of Corporate Affairs general exemption has been granted to the companies from attaching accounts of subsidiaries provided specific Board Resolution has been passed. The Board has accordingly passed a Resolution in this respect at its Meeting held on 22nd April, 2011.

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

11. General Shareholders Information

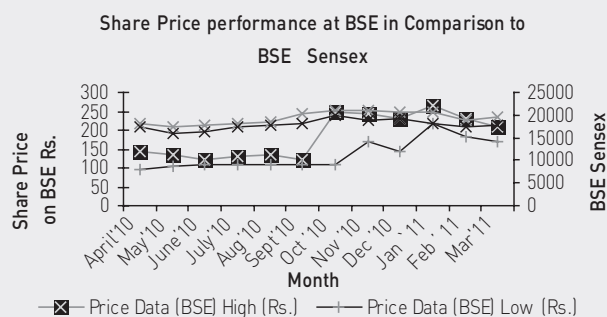
a)	48th Annual General Meeting	Monday, the 27th June, 2011 at 2.00 p.m at Rotary Sadan, 94/2 Chowringhee Road, Kolkata 700 020.
b)	Financial Calendar	
	i) Financial Year.	1st April to 31st March.
	ii) Unaudited Financial Results for the quarter ended June,2011.	By 4th week of July,2011
	iii) Unaudited Financial Results for the quarter ended September, 2011.	By 4th week of October,2011

	iv) Unaudited Financial Results for the quarter ended December, 2011.	By 4th week of January, 2012
	v) Audited Financial Results for the year 2011-12.	By 4th week of April , 2012
c)	Date of Book Closure	From Monday, 20th June, 2011 to Monday, the 27th June, 2011 (both days inclusive).
d)	Dividend Payment Date	2nd July, 2011 .
e)	Listing on Stock Exchanges	The Bombay Stock Exchange Limited, The National Stock Exchange of India Limited and The Calcutta Stock Exchange Ltd.
f)	Listing Fees	Company has paid the Annual Listing Fees to all the Stock Exchanges where the Shares are listed for the year 2011-12.
g)	Stock Code	BSE 500059 - NSE BINANIIND

h) Market Price Data (NSE) & (BSE)

Months	Price Data (NSE)		Price Data(BSE)		Sensex(BSE)	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April '10	142.70	93.10	142.80	96.35	18047.86	17276.80
May '10	137.00	107.20	136.70	106.25	17536.86	15960.15
June '10	122.80	106.15	123.00	106.75	17919.62	16318.39
July '10	134.90	107.10	129.60	110.00	18237.56	17395.58
August '10	140.00	105.70	136.10	107.00	18475.27	17819.99
Sept '10	120.20	107.00	120.00	107.10	20267.98	18027.12
Oct '10	246.00	107.80	246.50	108.05	20854.55	19758.95
Nov '10	242.00	172.05	241.90	170.00	21108.64	18954.82
Dec '10	229.50	127.00	229.45	145.25	20552.03	19074.57
Jan '11	263.70	216.30	263.70	217.00	20664.80	18038.48
Feb '11	231.90	185.00	231.75	183.00	18690.97	17295.62
March '11	207.80	173.10	207.60	171.30	19575.16	17792.17

i) Performance of Company's equity shares in comparison to BSE Sensex



Source : www.bseindia.com

j) Registrar and Share Transfer Agents

M/s. Link Intime India Pvt.Limited

C-13 Pannalal Silk Mills Compound, L B S Marg, Bhandup (W),
Mumbai -400 078

E-mail: rnt.helpdesk@linkintime.co.in

Tel. No. 022-25946970 Fax: 022-25946969

Contact Person:

Mr. Rajesh Mishra

E-mail Id:

rajesh.mishra@linkintime.co.in

Both Physical and Demat Transfers are done through the Registrar and Transfer Agents M/s. Link Intime India Private Limited. The Shares of the Company are under compulsory demat mode.

k) Compliance Officer

Mr. S.N.Sridhar- Sr Vice President

(Corporate Legal) & Company Secretary

Contact No.:

022-30263000-02

E-mail Id:

s.sridhar@binani.net

l) Secretarial Department / Registered Office

37/2, Chinar Park, New Town, Rajarhat Main Road, P.O. Hatihara,
Kolkata -700 157

Contact Person:

Mumbai Office

Mr. Atul P.Falgunia

Vice President (Secretarial)

Tel. 022- 30263019

E-mail: atul@binani.net

Kolkata Office

Mr. A. Babu

General Manager (Secretarial)

Tel. 033- 25160063

E-mail: a.babu@binani.net

m) Shareholding Pattern as on 31.3.2011

Category code	Category of shareholder	Number of share-holders	Total number of Shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of Shares		Shares Pledged or Otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	No. of Shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(A)	Shareholding of Promoter and Promoter Group							
(1)	Indian							
(a)	Individuals/ Hindu Undivided Family	5	1201615	9125	4.06	4.06	0	0
(b)	Central Government/ State Government(s)							
(c)	Bodies Corporate	13	13921064	5667433	47.03	47.03	0	0
(d)	Financial Institutions/ Banks							
(e)	Any Other (specify)	0	0	0	0	0	0	0
	Sub-Total (A)(1)	18	15122679	5676558	51.09	51.09	0	0

Category code	Category of shareholder	Number of shareholders	Total number of Shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of Shares		Shares Pledged or Otherwise encumbered	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	No. of Shares (VIII)	As a percentage (IX)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	1	53125	0	0.18	0.18	0	0
(b)	Bodies Corporate							
(c)	Institutions							
(d)	Any Other (specify)							
	Sub-Total (A)(2)	1	53125	0	0.18	0.18	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	19	15175804	5676558	51.27	51.27	0	0
(B)	Public Shareholding						NA	NA
(1)	Institutions						NA	NA
(a)	Mutual Funds/ UTI	1	314329	314329	1.06	1.06		
(b)	Financial Institutions/ Banks	11	872395	871635	2.95	2.95		
(c)	Central Government/ State Government(s)	1	90	0	0	0		
(d)	Venture Capital Funds	0	0	0	0	0		
(e)	Insurance Companies	0	0	0	0	0		
(f)	Foreign Institutional Investors	18	1029320	1029320	3.48	3.48		
(g)	Foreign Venture Capital Investors	0	0	0	0	0		
(h)	Any Other	0	0	0	0	0		
	Sub-Total (B)(1)	31	2216134	2215284	7.49	7.49		
(2)	Non-institutions						NA	NA
(a)	Bodies Corporate	647	2291321	2269105	7.74	7.74		
(b)	Individuals -							
	1. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	48395	6722592	4746989	22.72	22.72		
	2. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	53	2013481	2000556	6.8	6.8		

Category code	Category of shareholder	Number of shareholders	Total number of Shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of Shares		Shares Pledged or Otherwise encumbered	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	No. of Shares (VIII)	As a percentage (IX)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(c)	Any Other (specify)							
	1. Clearing Members	221	141720	141720	0.48	0.48		
	2. NRIs /OCB	2250	1028579	337739	3.48	3.48		
	3.Foreign Companies	5	3325	0	0.01	0.01		
	4.Trusts	4	3469	3260	0.01	0.01		
	Sub-Total (B)(2)	51575	12204487	9499369	41.24	41.24	NA	NA
	Total Public Shareholding (B)= (B)(1)+(B)(2)	51606	14420621	11714653	48.73	48.73	NA	NA
	TOTAL (A)+(B)	51625	29596425	17391211	100	100	0	0
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	NA	NA
	GRAND TOTAL (A) + (B) + (C)	51625	29596425	17391211	100	100	0	0

n) Distribution of Shareholding as on 31.03.2011

No. of Ordinary Shares held	No. of Shareholders	No. of Shareholders (%)
1 to 500	49,604	96.08
501 to 1000	1,029	1.99
1001 to 2000	465	0.90
2001 to 3000	170	0.33
3001 to 4000	66	0.13
4001 to 5000	53	0.10
5001 to 10000	106	0.21
10001 and above	132	0.26
TOTAL	51,625	100.00

- o) **Dematerialization of shares and liquidity**
- p) **Outstanding GDRs /ADRs/ Warrants or any Convertible instruments, Not applicable. conversion date and likely impact on equity.**

The Company's shares are under Compulsory demat mode. As on 31st March 2011 58.76 % of the total outstanding Shares were held in Dematerialized form. The Shares are actively traded at BSE/NSE.

NIL

- q) **Entities comprising “Group” under Regulation 3(1)(e) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 are:**
- (1) Abhinav Holdings Limited, Cyprus (2) Ace Portfolio & Finance Pvt. Ltd., (3) Akroor Traders Pvt. Ltd., (4) Atithi Tie-up Pvt. Ltd., (5) Asian Industry & Information Services Pvt. Ltd. (6) BIL Infratech Limited (7) B T Composites Limited, (8) Binani Cement Factory (Mauritius) Limited, Mauritius (9) Binani Cement Factory (SFZ) Limited, Sudan (10) B C Tradelink Limited, Tanzania (11) Bhumi Resources (Singapore) Pte Ltd. (12) Binani Cement (Uganda) Limited (13) Binani Cement Co. Ltd (Sudan) (14) Binani Cement Factory (Kenya) Ltd (15) Binani Cement Factory LLC. Dubai, (16) Binani Cement Limited, (17) Binani Cement SARL (Djibouti) (18) Binani Energy Private Limited, (19) Binani Industries Limited, (20) Binani Cement Company WLL (Kuwait) (21) Binani Infrastructure (Mauritius) Limited (22) Binani Metals Limited (23) Binani Ready Mix Concrete Limited (24) Binani Zinc Limited, (25) BZL Minerals Pty Limited, Australia (26) CPI Binani Inc, USA (27) Dharmik Commodeal Pvt. Ltd. (28) Damini Multitrade Pvt. Ltd. (29) Dhaneshwar Solution Pvt. Ltd. (30) Ess Vee Alloys Private Limited, (31) Goa Glass Fibre Limited (32) K B Vyapar Pvt Ltd, (33) Krishna Holdings Pte. Ltd., Singapore, (34) Lexus Holdings & Finance Pvt. Ltd., (35) Lucknow Properties & Finance Private Limited, (36) Manjushree Holdings Pvt Ltd., (37) Merit Plaza Limited (38) Miracle Composites Private Limited, (39) Miracle Securities Private Limited, (40) Nirbhay Management Services Pvt. Ltd. (41) Mr. Braj Binani, (42) Mrs. Kalpana Binani, (43) Ms. Nidhi Singhania, (44) Ms. Shradha Binani, (45) Ms. Vidushi Binani (46) Mukundan Holdings Limited, BVI (47) Murari Holdings Limited, BVI, (48) PT ANGANNA Energy Resources, Indonesia (49) R.B.G. Minerals Industries Limited, (50) Sankalp Holdings Limited, Cyprus (51) Sapan Holdings & Trading Pvt. Ltd. (52) Shandong Binani Rong’An Cement Co. Ltd., China, (53) Suryamukhi Vintrade Pvt. Ltd., (54) Swiss Merchandise Infrastructure Ltd (55) Sambhaw Holdings Limited (56) Triton Trading Co Pvt. Ltd., (57) Vijayshree Holdings Pvt Ltd, (58) Wada Industrial Estate Limited
- r) **Subsidiaries’ Plant Locations**
1. **Binani Zinc Limited**
Binanipuram, Ernakulam, Kerala- 683502
 2. **Binani Cement Limited**
 - a) Binanigram, Pindwara, Sirohi, Rajasthan –307031
 - b) Village Sirohi, Taluka:Neem Ka Thana, Dist-Sikar, Rajasthan.
 3. **Goa Glass Fibre Limited**
Colvale, Bardez, Goa – 403513
 4. **BT Composites Limited**
C5 to C9, Madkaim Indl.Est. Mardol Post,
Goa- 403404
 5. **Shandong Binani Rong’An Cement Co.Ltd.**
Fujiazhuang, Dong Guan Town,
Ju Country, Rizhao City, Shandong Nagar, China
 6. **Binani Cement Factory LLC**
Jabel Ali, Dubai.

s) **Address for correspondence for Binani Industries Limited & its Subsidiary Companies (Except R.B.G. Minerals Industries Ltd., Binani Energy Pvt.Ltd. Krishna Holdings Pte.Ltd.Singapore, Mukundan Holdings Ltd. Murari Holdings Ltd., Sankalp Holdings Ltd.and Abhinav Holdings Ltd.)**

Registered Office:

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

Corporate Office and Registered Office of Binani Energy Pvt. Ltd.

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

Registered Office of

R.B.G. Minerals Industries Ltd.

17-A, Old Fatehpura, Udaipur 313001

Registered Office of :

Krishna Holdings Pte.Ltd.Singapore(KHL)

8 Temasek Boulevard,#22-03 Suntec Tower 3
Singapore 038988

Registered Office of:

Mukundan Holdings Limited (MHL)

P.O.Box 957, Offshore Incorporations Centre,
Road Town, Tortola, British Virgin Islands (BVI)

Registered Office of

Murari Holdings Limited

Akara Building, 24 De Castro Street,
Wickhams Cay 1, Road Town, Tortola,
British Virgin Islands.

Registered Office of :

Sankalp Holdings Limited

Abhinav Holdings Limited

Arch. Makariou III, 229
MELIZA COURT,4TH Floor
Limassol, Cyprus

DECLARATION:

All the member of the Board of Directors of the Company and Senior Management of the Company have affirmed compliance of the Code of Conduct for the year ended 31st March 2011. The Code of Conduct laid down for all Board members and Senior Management of the Company is posted on the website of the Company.

Place : Mumbai
Date : 22nd April, 2011.

Sunil Sethy
Executive Vice Chairman & Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of Binani Industries Limited

We have examined the compliance of conditions of Corporate Governance by Binani Industries Limited (the Company) for the year ended March 31, 2011 as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchanges of India.

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

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

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

For Uma Lodha & Co.
Practising Company Secretaries

Uma Lodha
Proprietor
C.P. No. 2593

Place : Mumbai
Date : 22nd April, 2011

AUDITORS' REPORT

To

The Members of Binani Industries Limited

1. We have audited the attached Balance Sheet of Binani Industries Limited as at March 31, 2011 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of these books.
 - iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - v. Based on the written representations received from the Directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as Directors in terms of Section 274 (1) (g) of the Companies Act, 1956.
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011.
 - b. in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - c. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Kanu Doshi AssociatesChartered Accountants
Firm Registration No. 104746W**Jayesh Parmar**Partner
Membership No.45375Place : Mumbai
Date : April 22, 2011**Annexure referred to in paragraph 3 of our report of even date to the Members of Binani Industries Limited.**

- i.
 - a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) All fixed assets have not been physically verified by the management during the year, but there is a regular programme of verification which in our opinion is reasonable having regards to the size of the Company and the nature of its assets. We are informed that no material discrepancies were noticed on such verification.
 - c) There has been no disposal of substantial part of fixed assets during the year, which may affect the going concern status of the Company.
- ii. The Company does not hold any inventories. Accordingly, clause (ii) of paragraph 4 of the Order is not applicable.
- iii. According to information and explanations given to us, the Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under 301 of the Companies Act, 1956. Accordingly, the sub-clauses (b),(c),(d),(f) and (g) of clause (iii) are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and sale of services. On the basis of our

examination of the books and records of the Company, we have not observed any continuing failure to correct major weaknesses in the internal control system.

- v. a) In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us, particulars of contracts or arrangements that needed to be entered into the register have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at price which are reasonable having regard to prevailing market price at the relevant time.
- vi. The Company has not accepted any deposits from the public to which the directives issued by Reserve Bank of India and the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act and the rules framed there under apply.
- vii. In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the management have been commensurate with the size of the Company and nature of its business.
- viii. As informed to us, the Company is not required to maintain cost records under Section 209 (1) (d) of the Companies Act, 1956.
- ix. a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities during the year.
- Further, since the Central Government has till date not prescribed the amount of cess payable under Section 441 A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.
- b) According to the record of the Company, there are no dues outstanding of Income Tax, Sales Tax, Service tax, Custom Duty, Wealth Tax, Excise Duty, Cess on account of any dispute, other than the following:

Name of the Statute	Nature of Dues	Period to which the amount relates	Amount Rs. in Lacs	Forum where dispute is pending
Income Tax Act, 1961	Income tax	1996-97	344.45	Assessing Officer
Income Tax Act, 1961	Income tax	2007-08	3,791.76	High Court

- x. The Company's accumulated losses at the end of the financial year are less than fifty per cent of its net worth

and it has not incurred cash loss both in the current year and in the immediately preceding financial year.

- xi. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or banks. The Company has not issued any debentures.
- xii. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit/societies.
- xiv. In our opinion and according to information and explanation given to us, the Company has invested temporary surplus funds in mutual funds and term deposits. According to the information and explanation given to us proper records have been maintained of the transactions and contracts and timely entries have been made therein. The mutual funds, term deposits and the shares of its subsidiaries have been held by the Company in its own name.
- xv. According to the information and explanations given to us, the Company has given guarantee for loans taken by its subsidiaries from Banks and Financial Institutions, the terms and conditions thereof in our opinion are not prima facie prejudicial to the interest of the Company.
- xvi. Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- xvii. According to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, we report that the Company has not used funds raised on short-term basis for long term purposes.
- xviii. The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. According to the information and explanations given to us and the records examined by us, no debentures were issued by the Company during the year.
- xx. The Company has not raised any money through public issue during the year.
- xxi. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For Kanu Doshi Associates

Chartered Accountants
Firm Registration No. 104746W

Jayesh Parmar

Partner
Membership No.45375

Place : Mumbai

Date : April 22, 2011

BALANCE SHEET AS AT 31ST MARCH, 2011

(Rs. in Lakhs)

	Schedule	As at 31st March, 2011	As at 31st March, 2010
SOURCES OF FUNDS			
SHAREHOLDERS FUNDS			
Share Capital	1	2,961.52	2,961.52
Reserves and Surplus	2	19,659.72	19,659.72
		<u>22,621.24</u>	<u>22,621.24</u>
LOAN FUNDS			
Secured Loans	3	35,000.00	-
Unsecured Loans	4	30,500.00	14,032.42
		<u>65,500.00</u>	<u>14,032.42</u>
TOTAL		<u><u>88,121.24</u></u>	<u><u>36,653.66</u></u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	5	728.02	671.06
Less : Depreciation		(442.62)	(402.76)
Net Block		<u>285.40</u>	<u>268.30</u>
INVESTMENTS	6	71,832.16	27,449.86
CURRENT ASSETS, LOANS AND ADVANCES			
Cash and Bank Balances	7	9,348.72	5,517.75
Loans and Advances		5,238.46	1,439.51
		<u>14,587.18</u>	<u>6,957.26</u>
CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	8	(506.50)	(277.10)
Provisions		(1,016.50)	(942.44)
		<u>(1,523.00)</u>	<u>(1,219.54)</u>
NET CURRENT ASSETS		13,064.18	5,737.72
PROFIT & LOSS ACCOUNT		2,939.50	3,197.78
TOTAL		<u><u>88,121.24</u></u>	<u><u>36,653.66</u></u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS			
	12		

The Schedules referred to above form an integral part of Balance Sheet

As per our report of even date attached

For KANU DOSHI ASSOCIATES

Chartered Accountants
Firm Registration No. 104746W

JAYESH PARMAR

Partner
Membership No: 45375

Place : Mumbai
Date : 22nd April, 2011

For and on behalf of Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

S. N. Sridhar
Sr. Vice President (Corporate Legal)
& Company Secretary

Place : Mumbai
Date : 22nd April, 2011

Braj Binani
Chairman

Sunil Sethy
Executive Vice
Chairman & Managing
Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(Rs. in Lakhs)

	Schedule	For the Year Ended 31st March, 2011	For the Year Ended 31st March, 2010
INCOME			
Fees for Management Services Rendered		3,510.00	2,300.10
Dividend Income from Subsidiaries [Long Term Trade Investment]		4,613.91	2,768.35
Other Dividend - (Short Term Non-Trade Investments)		64.96	9.98
Interest from Subsidiaries (Includes Tax Deducted at Source of Rs.6.76 Lakhs)		67.64	-
Other Interest (Includes Tax Deducted at Source of Rs.30.94 Lakhs),(Previous Year Rs. 1.20 Lakhs)		317.67	18.67
Other Income (Refer Note 5 of Schedule 12)		16.83	7.29
	TOTAL	8,591.01	5,104.39
EXPENDITURE			
Payments to and provision for Employees	9	1,881.17	1,323.79
Professional Fees		580.20	291.34
Administration Expenses	10	1,559.64	1,272.99
Interest and Finance Charges	11	3,383.97	523.89
Depreciation		40.01	27.44
	TOTAL	7,444.99	3,439.45
Profit / (Loss) Before Tax		1,146.02	1,664.94
Provision for Tax			
Deferred Tax (Refer Note 10 of Schedule 12)		-	-
Fringe Benefit Tax - Excess Provision of Earlier years Written Back		(0.15)	-
Profit / (Loss) After Tax		1,146.17	1,664.94
Transfer to General Reserve		(115.00)	(167.00)
Proposed Dividend		887.89	887.89
Transfer from General Reserve		115.00	167.00
Balance brought forwards from last year		(3,197.78)	(3,974.83)
BALANCE CARRIED TO BALANCE SHEET		(2,939.50)	(3,197.78)
Earning Per Share		3.87	5.63
Basic and Diluted (Rs.) (in Rupees) (Refer Note 16 of Schedule 12)			
Nominal Value per Equity Share (in Rs.)		10.00	10.00
Number of shares used in computing earning per share (Basic and Diluted)		29,596,425	29,596,425
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	12		

The Schedules referred to above form an integral part of Profit & Loss Account

As per our report of even date attached

For KANU DOSHI ASSOCIATES

Chartered Accountants
Firm Registration No. 104746W

JAYESH PARMAR

Partner
Membership No: 45375

Place : Mumbai
Date : 22nd April, 2011

For and on behalf of Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

S. N. Sridhar
Sr. Vice President (Corporate Legal)
& Company Secretary

Place : Mumbai
Date : 22nd April, 2011

Braj Binani
Chairman

Sunil Sethy
Executive Vice
Chairman & Managing
Director

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011

(Rs. in Lakhs)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 1		
SHARE CAPITAL		
AUTHORISED		
4,00,00,000 Equity Shares of Rs.10 each	4,000.00	4,000.00
60,00,000 Preference Shares of Rs. 100 each	6,000.00	6,000.00
	<u>10,000.00</u>	<u>10,000.00</u>
ISSUED, SUBSCRIBED AND PAID UP		
2,95,96,425 Equity Shares of Rs.10 each fully paid up (Previous Year 2,95,96,425 Equity Shares of Rs. 10 each) (Of the above 1,59,30,075 Equity Shares were allotted as fully paid up Bonus Shares by capitalisation of General Reserve, Securities Premium and Profit on reissue of forfeited shares)	2,959.64	2,959.64
Add : Forfeited Shares	1.88	1.88
TOTAL	<u>2,961.52</u>	<u>2,961.52</u>
SCHEDULE - 2		
RESERVES & SURPLUS		
CAPITAL RESERVE	49.04	49.04
CAPITAL INVESTMENT SUBSIDY	15.00	15.00
SECURITIES PREMIUM	19,595.68	19,595.68
GENERAL RESERVE		
As per last Balance Sheet	-	-
Add: Transfer from Profit and Loss Account	115.00	167.00
Less: Balance at the year end adjusted with debit balance of Profit and Loss Account	(115.00)	(167.00)
TOTAL	<u>19,659.72</u>	<u>19,659.72</u>
SCHEDULE - 3		
SECURED LOANS		
From Financial Institutions (Refer Note No. 3A of Schedule 12)	35,000.00	-
TOTAL	<u>35,000.00</u>	<u>-</u>
SCHEDULE - 4		
UNSECURED LOANS		
Short Term Loans		
From Bank	15,000.00	5,000.00
From Subsidiary Companies	5,500.00	9,032.42
Other Loans		
From Bank	10,000.00	-
[Repayable within one year Rs. 4,348 Lakhs]		
TOTAL	<u>30,500.00</u>	<u>14,032.42</u>

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011

SCHEDULE - 5

FIXED ASSETS

(Rs. in Lakhs)

	FREEHOLD LAND	BUILDINGS*	AIR CONDITIONERS / COMPUTERS	FURNITURE & FIXTURES/OFFICE EQUIPMENTS/MISC. FIXED ASSETS	TOTAL	PREVIOUS YEAR
GROSS BLOCK						
As at 1st April, 2010	4.04	321.89	127.46	217.67	671.06	598.27
Additions during the Year	-	-	28.08	30.00	58.08	75.94
Sales/ Transfer/ Adjustments during the year	-	-	1.12	-	1.12	3.15
Total as at 31st March, 2011	4.04	321.89	154.42	247.67	728.02	671.06
DEPRECIATION						
As at 1st April, 2010	-	228.93	31.41	142.42	402.76	376.38
Additions during the Year	-	6.32	15.37	18.32	40.01	27.44
Sales/ Transfer/ Adjustments during the year	-	-	0.15	-	0.15	1.06
Total as at 31st March, 2011	-	235.25	46.63	160.74	442.62	402.76
NET BLOCK						
As at 31st March, 2011	4.04	86.64	107.79	86.93	285.40	268.30
As at 31st March, 2010	4.04	92.96	96.05	75.25	268.30	

Notes : * Includes Buildings of Rs.198.05 Lakhs on leasehold land. Transfer of lease is yet to be completed.

(Rs. in Lakhs)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 6		
INVESTMENTS:-		
LONG TERM INVESTMENTS		
INVESTMENT IN SUBSIDIARY COMPANIES		
1) TRADE - QUOTED- AT COST		
i) 17,91,84,178 Equity Shares in Binani Cement Limited of Rs.10 each fully paid up (Previous Year 13,18,25,956 Equity Shares of Rs.10 each fully paid up) (Market Value Rs.1,56,786.16 Lakhs, Previous Year Rs.99,726.34 Lakhs)	55,805.00	13,182.60
TOTAL	55,805.00	13,182.60
2) NON TRADE-UNQUOTED- AT COST		
i) 5,90,007 Equity Shares in Wada Industrial Estate Limited Formerly Binani Lead Limited of Rs.100 each fully paid up (Previous Year 5,90,007 Equity Shares of Rs.100 each fully paid up)	237.78	237.78
ii) 7,41,77,389 Equity Shares in Goa Glass Fibre Limited of Rs.10 each fully paid up (Previous Year 7,41,77,389 Equity Shares of Rs.10 each fully paid up)	7,417.74	7,417.74
iii) 1,40,00,000 Equity Shares in BT Composites Limited of Rs.10 each fully paid up (Previous Year 1,40,00,000 Equity Shares of Rs.10 each fully paid up)	500.00	500.00
iv) 5,00,000 4% Redeemable Non Cumulative Preference Shares in BT Composites Limited of Rs.10 each fully paid up (Previous Year 5,00,000 4% Redeemable Non Cumulative Preference Shares of Rs.10 each fully paid up) Less : Written Off in earlier years	50.00	50.00
	50.00	50.00
	-	-

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011

	As at 31st March, 2011	As at 31st March, 2010
v) 6,07,88,138 Equity Shares in Binani Zinc Limited of Rs.10 each fully paid up (Previous Year 6,07,88,138 Equity Shares of Rs.10 each fully paid up)	6,078.81	6,078.81
vi) 75,000 Equity Shares in Sankalp Holdings Limited of Euro 1 each (Previous Year 50,000 Equity Shares of Euro 1 each)	48.25	32.93
vii) 50,000 Equity Shares in BIL Infratech Ltd of Rs.10 each (Previous Year Nil)	5.00	-
viii) 1,00,000 Equity Shares in Binani Ready Mix Concrete Limited Rs.10 each (Previous Year Nil)	10.00	-
ix) 27,09,999 Equity Shares of USD.0.996 each in CPI Binani, Inc. (Previous Year Nil)	1,234.58	-
TOTAL	<u>15,532.16</u>	<u>14,267.26</u>
3) APPLICATION MONEY FOR INVESTMENT IN CAPITAL OF SUBSIDIARIES - PENDING ALLOTMENT		
BIL Infratech Limited	495.00	-
TOTAL	<u>71,832.16</u>	<u>27,449.86</u>

Number of Units / Shares purchased and sold during the Year	Face Value (In Rs.)	Purchased (No.)	Sold (No.)
UNITS IN MUTUAL FUNDS			
Baroda Liquid Institutional Daily Dividend	10	17,742,420	17,742,420
Baroda Treasury Advantage Fund - IP - DDR	10	15,338,010	15,338,010
Birla Cash Manager Institutional Daily Dividend	10	6,276,422	6,276,422
Birla Cash Plus Institutional Daily Dividend	10	6,238,681	6,238,681
Birla Saving Institutional Daily Dividend	10	10,027,832	10,027,832
DSP Blackrock Liquidity Fund-IP-DDR	1000	19,997	19,997
DSP Blackrock Money Manager-Institutional plan-DDR	1000	12,995	12,995
JM Financial High Liquidity Fund-SIP-DDR	10	999,105	999,105
JP Morgan Liquid Super Institutional Daily Dividend	10	19,000,376	19,000,376
JP Morgan Treasury Super Institutional Daily Dividend	10	15,109,087	15,109,087
Kotak Flexi Debt Institutional Daily Dividend	10	37,414,677	37,414,677
Kotak Floater Short Term DD	10	3,464,287	3,464,287
Kotak Floater-ST-DDR	10	1,484,106	1,484,106
Kotak Liquid Institutional Premium Daily Dividend	10	33,345,750	33,345,750
LIC Floating Rate Short Term Daily Dividend	10	17,047,630	17,047,630
LIC Income Plus Daily Dividend	10	10,002,512	10,002,512
LIC Liquid Fund Dividend Plan	10	34,611,542	34,611,542
LIC Saving Plus Daily Dividend	10	28,042,177	28,042,177
Reliance Liquid Treasury Institutional Daily Dividend	10	3,925,201	3,925,201
Reliance Medium Term Daily Dividend	10	5,860,934	5,860,934
Reliance Money Manager Institutional Daily Dividend	1000	160,316	160,316
SBI Liquid Institutional Daily Dividend	10	27,912,633	27,912,633
SBI Ultra Short Term Inst Daily Dividend	10	28,076,855	28,076,855

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011

Number of Units / Shares purchased and sold during the Year	Face Value (In Rs.)	Purchased (No.)	Sold (No.)
EQUITY SHARES			
Binani Cement Limited	10	47,358,222	-
BIL Infratech Limited	10	50,000	-
Binani Ready Mix Concrete Limited	10	100,000	-
Sankalp Holdings Limited	1 (In EURO)	25,000	-
CPI Binani Inc.	0.996 (In USD)	2,709,999	-

(Rs. in Lakhs)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 7		
CURRENT ASSETS, LOANS AND ADVANCES		
CASH AND BANK BALANCES		
Cash in Hand	0.77	0.34
Current Accounts	9,213.64	414.90
Dividend Accounts	132.40	101.51
Deposit Accounts	1.91	5,001.00
	<u>9,348.72</u>	<u>5,517.75</u>
LOANS AND ADVANCES (UNSECURED, CONSIDERED GOODS)		
Advances & Loans to Subsidiaries (Refer Note 13(b) of Schedule 12)	4,378.77	469.11
Advances recoverable in cash or in kind or for value to be received	54.04	610.66
Advance Tax including Tax Deducted at Source (Net of Provision)	691.43	274.38
Advance Fringe Benefit Tax (Net of Provision)	1.63	2.01
Interest Income Accrued but not due	-	0.87
Deposits	96.04	80.57
Balance with Government Authorities	16.55	1.91
	<u>5,238.46</u>	<u>1,439.51</u>
TOTAL	<u>14,587.18</u>	<u>6,957.26</u>
SCHEDULE - 8		
CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors for Expenses (Refer Note 14 of Schedule 12)	51.89	40.36
Dividend Payable	132.30	101.41
Other Liabilities	104.55	135.33
Interest accrued but not due	217.76	-
	<u>506.50</u>	<u>277.10</u>
PROVISIONS		
Proposed Dividend	887.89	887.89
Gratuity	46.96	21.44
Leave Encashment	81.65	33.11
	<u>1,016.50</u>	<u>942.44</u>
TOTAL	<u>1,523.00</u>	<u>1,219.54</u>

(Rs. in Lakhs)

	For the Year Ended 31st March, 2011	For the Year Ended 31st March, 2010
SCHEDULE-9		
PAYMENTS TO AND PROVISION FOR EMPLOYEES		
Salaries, Wages & Bonus	1,684.80	1,220.64
Contribution to Provident and other Funds	184.52	97.28
Staff Welfare Expenses	11.85	5.87
TOTAL	1,881.17	1,323.79
SCHEDULE-10		
ADMINISTRATION EXPENSES		
Insurance	0.74	0.34
Rates & Taxes	2.22	5.04
Rent	166.19	96.05
Directors Sitting Fees	3.05	2.93
Travelling Expenses	391.67	197.93
Service Charges	228.61	264.24
Printing & Stationery Expenses	46.90	39.36
Postage & Telephone Expenses	67.03	53.99
Electricity Charges	49.88	58.66
Repairs & Maintenance :		
Buliding	8.11	72.90
Others	31.65	32.94
Advertisements	225.20	85.92
Motor Car Expenses	131.35	101.79
Loss on Sale/ Discard of Fixed Assets	0.49	1.92
Compensation Paid for surrender of Tenancy Rights	-	140.00
Miscellaneous Expenses	206.55	118.98
TOTAL	1,559.64	1,272.99
SCHEDULE-11		
INTEREST AND FINANCE CHARGES		
[Refer Note 9 of Schedule 12]		
Interest	2,936.01	512.93
Finance Charges	447.96	10.96
TOTAL	3,383.97	523.89

SCHEDULE -12

NOTES TO ACCOUNTS

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

USE OF ESTIMATES

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made 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. Differences between actual results and estimates are recognised in the period in which the results are known / materialise.

CASH & CASH EQUIVALENTS

Cash & cash equivalent for the purpose of Cash Flow Statement comprise cash at bank and current Accounts.

REVENUE RECOGNITION

Management Services fees are recognised on accrual basis. Income from Dividend is recognised when the right to receive payment is established. Income from sale of long term investments is recognised on transfer of shares. Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

FIXED ASSETS

Fixed Assets are stated at cost net of impairment loss, if any. Interest and Finance costs, if any in respect of loan for financing Fixed Assets, are capitalised till the date the assets are ready for use. However assets having individual value below Rs.5,000/- are depreciated @ 100% except mobile phones which are charged to revenue considering their useful life to be less than one year.

DEPRECIATION AND AMORTISATION

Depreciation on Plant and Machinery which include Computer and Air Conditioner is provided on Straight Line Method, at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956.

Depreciation on other Fixed Assets, Office Equipments and Transport Equipments has been provided on Written Down Value Method at the rates and in the manner prescribed as per Schedule XIV of the Companies Act, 1956.

Expenditure on major computer software is amortised over the period of expected benefit not exceeding five years.

IMPAIRMENT OF ASSETS

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

INVESTMENTS

Long-term investments are stated at cost less provision for diminution in value, which is other than temporary.

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 recognized in the profit and loss account. In case of forward contracts, the exchange differences are dealt with in the profit and loss account over the period of contracts.

EMPLOYEE BENEFIT

- i) **Short Term Employee Benefits** – All employee benefits payable within twelve months of rendering the service are recognized in the period in which the employee renders the related service.
- ii) **Post Employment/Retirement Benefits** – Defined Contribution Plans such as Provident Fund etc. are charged to the Profit and Loss Account as incurred.

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

Employee Benefit in form of contribution to Provident Fund managed by a Trust set up by the Company is charged to Profit & Loss Account as and when the contribution is due. The deficit, if any, in the accumulated corpus of the Trust at the period end for which the Company is liable, is recognised as a provision in the Profit & Loss Account.

- iii) **Other Long Term Employee Benefits** are recognized in the same manner as Defined Benefit Plans. (Refer Note 15)

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.

INCOME TAX

Income tax is accounted in accordance with AS-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 depreciation and losses are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

CONTINGENT LIABILITY

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

(Rs. In Lakhs)

Particulars		As at 31/03/2011	As at 31/03/2010
2	CONTINGENT LIABILITIES NOT PROVIDED FOR:		
	a) Claims against the Company not acknowledged as debts in respect of certain Income Tax matters.	5,187.20	1,484.24
	b) Corporate Guarantees given to Financial Institutions and Banks in respect of loans to Binani Cement Limited, Binani Zinc Limited and Goa Glass Fibre Limited (all subsidiaries of the Company) -	82,483.00	91,514.00

3 LOANS :**A SECURED**

IFCI Ltd - Corporate Loan - Rs. 35,000 Lakhs (Previous Year Rs. Nil).

- 1) Exclusive pledge over 8,01,40,000 equity shares of Binani Cement Ltd. held by the Company. 2) Post dated cheques issued for interest and principal repayment.

B UNSECURED

Short Term Loans from Banks

Punjab National Bank - Short Term Corporate Loan - Outstanding Rs. Nil (Previous Year Rs. 5,000 Lakhs).

Post dated cheques for repayment of Principal were issued in previous year.

Indian Overseas Bank - Short Term Corporate Loan - Outstanding Rs. 15,000 Lakhs (Previous Year Rs. Nil).

Post dated cheques for repayment of Principal are issued.

Short Term Loans from Subsidiaries

Binani Cement Ltd - Outstanding Rs. 5,500 Lakhs (Previous Year Rs. 9,032.42 Lakhs) repayable on call basis.

Loans from Others

Syndicate Bank - Corporate Loan - Outstanding Rs. 10,000 Lakhs (Previous Year Rs Nil)

- 4 **MANAGEMENT SERVICES FEES** : Since 1st April 2008, the Company is providing corporate support services related to Accounting, Finance, Treasury, Forex / Commodity Risk Management, Purchases , Audit, Taxation, Corporate Strategy, Media Services, Project Management etc. to its subsidiaries namely Binani Cement Limited, Binani Zinc Limited and Goa Glass Fibre Limited on payment of monthly Management Service Fees by the subsidiaries.

(Rs. In Lakhs)

5	OTHER INCOME	For the year ended 31st March, 2011	For the year ended 31st March, 2010
	i) Liability no longer required written back	4.56	0.10
	ii) Service Charges	11.34	5.23
	iii) Profit on Sale of short term Investment	-	0.52
	iv) Others	0.93	1.44
		<u>16.83</u>	<u>7.29</u>

(Rs. In Lakhs)

		For the year ended 31st March, 2011	For the year ended 31st March, 2010
6	(a) MANAGERIAL REMUNERATION (Executive Vice Chairman & Managing Director)		
	Salary	110.64	98.40
	Perquisites **	36.00	36.00
		<u>146.64</u>	<u>134.40</u>
	** Does not include monetary value of non cash perquisites as per Income Tax Act,1961.		
	(b) COMMISSION TO NON EXECUTIVE DIRECTORS	10.00	10.00

(Rs. In Lakhs)

Computation of Net Profit in accordance with provision of Section 349 of the Companies Act, 1956	For the year ended 31st March, 2011	For the year ended 31st March, 2010
Net Profit / (Loss) Before Tax as per Profit & Loss Account	1,146.02	1,664.94
Add :		
Managerial Remuneration	146.64	134.40
Commission paid to Non- Executive Director/s	10.00	10.00
Loss on sale of Fixed Assets	0.49	1.92
	157.13	146.32
Net Profit / Loss (-) in terms of Section 349	1,303.15	1,811.26
Maximum Remuneration payable as per Section 349 @ 5%	65.16	90.56
Maximum Commission payable to Non Executive Directors u/s 309 (4) @ 1%	13.03	18.11
Actual commission paid to Non Executive Directors	10.00	10.00

Note : 1) The Company has considered profit only for the current year for the purpose of calculating remuneration / Commission as laid down under section 349 / 350 of the Companies, Act 1956.

2) During the year necessary approval has been received from Government for payment of Managerial Remuneration.

(Rs. In Lakhs)

		For the year ended 31st March, 2011	For the year ended 31st March, 2010
7	EXPENDITURE IN FOREIGN CURRENCY (on cash basis) :-		
	Foreign Travelling Expenses	95.89	35.44
	Consultancy Fees	97.03	-
	Conference Expenses	1.47	0.90
	Subscription to periodicals	1.70	-
8	REMUNERATION TO AUDITORS		
	Statutory Audit Fees for Stand alone Accounts	1.00	1.00
	Audit Fees for Consolidated Accounts	3.00	3.00
	Taxation Matters	0.50	0.50
	Other Services	1.93	0.72
	TOTAL	6.43	5.22

9 Interest and Financial charges for the year include Rs.38.60 Lakhs (Previous Year Rs.527.52 Lakhs) allocated by Binani Cement Limited (BCL) and Rs. Nil (Previous Year Rs.26.01 Lakhs) allocated by Goa Glass Fibre Limited (GGFL) and are net of interest allocated to GGFL Rs Nil (Previous Year Rs.40.60 Lakhs). Allocation of interest is done on the basis of daily balances in respective Current Accounts. The interest also includes Rs. 30.00 Lakhs (Previous Year Rs. Nil) paid to Binani Cement Ltd. on inter corporate deposits recieved from that Company. Besides, interest of Rs. 67.64 Lakhs recieved from GGFL during the year on the basis of daily balances on its current account has been credited to interest income. Both BCL and GGFL are subsidiaries of the Company.

10 Deferred tax asset in respect of unabsorbed depreciation and business loss has been recognised to the extent of deferred tax liability as there is virtual certainty that these would be available as set off in future years on reversal of deferred tax liability representing depreciation.

Deferred Tax Liability / Assets comprise of the following:

(Rs. In Lakhs)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
a) Deferred Tax Liability		
Fixed Assets	-	11.94
Total	-	11.94
b) Deferred Tax Asset		
Fixed Assets	(27.76)	-
Disallowance under Income Tax Act, 1961	(41.87)	(19.05)
Unabsorbed Losses & Depreciation	(5,298.25)	(5,285.80)
Total	(5,367.88)	(5,304.85)
Deferred Tax Assets (net)	(5,367.88)	(5,292.91)
However the Company on a prudent basis has not recognised deferred tax assets.		

- 11 During the year, Binani Cement Limited has completed the Reverse Book Building process for voluntary delisting of its Equity Shares in terms of SEBI (Delisting of Equity Shares), Regulations, 2009. Final Application for Delisting of Equity Shares has been filed with Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). Approvals of the Exchanges are expected shortly.

With a view to provide exit opportunity to the public shareholders of Binani Cement Limited under SEBI (Delisting of Equity Shares), Regulations, 2009, during the year the Company has purchased 47,358,222 number of shares of Binani Cement Limited from its public shareholders at a price of Rs. 90.00 per share valuing Rs. 42,622.40 Lakhs.

12 Primary Segment Information

(Rs. In Lakhs)

Particulars	For the year ended 31st March, 2011	For the year ended 31st March, 2010
1) Segment Revenue		
a) Fees for Management Services rendered	3,510.00	2,300.10
b) Unallocated/Other Income (Refer Note 1 below)	5,081.01	2,803.55
	8,591.01	5,103.65
2) Segment Result (Profit/Loss) before interest and tax)	Refer Note 2 below	
3) Capital Employed (Segment Assets - Segment Liabilities)	Refer Note 2 below	

- Note:**
- 1) Other Income includes dividend received from Subsidiary Rs. 4,613.91 Lakhs (Previous Year Rs. 2,768.35 Lakhs.)
 - 2) Since resources used are common for fees for management services rendered and other sources of income, the segment result & capital employed are not ascertainable.

13 RELATED PARTY DISCLOSURE AS PER AS 18 ISSUED UNDER ACCOUNTING STANDARD RULES 2006.

- (a) The Company has entered into transactions in ordinary course of business with related parties at arms length as per details below:

(Rs. In Lakhs)

Particulars	Subsidiaries	Enterprises where Key Management Personnel have got significant influence	Total
Fees received for Management Services Rendered Binani Cement Limited	2,632.47 (1,725.00)	- (-)	2,632.47 (1,725.00)
Binani Zinc Limited	526.49 (345.00)	- (-)	526.49 (345.00)
Goa Glass Fibre Limited	351.04 (230.10)	- (-)	351.04 (230.10)
Service charges received Triton Trading Pvt. Co. Ltd.	- (-)	11.34 (5.23)	11.34 (5.23)
Payment towards Services received Sambhaw Holdings Limited	- (-)	64.50 (52.50)	64.50 (52.50)
Triton Trading Pvt. Co. Ltd.	- (-)	8.63 (-)	8.63 (-)
Rent paid Binani Metals Limited	- (-)	3.48 (2.88)	3.48 (2.88)
Sambhaw Holdings Limited	- (-)	1.50 (3.00)	1.50 (3.00)
Compensation paid - Triton Trading Co. Pvt. Ltd.	- (-)	- (140.00)	- (140.00)
Rent Received Triton Trading Co. Pvt. Ltd.	- (-)	- (0.01)	- (0.01)
Service charges paid for car usage Triton Trading Co. Pvt. Ltd.	- (-)	2.47 (-)	2.47 (-)
Binani Metals Limited	- (-)	39.08 (31.49)	39.08 (31.49)
Dividend received from Binani Cement Limited	4,613.91 (2,768.35)	- (-)	4,613.91 (2,768.35)
Dividend Paid to Binani Metals Limited	- (-)	142.46 (142.46)	142.46 (142.46)
Investment Sankalp Holdings Limited	15.31 (16.58)	- (-)	15.31 (16.58)
Binani Cement Limited	42,622.40 (-)	- (-)	42,622.40 (-)
BIL Infratech Limited	5.00 (-)	- (-)	5.00 (-)
Binani Readymix Concrete Limited	10.00 (-)	- (-)	10.00 (-)
CPI Binani Inc.	1,234.58 (-)	- (-)	1,234.58 (-)
Advance for Investment BIL Infratech Limited	495.00 (-)	- (-)	495.00 (-)

Particulars	Subsidiaries	Enterprises where Key Management Personnel have got significant influence	Total
Loans & Advances/ Unsecured Loan			
- Given to			
Wada Industrial Estate Limited	38.70 (10.40)	- (-)	38.70 (10.40)
Goa Glass Fibre Limited	800.00 (211.96)	- (-)	800.00 (211.96)
B T Composites Limited	215.99 (-)	- (-)	215.99 (-)
CPI Binani Inc.	3,336.05 (-)	- (-)	3,336.05 (-)
Binani Readymix Concrete Limited	30.87 (-)	- (-)	30.87 (-)
- Repaid (net) including interest accrued during the year, (net of TDS) to			
Binani Cement Limited	9,103.53 (474.77)	- (-)	9,103.53 (474.77)
Goa Glass Fibre Limited	- (1,105.71)	- (-)	- (1,105.71)
- Repaid (net) including interest accrued during the year, (net of TDS) by			
Goa Glass Fibre Limited	572.83 (-)	- (-)	572.83 (-)
Taken including interest accrued during the year, (net of TDS) from			
Binani Cement Limited	8,500.00 (-)	- (-)	8,500.00 (-)
Balance outstanding as on 31.03.2011			
Due from			
Wada Industrial Estate Limited	114.40 (75.70)	- (-)	114.40 (75.70)
B T Composites Limited	397.45 (181.45)	- (-)	397.45 (181.45)
Goa Glass Fibre Limited	500.00 (211.96)	- (-)	500.00 (211.96)
Binani Readymix Concrete Limited	30.87 (-)	- (-)	30.87 (-)
CPI Binani Inc.	3,336.05 (-)	- (-)	3,336.05 (-)
Due to Binani Cement Limited	5,500.00 (9,032.42)	- (-)	5,500.00 (9,032.42)
Interest accrued but not due to Binani Cement Ltd.	1.96 (-)	- (-)	1.96 (-)

(Figures in bracket pertain to previous year)

Note:

- 1 Remuneration paid to key management personnel Mr. Sunil Sethy during the year and interest allocated by / to subsidiaries have been separately disclosed vide note no. 6 & 9 respectively.
- 2 Guarantees given to Banks & Financial Institutions on behalf of subsidiaries have been separately disclosed vide note no 2.
- 3 Names of related parties and description of relationship:
 - a) Subsidiaries / step down subsidiaries where control exists : Binani Cement Limited (BCL), Binani Zinc Limited (BZL), Goa Glass Fibre Limited (GGFL), B T Composites Limited (BTCL), Wada Industrial Estate Limited (WIEL), Binani Readymix Concrete Ltd (RMC), BIL Infratech Ltd and wholly owned subsidiaries of BZL viz., R.B.G. Minerals Industries Limited, Binani Energy Private Limited (BEPL), and BZ Minerals (Australia) Pty Limited, Australia and Subsidiaries of BCL viz Krishna Holding Pte. Ltd., Singapore (KHL), Shandong Binani Rong'An Cement Co. Ltd., China (SBRCC), Mukundan Holdings Ltd., British Virgin Island (MHL), Binani Cement Factory LLC, UAE (BCFLLC), Murari Holdings Ltd., British Virgin Island (MuHL), Bhumi Resources (Singapore) Pte Limited. Singapore, Binani Cement Factory (Mauritius) Ltd, Mauritius , Binani Cement Factory (SFZ) Ltd, Sudan, BC Tradelink Ltd, Tanzania, Binani Cement Co. Ltd, Sudan, Binani Cement Factory (Kenya) Ltd, Kenya, Binani Cement SARKL, Djibouti, Binani Cement (Uganda) Limited, Uganda, PT Anganna Energy Resources, Indonesia, Binani Cement Company WLL, Kuwait, CPI Binani, Inc. U.S.A (CPI), Swiss Merchandise Infrastructure Limited, Merit Plaza Limited, Binani Infrastructure (Mauritius) Limited, Mauritius, Sankalp Holdings Ltd., Cyprus (SHL) and Abhinav Holdings Ltd., Cyprus (AHL). SHL is a wholly owned subsidiary of BIL and, AHL is a wholly owned subsidiary of SHL.
 - b) Key Management Personnel: Mr. Braj Binani and Mr. Sunil Sethy.
 - c) Enterprises where Key Management Personnel have got significant influence: Mr. Braj Binani in Binani Metals Limited, Sambhaw Holdings Limited, K. B. Vyapar Private Limited, Triton Trading Co. Pvt. Ltd., Lexus Holding & Finance Private Limited and Miracle Securities Private Limited. Mr. Sunil Sethy in Radix Technologies.

(b) Loans and advances in the nature of Loans given to Subsidiaries etc.

(Rs. In Lakhs)

Sr. No.	Name of the Company	Relationship	As at March 31, 2011	Maximum Balance during the year 2010-11
1	BT Composites Limited	Subsidiary	397.45 (181.45)	397.45 (181.45)
2	Goa Glass Fibre Ltd	Subsidiary	500.00 (211.96)	1,011.96 (1,070.07)
3	Wada Industrial Estate Ltd	Subsidiary	114.40 (75.70)	114.40 (75.70)
4	Binani Readymix Concrete Ltd	Subsidiary	30.87 (-)	30.87 (-)
5	CPI Binani Inc.	Subsidiary	3,336.05 (-)	3,336.05 (-)

(Figures in bracket pertain to previous year)

Except Loan to CPI Binani, Inc., Loans and Advances shown above fall under the category of 'Loans and Advances in the nature of loans (through intra company current accounts) where there is no fixed repayment schedule. Advance given to Binani Readymix Concrete Limited, BT Composites Limited and Wada Industrial Estate Limited are interest free.

14 As the Company does not have information as to which of its creditors is registered under The Micro, Small and Medium Enterprises Development Act, 2006, no disclosure as required by the said Act is given.

15 EMPLOYEE BENEFITS :

- a) Defined benefit plans as per actuarial valuation on 31st March, 2011.

	(Rs. In Lakhs)	
	Gratuity Funded	
	31.03.2011	31.03.2010
I Expenses recognised in the Statement of Profit & Loss for the year ended 31st March, 2011		
1 Current Service Cost	16.20	14.08
2 Interest Cost	7.45	7.22
3 Employees Contributions		
4 Expected return on plan assets	(5.51)	(6.38)
5 Net Actuarial (Gains) / Losses	(2.52)	7.24
6 Past Service Cost	-	-
7 Settlement Cost	-	-
8 Total Expenses	15.62	22.16
II Net Asset/ (Liability) recognised in the Balance Sheet as at 31 st March, 2011		
1 Present value of Defined Benefit Obligation as at the end of the year	102.82	90.31
2 Fair value of plan assets as at the end of the year	143.06	68.87
3 Funded status [Surplus/(Deficit)]	40.24	(21.44)
4 Net asset/ (Liability) as at the end of the year	40.24	(21.44)
III Change in obligation during the year ended 31st March, 2011		
1 Present value of Defined Benefit Obligation at beginning of the year	90.31	94.58
2 Current Service Cost	16.20	14.08
3 Interest Cost	7.45	7.22
4 Settlement Cost	-	-
5 Past Service Cost	-	-
6 Employees Contributions	-	-
7 Actuarial (Gains) / Losses	(1.81)	5.55
8 Benefits Payments	(9.33)	(31.12)
9 Present value of Defined Benefit Obligation at end of the year	102.82	90.31
IV Change in Assets during the year ended 31st March, 2011		
1 Plan assets at beginning of the year	68.87	85.30
2 Assets acquired on amalgamation in previous year	-	-
3 Settlements	-	-
4 Expected return on plan assets	5.51	6.38
5 Contributions by Employer	77.31	10.00
6 Actual benefits paid	(9.33)	(31.12)
7 Actuarial Gains / (Losses)	0.71	(1.68)
8 Plan assets at end of the year	143.06	68.87
9 Actual return on plan assets	6.22	4.69

		(Rs. In Lakhs)	
		Gratuity Funded	
		31.03.2011	31.03.2010
V	The major categories of plan assets as a percentage of total plan		
	Qualifying Insurance Policy	YES	YES
VI	Actuarial Assumptions		
	Discount Rate	8.25%	8.25%
	Salary Escalation	4.00%	4.00%

- b) Provision towards liability for Leave Encashment is made on the basis of actuarial valuation as per Accounting Standard 15 (Revised). Actuarial value of liability as on 31.03.2011 is Rs.81.65 Lakhs (Previous Year Rs.33.11 Lakhs) based upon following assumptions.

Discount Rate	8.25%
Salary Escalation	4.00%

16 Earning per share is calculated as follows

(Rs. In Lakhs)

Particulars	For the year ended 31st March, 2011	For the year ended 31st March, 2010
Net Profit after tax	1,146.17	1,664.94
Equity shares outstanding as at the year end (in Nos.)	29,596,425	29,596,425
Weighted average number of Equity Shares used as denominator for calculating Basic and Diluted		
Earning Per Share	29,596,425	29,596,425
Nominal Value per Equity Share (in Rs.)	10	10
Earning Per Share (Basic and Diluted) (in Rs.)	3.87	5.63

- 17** Previous year's figures have been regrouped / reclassified wherever necessary.

As per our report of even date attached

For KANU DOSHI ASSOCIATES

Chartered Accountants
Firm Registration No. 104746W

JAYESH PARMAR

Partner
Membership No: 45375

Place : Mumbai
Date : 22nd April, 2011

For and on behalf of Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

S. N. Sridhar
Sr. Vice President (Corporate Legal)
& Company Secretary

Place : Mumbai
Date : 22nd April, 2011

Braj Binani
Chairman

Sunil Sethy
Executive Vice
Chairman & Managing
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH'2011

(Rs. in Lakhs)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
Cash Flow From Operating Activities		
Net Profit Before Tax	1,146.02	1,664.94
Adjustments for:		
Depreciation	40.01	27.44
Interest & Financial Charges	3,383.97	523.89
(Profit)/Loss on sale/discard of Fixed Assets (net)	0.49	1.92
Excess Provision / Liabilities no longer required written back	(4.56)	(0.10)
Interest and Dividend Income	(5,064.18)	(2,797.00)
Operating Profit Before Working Capital Changes	(498.25)	(578.91)
Adjustments for:		
Trade and Other Receivables	527.38	(1,696.07)
Trade and Other Payables	277.14	106.37
Cash Generated from Operations	306.27	(2,168.60)
Direct Taxes Paid (including FBT & TDS)	(416.67)	(75.69)
A Net Cash from Operating Activities	(110.40)	(2,244.30)
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(57.95)	(75.94)
Sale of Fixed Assets	0.50	0.17
Investments in / Advances to Subsidiaries	(48,291.96)	(238.94)
Interest and Dividend	5,064.18	2,792.29
B Net Cash Used in Investing Activities	(43,285.23)	2,477.58
Cash Flow from Financing Activities		
Repayment of Unsecured Loan from Subsidiaries	(9,032.42)	474.77
Loans from Subsidiaries	5,500.00	-
Loans from Bank	60,000.00	5,000.00
Repayment - Unsecured Loan from Bank	(5,000.00)	-
Interest & Finance Charges paid	(3,383.97)	(523.89)
Dividend Paid	(857.01)	(856.48)
C Net Cash from Financing Activities	47,226.60	4,094.40
D Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	3,830.97	4,327.69
E Opening Cash & Cash Equivalents (Cash and Bank Balances)	5,517.75	1,190.06
F Closing Cash & Cash Equivalents (D+E) (Cash and Bank Balances)	9,348.72	5,517.75

Note : Cash and Cash Equivalents includes Rs.132.40 lakhs (Previous Year Rs.101.51 lakhs) in respect of Unclaimed Dividend, the balance of which is not available to the Company.

As per our report of even date attached

For KANU DOSHI ASSOCIATES

Chartered Accountants
Firm Registration No. 104746W

JAYESH PARMAR

Partner
Membership No: 45375

Place : Mumbai
Date : 22nd April, 2011

For and on behalf of Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

S. N. Sridhar
Sr. Vice President (Corporate Legal)
& Company Secretary

Place : Mumbai
Date : 22nd April, 2011

Braj Binani
Chairman

Sunil Sethy
Executive Vice
Chairman & Managing
Director

PART IV

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I REGISTRATION DETAILS

Registration No.

2	5	5	8	4
---	---	---	---	---

 State Code

2	1
---	---

Balance Sheet Date

3	1
---	---

0	3
---	---

2	0	1	1
---	---	---	---

II CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)

Public Issue

N	I	L
---	---	---

 Rights Issue

N	I	L
---	---	---

Bonus Issue

N	I	L
---	---	---

 Private Placement

N	I	L
---	---	---

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)

Total Liabilities

8	8	1	2	1	2	4
---	---	---	---	---	---	---

 Total Assets

8	8	1	2	1	2	4
---	---	---	---	---	---	---

SOURCES OF FUNDS

Paid up Capital

2	9	6	1	5	2
---	---	---	---	---	---

 Reserves & Surplus

1	9	6	5	9	7	2
---	---	---	---	---	---	---

Secured Loans

3	5	0	0	0	0	0
---	---	---	---	---	---	---

 Unsecured Loans

3	0	5	0	0	0	0
---	---	---	---	---	---	---

APPLICATION OF FUNDS

Net Fixed Assets

2	8	5	4	0
---	---	---	---	---

 Investments

7	1	8	3	2	1	6
---	---	---	---	---	---	---

(Including Capital Work in progress)

Net Current Assets

1	3	0	6	4	1	8
---	---	---	---	---	---	---

 Profit and Loss Account

2	9	3	9	5	0
---	---	---	---	---	---

IV PERFORMANCE OF COMPANY (Amount in Rs. Thousands)

Turnover

8	5	9	1	0	1
---	---	---	---	---	---

 Total Expenditure

7	4	4	4	9	9
---	---	---	---	---	---

Profit/Loss(-) Before Tax

1	1	4	6	0	2
---	---	---	---	---	---

 Profit/Loss(-) After Tax

1	1	4	6	1	7
---	---	---	---	---	---

Earnings Per Share in Rs.

3	.	8	7
---	---	---	---

 Dividend Rate %

3	0	%
---	---	---

V GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS)

Item Code No. (ITC Code)	Product Description
N A	N A

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BINANI INDUSTRIES LIMITED AND ITS SUBSIDIARIES

To the Board of Directors of Binani Industries Ltd.

1. We have audited the attached Consolidated Balance Sheet of Binani Industries Limited ("the Company") and its subsidiaries (including step down subsidiaries) (collectively referred to as "the group") as at 31st March, 2011 and the Consolidated Profit and Loss Account and also the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The financial statements of a subsidiary Binani Cement Limited, which reflect total assets of Rs. 2,58,854 lakhs as at 31st March, 2011, total revenue of Rs. 1,74,335 lakhs and net cash outflow of Rs. 7,897 lakhs for the year then ended, have been audited by us jointly with other auditor.
4. a) We have not audited the financial statements of the twelve subsidiaries (including eleven step down subsidiaries) included in the consolidated financial statements whose financial year ended on 31st December, 2010. These financial statements reflect total assets of Rs. 2,10,529 lakhs as at 31st December, 2010, total revenues of Rs. 16,722 lakhs and net cash inflows of Rs. 11,190 lakhs for the year then ended. Further, we have not audited the financial statements of twelve subsidiaries (including six step down subsidiaries) included in consolidated financial statements whose financial year ended on 31st March, 2011 and whose financial statements reflect total assets of Rs. 63,624 lakhs as at 31st March, 2011, revenue Rs. 52,529 and net cash outflow of Rs. 12 lakhs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.
b) As explained in para 4(a) above, in respect of the above twelve subsidiaries (including eleven step down subsidiaries), financial statements have been audited for the financial year ending 31st December, 2010. The management has compiled the financial statements of these subsidiaries for the period from 1st January, 2011 to 31st March, 2011. The financial statements of these subsidiaries reflect total assets of Rs. 2,18,207 lakhs as at 31st March, 2011, total revenues of Rs. 4,596 lakhs and net cash outflows of Rs. 6,127 lakhs for the three months period then ended.
c) We have relied on the unaudited financial statements and financial information furnished by the management with respect to six subsidiaries (including five step down subsidiaries), whose financial statements reflect total assets of Rs. 6,007 lakhs as at 31st March, 2011, total revenues of Rs. 1,065 lakhs and net cash inflows of Rs. 505 lakhs for the period then ended.

We are unable to comment upon the resultant impact, if any, on the loss, assets and liabilities of the consolidated financial statements of the Group as at 31st March, 2011, had the subsidiaries (including step down subsidiaries) mentioned in para 4(b) and 4(c) been audited. The subsidiaries (including step down subsidiaries) as mentioned in para 4 above do not constitute significant components of the Group.

5. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated Financial Statements, notified pursuant to the Companies (Accounting Standards) Rules, 2006 and on the basis of separate financial statements of Binani Cement Limited and its subsidiaries.
6. Further to our comments as above, we report that:
As stated in note no. 10 in Schedule 16, Binani Zinc Limited has not provided in the accounts for disputed demands for electricity charges for reasons stated therein, the final outcome and the extent of final liability of which, if any, cannot be ascertained at this stage.
7. Based on our audit and on consideration of reports of other auditors on separate financial statements of the components as explained in para 4(a) and financial statements compiled and furnished by the management for remaining components as explained in para 4(b) and 4(c) above and to the best of our information and according to the explanations given to us and subject to note stated in paragraph 6 above, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
(a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2011;
(b) in the case of the Consolidated Profit and Loss Account, of the loss for the year ended on that date; and
(c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For KANU DOSHI ASSOCIATES

Chartered Accountants
Firm Registration. No: 104746W

Jayesh Parmar

Partner
Membership No.: 45375

Place : Mumbai
Date : April 22, 2011

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2011

(Rs. in Lakhs)

	Schedule	As at 31st March 2011	As at 31st March 2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	2,961.52	2,961.52
Reserves and Surplus	2	37,609.33	50,964.20
		40,570.85	53,925.72
MINORITY INTEREST		6,635.66	28,802.48
LOAN FUNDS			
Secured Loans	3	209,346.27	171,190.62
Unsecured Loans	4	48,660.51	14,084.04
		258,006.78	185,274.66
DEFERRED TAX LIABILITY (Refer note no 19 of Schedule 16)		19,794.00	19,771.00
TRADE DEPOSITS		3,143.67	2,871.09
TOTAL		328,150.96	290,644.95
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	5	337,463.49	297,211.10
Accumulated depreciation and Amortization		(101,443.76)	(88,591.70)
Net Block		236,019.73	208,619.40
Capital Work-in-Progress (Including capital advance)		59,488.74	28,672.64
		295,508.47	237,292.04
INVESTMENTS	6	4,007.90	12,463.98
DEFERRED TAX ASSET		730.00	-
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	7	35,126.99	36,190.08
Sundry Debtors		4,045.40	11,307.27
Cash and Bank Balances		50,326.12	48,837.07
Other Current Assets		308.43	73.93
Loans and Advances		21,049.65	23,872.99
		110,856.59	120,281.34
CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	8	(80,085.41)	(66,339.45)
Provisions		(2,870.66)	(13,057.03)
		(82,956.07)	(79,396.48)
NET CURRENT ASSETS (7-8)		27,900.52	40,884.86
MISCELLANEOUS EXPENDITURE	9	4.07	4.07
TOTAL		328,150.96	290,644.95
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS			
	16		

The Schedules referred to above form an integral part of Consolidated Balance sheet

As per our report of even date attached

For KANU DOSHI ASSOCIATES

Chartered Accountants
Firm Registration No. 104746W

JAYESH PARMAR

Partner
Membership No: 45375

Place : Mumbai
Date : 22nd April, 2011

For and on behalf of Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

Braj Binani
Chairman

S. N. Sridhar
Sr. Vice President (Corporate Legal)
& Company Secretary

Sunil Sethy
Executive Vice
Chairman & Managing
Director

Place : Mumbai
Date : 22nd April, 2011

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(Rs. in Lakhs)

	Schedule	For the Year Ended 31st March, 2011	For the Year Ended 31st March, 2010
INCOME			
Gross Sales and Related Income	10	269,949.44	295,459.66
Less: Excise Duty		30,732.00	25,223.97
Net Sales and Related Income		239,217.44	270,235.69
Other Income (Refer note no 15 of Schedule 16)		5,521.10	4,625.58
TOTAL		244,738.54	274,861.27
EXPENDITURE			
Raw Materials, Packing Materials and Goods Consumption	11	65,873.58	78,190.19
Other Manufacturing Expenses	12	77,912.76	71,529.61
Payments to and Provision for Employees	13	10,946.19	8,042.87
Administration and Selling Expenses	14	60,202.62	50,044.37
Interest and Finance Charges	15	19,015.82	13,788.83
Depreciation / Amortization		14,172.93	13,170.31
TOTAL		248,123.90	234,766.18
Profit/(Loss) before Taxation and Prior period items		(3,385.36)	40,095.09
Prior period items		(658.49)	(1,361.21)
Profit/(Loss) before extra ordinary item		(4,043.85)	38,733.88
Extra Ordinary Items		(1,774.96)	-
Profit/(Loss) after extra ordinary item but before taxation		(5,818.81)	38,733.88
Provision for Tax			
Less: Current Tax		96.04	11,397.94
Less: Previous year tax adjustment		47.81	84.12
Add: MAT Credit Entitlement		-	1,747.73
Less: Deferred Tax		23.00	3,361.07
Add: Excess FBT Provision of earlier years written Back		0.59	-
Add: Excess Provision of Earlier years written back		1,145.14	77.38
Profit/(Loss) after tax		(4,839.93)	25,715.86

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(Continued..)

(Rs. in Lakhs)

Schedule	For the Year Ended 31st March, 2011	For the Year Ended 31st March, 2010
Minority Interest	297.43	(7,202.00)
Profit/(Loss) after tax and Minority Interest	(4,542.50)	18,513.86
Balance brought forward from Previous year	24,153.70	10,193.21
Transfer to Capital Redemption Reserve	(1,450.00)	-
Premium paid on Buyback of Shares	(11,600.00)	-
Transfer from Debenture Redemption Reserve	1,235.09	778.88
Transfer to General Reserve	(1,077.00)	(2,049.29)
Proposed Dividend	(1,123.32)	(3,382.52)
Dividend Distribution Tax on Proposed Dividend	(764.89)	(1,208.10)
Reversal of Dividend Distribution Tax on Proposed Dividend of Earlier year	27.45	
Adjustment In Minority interest for brought forward profit on account of change in shareholding pattern	12,430.18	-
Adjusted with Credit balance of General reserve	167.00	167.00
Adjustment for General Reserve and Debenture Redemption Reserve of previous period on account of consolidation	-	1,580.78
Adjustment of pre-acquisition Profit	(8,211.24)	(440.12)
Balance Carried to Balance Sheet	9,244.47	24,153.70
Earnings Per Share (Equity Shares, par value Rs. 10/- each)		
(Refer Note no. 23 of Schedule 16)		
Basic & Diluted (Rs.)	(16.35)	86.89
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	16	

The Schedules referred to above form an integral part of Consolidated Profit & Loss Account

As per our report of even date attached

For KANU DOSHI ASSOCIATESChartered Accountants
Firm Registration No. 104746W**JAYESH PARMAR**Partner
Membership No: 45375Place : Mumbai
Date : 22nd April, 2011**For and on behalf of Board of Directors****R. Venkiteswaran**
Chief Financial Officer
- Group Control Accounts**Braj Binani**
Chairman**S. N. Sridhar**
Sr. Vice President (Corporate Legal)
& Company Secretary**Sunil Sethy**
Executive Vice
Chairman & Managing
DirectorPlace : Mumbai
Date : 22nd April, 2011

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2011

(Rs. in Lakhs)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 1		
SHARE CAPITAL		
AUTHORISED		
4,00,00,000 (Previous year 4,00,00,000) Equity Shares of Rs. 10 each	4,000.00	4,000.00
60,00,000 (Previous year 60,00,000) Preference Shares of Rs. 100 each	6,000.00	6,000.00
	<u>10,000.00</u>	<u>10,000.00</u>
ISSUED, SUBSCRIBED AND PAID UP		
2,95,96,425 (Previous year 2,95,96,425) Equity Shares of Rs. 10 each fully paid up	2,959.64	2,959.64
Of the above 1,59,30,075 Equity Shares were allotted as fully paid up Bonus Shares by capitalisation of General Reserve, Share Premium and Profit on reissue of Forfeited Shares		
Add: Amount paid up on Forfeited Shares	1.88	1.88
TOTAL	<u>2,961.52</u>	<u>2,961.52</u>
SCHEDULE - 2		
RESERVES AND SURPLUS		
CAPITAL RESERVE		
As per last account	49.03	1,414.98
Add / Less: Reserve created / Transferred on Consolidation during the year	-	(1,365.95)
	<u>49.03</u>	49.03
SHARE PREMIUM		
As per last account	19,595.68	19,595.68
DEBENTURE REDEMPTION RESERVE		
As per last account	1,622.66	3,700.00
Less :Transfer to Profit and Loss Account	(1,235.09)	(778.88)
Less :Share of Minority Interest related to previous period	-	(1,298.46)
Add :Reserve on account of revision of share in Minority Interest	752.51	-
Less: Adjustment on account of Pre-operative Profit	(301.32)	-
	<u>838.76</u>	1,622.66
CAPITAL REDEMPTION RESERVE		
Transfer from Profit and Loss Account	1,450.00	-
Less: Adjustment on account of Pre-operative Profit	(364.10)	-
Less :Share of Minority Interest	(72.40)	-
	<u>1,013.50</u>	-
CAPITAL INVESTMENT SUBSIDY		
As per last account	65.00	65.00
GENERAL RESERVE		
As per last account	4,499.97	2,900.00
Add: Transfer from Profit and Loss Account	864.56	2,049.29
Less :Share of Minority Interest related to previous period	-	(282.32)
Add :Reserve on account of revision of share in Minority Interest	2,086.86	-
Less: Adjustment on account of Pre-operative Profit	(1,740.89)	-
Less: Balance at the year end adjusted with the debit balance of Profit & Loss Account as per contra	-	(167.00)
	<u>5,710.50</u>	4,499.97
FOREIGN CURRENCY TRANSLATION RESERVE	1,092.39	978.16
PROFIT AND LOSS ACCOUNT	<u>9,244.47</u>	24,153.70
TOTAL	<u>37,609.33</u>	<u>50,964.20</u>

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2011

(Rs. in Lakhs)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 3		
SECURED LOANS		
DEBENTURES		
Financial Institutions (Falling due for payment within one year Rs.1,500 Lakhs) (Previous Year Rs.2,500.00 Lakhs)	2,375.00	4,875.00
TERM LOANS		
Financial Institutions (Falling due for payment within one year Rs.622.24 Lakhs) (Previous Year Rs. 625.25 Lakhs)	37,166.38	34,120.88
Banks (Falling due for payment within one year Rs. 55,418.85 Lakhs)* (Previous Year Rs. 20,479.72 Lakhs)	167,724.71	117,100.42
Interest accrued and due (refer Note 13 (VI) (b) of Schedule 16)	19.79	32.03
	167,744.50	117,132.45
WORKING CAPITAL DEMAND LOAN / CASH CREDIT		
Banks (Falling due for payment within one year Rs. 2,000.42 Lakhs) (Previous Year Rs. 13,572.47 Lakhs)	2,000.42	14,480.04
BILL DISCOUNTING- BANK	59.97	582.25
TOTAL	<u><u>209,346.27</u></u>	<u><u>171,190.62</u></u>
SCHEDULE - 4		
UNSECURED LOANS		
From Bank (Falling due for payment within one year Rs. 21,548 Lakhs) (Previous Year Rs. 5,000 Lakhs)	42,200.00	7,200.00
Deferment of Value Added tax	3,813.54	3,813.54
From Others (Falling due for payment within one year Rs. 1500 Lakhs) (Previous year Rs. 2844.50 Lakhs)	2,646.97	3,070.50
TOTAL	<u><u>48,660.51</u></u>	<u><u>14,084.04</u></u>

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2011

SCHEDULE 5: FIXED ASSETS

	FREEHOLD LAND	LEASEHOLD LAND	*BUILDINGS (INCLUDING ROADS)	PLANT AND MACHINERY	RAILWAY SIDINGS	**MINE EXPLORATIONS & DEVELOPMENTS	FURNITURE & OFFICE EQUIPMENTS	TRANSPORT EQUIPMENTS	*** GOODWILL ON CONSOLIDATION	OTHER INTANGIBLE ASSETS	TOTAL	TOTAL PREVIOUS YEAR	CAPITAL WORK IN PROGRESS
GROSS BLOCK													
As at 1st April 2010	1,514.39	169.15	15,211.39	228,265.28	2,941.30	4,385.28	1,294.30	391.08	42,145.33	893.60	297,211.10	247,479.54	
Additions during the year	455.34	9.21	2,273.46	13,691.77	23.87	-	293.39	59.65	27,720.73	1,218.50	45,745.91	52,932.90	
Sales/Transfers/Adjustments during the year	4.91	-	19.24	1,483.65	-	-	2.79	24.74	8.76	-	1,544.09	2,227.18	
Adjustment on account of consolidation	-	-	-	-	-	-	-	-	-	-	-	-	
Foreign Currency Translation Reserve	(0.31)	-	(76.11)	(447.48)	-	7.28	(5.77)	(2.73)	(3,423.67)	(0.65)	(3,949.44)	(974.17)	
Total as at 31st March, 2011	1,964.51	178.36	17,389.50	240,025.92	2,965.17	4,392.56	1,579.13	423.26	66,433.63	2,111.45	337,463.49	297,211.10	
DEPRECIATION AND AMORTISATION													
As at 1st April 2010	-	49.23	5,635.50	80,466.81	232.39	897.30	884.21	238.51	-	187.75	88,591.70	77,158.44	
Additions during the year	-	1.81	764.18	12,551.66	140.41	271.28	120.56	50.31	-	272.72	14,172.93	13,170.44	
On Sales/Transfers/Adjustments during the year	-	-	3.80	1,108.76	-	-	1.87	25.86	-	-	1,140.29	1,471.64	
Foreign Currency Translation Reserve	-	-	(23.21)	(157.07)	-	4.22	(4.10)	(0.99)	-	0.57	(180.58)	(265.54)	
Total as at 31st March, 2011	-	51.04	6,372.67	91,752.64	372.80	1,172.80	998.80	261.97	-	461.04	101,443.76	88,591.70	
NET BLOCK													
As at 31st March, 2011	1,964.51	127.32	11,016.83	148,273.28	2,592.37	3,219.76	580.33	161.29	66,433.63	1,650.41	236,019.73	208,619.40	59,688.74
As at 31st March 2010	1,514.39	119.92	9,575.89	147,798.47	2,708.91	3,487.98	410.09	152.57	42,145.33	705.85	208,619.40	170,321.10	28,672.64

Notes

* In BIL: Buildings include building of Rs. 198.05 lakhs (Previous year Rs. 198.05 lakhs) on leasehold land. Transfer of lease yet to be completed. In BCL, Buildings include assets built on land not owned by BCL Rs. 398.02 lakhs (Previous year Rs. 398.02 Lakhs)

BCF LLC: Buildings consist of factory constructed on a land leased from Government of Dubai under lease agreement of 30 years expiring on December 2027 and renewable thereafter.

BCF LLC: Labour camp constructed on a land leased from Government of Dubai under lease agreement of 10 years expiring on July 2012 and renewable thereafter.

** Includes expenses of Rs. 26.57 lakhs incurred in previous year for development of new Mine area from which ores are not yet extracted.

*** Intangible Assets include Geographical Investigation expenses, Design fee & Exploration, Land Use Rights and Computer Software

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2011

(Rs. in Lakhs)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 6		
INVESTMENTS		
LONG TERM		
QUOTED		
i) 20,000,000 Fully ordinary share of AUD 0.10 per share & 62,151,691 fully ordinary share of AUD 0.105 per share in Meridian Minerals Ltd. (Australia) Market Value as on March 31, 2011 is AUD 0.115 per share	3,980.35	-
NON-TRADE QUOTED (AT COST)		
NSC	0.03	-
PNB Gilts Ltd.	10.02	10.02
33,400 Equity Shares of Rs. 10/- each fully paid up		
UNQUOTED		
A) SHARES IN OTHER COMPANIES		
i) 20,000 Equity Shares in Kerala Enviro Infrastructure Ltd. of Rs.10 each fully paid up	17.50	17.50
B) INVESTMENT IN SUBSIDIARY COMPANIES		
i) 250 Shares in BC Trading (Mauritius) Ltd, Mauritius, of MUR 100 (Mauritian Rupee) each by BCF LLC Dubai	-	0.38
ii) 10,000,000 fully paid up Shares (previous year 5,000,000) of Bhumi Resources (Singapore) Pte. Ltd. of USD 1 each	-	2,325.37
C) APPLICATION MONEY FOR INVESTMENT IN CAPITAL OF SUBSIDIARIES - PENDING ALLOTTMENT:		
i) In Equity Shares of Krishna Holdings Pte Ltd. Singapore.	-	4,559.79
ii) In Equity Shares of Murari Holdings Ltd.	-	461.99
iii) Advance / Share Application Money - Mukundan Holdings Ltd.	-	5,088.90
D) INVESTMENTS IN MUTUAL FUNDS	-	0.03
TOTAL	<u><u>4,007.90</u></u>	<u><u>12,463.98</u></u>

Number of Units/Share purchased and sold during the Year

Units in Mutual Funds	Face Value (In Rs.)	Purchased (No.)	Sold (No.)
BIL			
Baroda Liquid Inst. Daily Dividend	10	17,742,420	17,742,420
Baroda Treasury Advantage Fund - IP - DDR	10	15,338,010	15,338,010
Birla Cash Manager Inst. Daily Dividend	10	6,276,422	6,276,422
Birla Cash Plus Inst. Daily Dividend	10	6,238,681	6,238,681
Birla Saving Inst. Daily Dividend	10	10,027,832	10,027,832
DSP Blackrock Liquidity Fund-IP-DDR	1000	19,997	19,997
DSP Blackrock Money Manager-Institutional plan-DDR	1000	12,995	12,995
JM Financial High Liquidity Fund-SIP-DDR	10	999,105	999,105
JP Morgan Liquid Super Inst. Daily Dividend	10	19,000,376	19,000,376
JP Morgan Treasury Super Inst. Daily Dividend	10	15,109,087	15,109,087
Kotak Flexi Debt Inst. Daily Dividend	10	37,414,677	37,414,677
Kotak Floater Short Term DD	10	3,464,287	3,464,287
Kotak Floater-ST-DDR	10	1,484,106	1,484,106
Kotak Liquid Inst. Premium Daily Dividend	10	33,345,750	33,345,750
LIC Floating Rate Short Term Daily Dividend	10	17,047,630	17,047,630
LIC Income Plus Daily Dividend	10	10,002,512	10,002,512
LIC Liquid Fund Dividend Plan	10	34,611,542	34,611,542
LIC Saving Plus Daily Dividend	10	28,042,177	28,042,177
Reliance Liquid Treasury Inst. Daily Dividend	10	3,925,201	3,925,201
Reliance Medium Term Daily Dividend	10	5,860,934	5,860,934
Reliance Money Manager Inst. Daily Dividend	1000	160,316	160,316
SBI Liquid Inst. Daily Dividend	10	27,912,633	27,912,633
SBI Ultra Short Term Inst Daily Dividend	10	28,076,855	28,076,855
BCL			
Birla Sun Life Cash Plus - Institutional Premium Plan - Daily Div	10	142,785,238	142,785,238
Birla Sun Life Cash Manager- Institutional Premium Plan - Daily Div	10	46,027,063	46,027,063
Birla Sun Life Ultra Short Term Fund - Institutional - DDR	10	75,624,879	75,624,879
Birla Sun Life Saving Fund - Inst. - Dly Dividend	10	4,001,811	4,001,811
SBI Liquid Fund-Super Institutional-Daily Dividend Reinvest	10	11,464,166	11,464,166
SBI Ultra Short term fund-Institutional-Daily dividend	10	11,566,321	11,566,321
J P Morgan Liquid Super Inst. Daily Div.	10	232,663,832	232,663,832
J P Morgan Treasury Super Inst. Daily Div.	10	92,214,792	92,214,792
HDFC Liquid Fund - Premium Plan - DDR	10	6,525,977	6,525,977
HDFC Cash Mgmt Fund - Treasury Advantage - WP - Dly Div	10	7,991,430	7,991,430
Religare Overnight Fund-Option-DDR	10	7,507,854	7,507,854
Religare ultra Short Term Fund-Inst-DDR	10	7,503,375	7,503,375

Number of Units/Share purchased and sold during the Year	Face Value (In Rs.)	Purchased (No.)	Sold (No.)
Kotak Floater - Short Term - Daily Dividend	10	80,169,198	80,169,198
Kotak Liquid - Inst Premium Plan - Daily Dividend	10	104,301,749	104,301,749
Kotak Floater Long Term- Daily Dividend	10	25,854,978	25,854,978
Kotak Flexi Debt Fund - IP - Daily Dividend	10	96,952,812	96,952,812
LIC MF Liquid Fund - Daily Dividend	10	213,281,292	213,281,292
LIC MF Floating Rate Fund - ST - Daily Dividend	10	175,534,733	175,534,733
LIC MF Savings Plus Fund - Dly Dividend	10	132,347,029	132,347,029
LIC MF Income Plus Fund - Daily Dividend	10	88,644,484	88,644,484
IDFC Cash fund -SI-Plan C-Daily Dividend Reinvest	10	9998,805	9,998,805
IDFC Fixed Maturity Plan Monthly Series	10	5,027,650	5,027,650
IDFC Money Manager Fund-TP-SI-Plan C-Daily Dividend Reinvest	10	10,004,825	10,004,825
Peerless Liquid Super Inst. Liquid Daily Dividend	10	84,057,312	84,057,312
Reliance Liquid Fund-Treasury Plan-Institutional option -Daily Dividend	10	45,818,167	45,818,167
Reliance Money Manager Fund Institutional option -Daily Dividend	1000	400,319	400,319
Canara Robeco Liquid Super Inst. Daily Div.	10	8,956,849	8,956,849
Canara Robeco Treasury Advantage Super Inst. Daily Div.	10	4,839,566	4,839,566
SBNNP Money Fund Super Inst. Daily Dividend Reinvestment	10	14,859,959	14,859,959
SBNNP Ultra Short term Fund Super Inst. Daily Dividend Reinvestment	10	4,993,301	4,993,301
SBNPP Flexible Fund - ST Inst - DDR	10	9,972,733	9,972,733
J M Financial High Liquidity Super Inst. DD	10	37,445,531	37,445,531
J M Financial High Liquidity Super Inst. DD 76	10	2,499,710	2,499,710
J M Financial High Liquidity Super Inst. DD 92	10	10,995,180	10,995,180
UTI Liquid Cash Plan Institutional-Daily Income option Re-Investment	1000	882,983	882,983
UTI Floating Rate Fund - STP - IP - Daily Dividend	1000	758,619	758,619
UTI Moneymarket - IP - Daily Dividend	1000	64,841	64,841
IDBI Liquid Fund-DDR	10	15,003,205	15,003,205
IDBI Ultra Short term Fund-DDR	10	11,517,471	11,517,471
Baroda Pioneer Liquid - Institutional daily dividend	10	201,891,924	201,891,924
Baroda Pioneer Treasury Advantage - Institutional daily dividend	10	74,705,661	74,705,661
Baroda Pioneer Treasury Advantage - Institutional weekly dividend	10	6,520,800	6,520,800
DSP Blackrock Floating Rate Fund Institutional daily dividend	1000	50,023	50,023
DSP Blackrock Liquid Fund Institutional daily dividend	1000	99,980	99,980
DSP Blackrock Money Manager Fund - Institutional Plan - DDR	1000	50,036	50,036
BZL			
Baroda Liquid Institutional Daily Dividend	10	16,289,737	16,289,737
Baroda Treasury Institutional Daily Dividend	10	1,498,636	1,498,636
Birla Cash Manager IP Daily Dividend	10	1,499,550	1,499,550

Number of Units/Share purchased and sold during the Year	Face Value (In Rs.)	Purchased (No.)	Sold (No.)
Birla Cash Plus Institutional Daily Dividend	10	8,765,509	8,765,509
Birla Saving Fund Institutional Daily Dividend	10	999,320	999,320
DSP Black Rock Money Manager Institutional Daily Dividend	1000	12,490	12,490
IDBI Liquid Daily Dividend	10	2,250,000	2,250,000
IDBI Ultra Short Term Fund	10	3,000,000	3,000,000
JP Morgan Liquid Fund Super inst. Daily Dividend	10	36,171,425	36,171,425
Kotak Floater Short Term Daily Dividend	10	24,465,708	24,465,708
Kotak Liquid Institutional Premium Daily Dividend	10	39,867,191	39,867,191
LIC Liquid Fund	10	24,589,940	24,589,940
Peerless Liquid Super Inst Daily Dividend	10	27,995,801	27,995,801
Reliance Liquid Fund Institutional Daily Dividend	10	3,597,734	3,597,734
Reliance Medium Term-DDR	10	1,608,573	1,608,573
Sbi Premier Liquid Institutional Daily Dividend	10	2,990,282	2,990,282
SBI Magnum Insta Cash Daily Dividend	10	597,004	597,004
UTI Floating Rate Short Term Daily Dividend	1000	39,969	39,969
UTI Liquid Cash Institutional Daily Income	1000	186,376	186,376
UTI Money Market Inst Daily Dividend	1000	49,831	49,831
UTI Treasury Advantage Inst Plan Daily Div	1000	24,995	24,995
Investments in shares in Subsidiaries Co.			
BIL			
Binani Cement Limited	10	47,358,222	-
BIL Infratech Limited	10	50,000	-
Binani Ready Mix Concrete Limited	10	100,000	-
Sankalp Holdings Limited	1	25,000	-
Binani Composites Inc USD of 0.996 each	0.996	2,709,999	-
BCL			
Swiss Merchandise Infrastructure Ltd. (Rs.)	10	40,000	-
Merit Plaza Ltd. (Rs.)	10	40,000	-
Bhumi Resources (Singapore) Pte Ltd (US Dollar)	1	7,000,000	-
Mukundan Holdings Ltd. (US Dollar)	1	11,000,000	-
Krishna Holdings Pte Ltd. (SGD)	1	41,312,000	-
Murari Holdings Ltd.(US Dollar)	1	8,900,000	-
BZL			
BZ Australia (Pty) Ltd (AUD)	1	8,525,929	-

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2011

(Rs. in Lakhs)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 7		
CURRENT ASSETS, LOANS AND ADVANCES		
Current Assets		
Inventories		
(as taken, valued & certified by the management and includes Goods in Transit)		
Raw materials and Packing Materials	12,826.90	14,890.87
Stores, Spare parts, Loose Tools and Fuel	14,465.32	12,753.04
Work-in-Process	346.58	158.82
Finished Goods	7,488.19	8,387.35
	<u>35,126.99</u>	<u>36,190.08</u>
Sundry Debtors (unsecured, considered good unless otherwise stated)		
Debts outstanding for a period exceeding six months	1,478.53	56.57
Other Debts	2,566.87	11,250.70
	<u>4,045.40</u>	<u>11,307.27</u>
Cash & Bank Balances		
Cash in hand	30.54	19.15
Remittances in transit and cheque in hand	24.29	-
Balance with Scheduled Banks:		
- Current Accounts	25,205.29	13,877.13
- Deposit Accounts	17,845.94	32,731.34
Balance with Other Banks		
- Current Accounts	4,558.52	1,602.18
- Deposit Accounts	2,661.54	607.27
	<u>50,326.12</u>	<u>48,837.07</u>
Other Current Assets		
Interest Receivable	128.57	49.32
Insurance Claims Receivable	166.50	-
Assets held for disposal	13.36	24.61
	<u>308.43</u>	<u>73.93</u>
Loans & Advances (unsecured, considered good unless otherwise stated)		
Due from Subsidiary Companies	456.66	-
Advances recoverable in cash or kind or for value to be received	9,603.40	17,344.55
Advance Income Tax including tax deducted at source (net of provision)	3,061.40	302.30
MAT Credit Entitlement	1,709.37	1,709.37
Fringe Benefit Tax (net of provision)	15.02	21.78
Other Deposits	1,886.08	1,704.14
Balance with Custom and Excise Authorities	4,317.72	2,790.85
	<u>21,049.65</u>	<u>23,872.99</u>
TOTAL	<u><u>110,856.59</u></u>	<u><u>120,281.34</u></u>

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2011

(Rs. in Lakhs)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE - 8		
CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Acceptance	-	210.62
Creditors		
For SSI Units (as identified by management)	-	10.46
For Trade	33,950.33	30,850.83
For Expenses	15,297.21	10,870.35
Other Liabilities	24,614.17	18,661.85
Advances from customers	5,631.84	4,881.80
Unclaimed Dividend	148.86	113.11
Interest accrued but not due on loans	443.00	740.43
TOTAL	80,085.41	66,339.45
PROVISIONS FOR		
Current Income Tax (Net of Advance Tax)	51.99	4,795.85
Proposed Dividend	1,123.32	3,382.52
Dividend Distribution Tax	764.90	1,208.10
Gratuity	317.86	179.30
Leave Encashment	390.65	241.18
Fringe Benefit Tax	1.05	-
Bonus	0.55	0.66
	220.34	3,249.42
TOTAL	2,870.66	13,057.03
TOTAL	82,956.07	79,396.48
SCHEDULE - 9		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Preliminary Expenses		
As per last Balance Sheet	4.07	1.03
Add: Additions during the year	-	4.07
Less: Amortised during the year	-	(1.03)
	4.07	4.07
TOTAL	4.07	4.07

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(Rs. Lakhs)

		For the year ended 31st March 2011		For the year ended 31st March 2010	
SCHEDULE - 10					
SALES AND RELATED INCOME	UOM	Qty	Amount	Qty	Amount
Cement	MT	5,728,720	205,946.50	6,179,614	232,129.54
Clinker	MT	511,724	7,645.34	565,834	10,405.82
GGBFS	MT	26,468	678.43	124,618	5,048.36
Unwrought Zinc	MT	31,311	38,911.84	35,843	40,421.75
Aluminium & Zinc Alloys	MT	1,638	2,336.67	100	133.53
Sulphuric Acid	MT	46,856	2,367.99	50,863	963.12
Cadmium	KG	69,259	125.21	71,416	137.57
Glass Fibre	MT	14,328	10,282.15	8,290	5,727.96
Glass Fibre Products	MT	317	629.95	218	478.65
Glass Fibre Products	Nos	76,833	752.31	-	-
Others			273.05		13.36
	TOTAL		269,949.44		295,459.66

(Rs. in Lakhs)

		For the Year Ended 31st March, 2011		For the Year Ended 31st March, 2010	
SCHEDULE - 11					
RAW MATERIALS, PACKING MATERIALS AND GOODS CONSUMPTION					
Raw Materials / Packing Material and Goods Consumption (including direct mining cost)			60,856.00		66,987.29
Royalty and Cess on Limestone			4,763.17		4,198.42
(Increase)/Decrease in Work-in-Progress					
Opening Stock		158.82		542.33	
Closing Stock		346.58	(187.76)	158.82	383.51
(Increase)/Decrease in Finished Goods					
Opening Stock		8,386.92		15,518.35	
Add: On account of Consolidation		-		-	
Closing Stock		7,488.19	898.73	8,387.35	7,131.00
Cost of Production of Finished Goods (Trial Run)			-		31.36
Excise Duty on Opening/Closing Stock of Finished Goods(net)			(456.56)		(541.39)
	TOTAL		65,873.58		78,190.19

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(Rs. in Lakhs)

	For the Year Ended 31st March, 2011	For the Year Ended 31st March, 2010
SCHEDULE - 12		
OTHER MANUFACTURING EXPENSES		
Power & Fuel	61,576.87	54,331.74
Freight and loading exp.on clinker transfer	3,497.34	4,088.23
Consumption of Stores and Spares (incl oil & Lubricants)	7,295.19	7,447.06
Repairs & Maintenance		
- Buildings	242.83	195.41
- Plant and Machinery	2,627.04	2,742.25
- Others	191.16	187.25
Other Operating Expenses	2,482.33	2,537.67
TOTAL	77,912.76	71,529.61
SCHEDULE - 13		
PAYMENTS TO AND PROVISION FOR EMPLOYEES		
Salaries & Wages	9,531.48	6,954.58
Contribution to Provident and other Funds	759.98	772.89
Workmen and Staff Welfare Expenses	654.73	315.40
TOTAL	10,946.19	8,042.87
SCHEDULE - 14		
SELLING AND ADMINISTRATION EXPENSES		
Rent	785.01	364.48
Insurance	593.82	337.00
Rates and Taxes	680.55	894.13
Advertisement and Sales Promotion	4,535.17	2,958.95
Directors' Fees	12.95	7.91
Outward Freight & Forwarding expenses	43,347.67	35,510.63
Bad Debt	149.22	-
Commission to Selling Agents	3,614.15	3,081.00
Loss on sale / discard of Fixed Assets (net)	321.65	801.61
Miscellaneous expenses	6,162.43	6,088.66
TOTAL	60,202.62	50,044.37
SCHEDULE - 15		
INTEREST AND FINANCE CHARGES		
Interest		
Debtures	428.53	740.05
Term Loans	16,185.76	9,498.25
Others	1,103.21	2,158.83
Finance Charges	1,298.32	1,391.70
TOTAL	19,015.82	13,788.83

NOTES ATTACHED ON CONSOLIDATED BALANCE SHEET & PROFIT & LOSS ACCOUNT AS AT AND FOR THE YEAR ENDED 31ST MARCH 2011

SCHEDULE -16

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1 SIGNIFICANT ACCOUNTING POLICIES

(i) **Basis of Accounting**

The accompanying consolidated financial statements of the Company and its subsidiary companies have been prepared under the historical cost convention and on accrual basis in accordance with accounting principles generally accepted in India and comply with the Accounting Standards as notified by the Companies (Accounting Standards) Rules, 2006.

(ii) **Basis of preparation**

- a) The financial statements of the Company and its subsidiary companies are consolidated on a line-by-line item basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- b) During the Previous Year, the consolidation of the overseas subsidiaries financial statements for their year/period ending 31st December 2009 were consolidated with BIL's accounts for the year ending 31st March 2010. This resulted into a time gap of 3 months between the financial periods of Holding Company and subsidiaries' financial statements. To bridge such time gap, during the current year, the financial statements of overseas subsidiaries' for their respective period ending 31st March, 2011 have been considered for consolidation with the BIL's financial statements for the year ending 31st March, 2011.
- c) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as holding Company's separate financial statements, as far as possible, except as provided under para 1(iv) (e), 1(iv) (f), 1(iv) (g), 1(vi) (b), 1 (viii) (g), 1(x) (e), 1 (xi) (b), 1(xii) (b), 1 (xii) (c), 1 (xiii) (d), 1 (xv), 1 (xvii) (b), 1 (xxiv) and 1(xxv).
- d) In case of financial statements of a non-integral foreign operation, the assets and liabilities are translated at the closing rate. Income and expense items are translated at exchange rates at an average rates and all resulting exchange differences are accumulated in a foreign currency translation reserve on consolidation until the disposal of the net investment.
- e) Minority Interest's share of net profit of consolidated subsidiaries for the year/period is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- f) Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated financial Statement separate from liabilities and the equity of the Company's shareholders.

(iii) **USE OF ESTIMATES**

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made 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. Differences between actual results and estimates are recognized in the period in which the results are known / materialise.

(iv) **REVENUE RECOGNITION**

- a) Domestic sales are accounted for on transfer of substantial risks and rewards which generally coincide with despatch of products to customers and Export sales are accounted on the basis of dates of Bill of Lading. Sales are net of Rebates & Discounts.
- b) In case of sale of Carbon Credits (Certified Emission Reductions), revenue is recognized on submission of application with UNFCCC after execution of agreement with the buyer.

- c) Export benefits are accounted on the basis of application filed with the appropriate authority. In case of BZL, export incentives are recognized on exports on accrual basis, and based on the estimated realisable values of such entitlements.
 - d) Dividend income on investments is accounted for when the right to receive the payment is established. Interest income is recognized on accrual basis.
 - e) In case of Shandong Binani Rong'An Cement Co. Ltd. (SBRCC), subsidy Income is recognized when received and revenue from operating lease is recognized on a straight line basis over the period of the lease.
 - f) In case of Binani Cement Factory LLC (BCF LLC) & its subsidiaries viz, Binani Cement Company WLL , Binani Cement Factory (SFZ) Ltd, Binani Cement Factory (Kenya) Ltd, Binani Cement (Uganda) Ltd, Binani Cement SARL (Djibouti) Ltd., Binani Cement Co Ltd. (Sudan), Revenue from sale of goods is recognized when goods are delivered and title has passed.
 - g) In case of Binani Cement Factory LLC (BCF LLC), interest income is recognized on effective yield basis.
 - h) Other income is accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.
 - i) Income from service are recognized on accrual basis.
 - j) In case of BIL Infratech Ltd. & Binani Infrastructure Mauritius Ltd., revenue on contracts is recognized on percentage of completion method wherein the stage of completion is determined with reference to the ratio of the contract cost incurred for work performed upto the reporting date to the estimated total contract cost. In the case of unit rate contracts the stage of completion is determined with reference to the valuation of the actual amount of work completed as per the contracted rates. In case where milestones are fixed, to determine the stage of completion, revenue is recognized on achievement of each such milestones or part thereof as per the terms of respective contracts. Revenue earned on contracts awarded by the Companies under same management are recognized on billed amount basis.
 - k) In case of CPI Binani Inc., the Company recognizes technology license fee revenue and royalty revenue when earned and equipment and moulded products sales when the equipment and moulded products are shipped.
- (v) **ACCOUNTING OF CLAIMS**
- a) Claims receivable are accounted at the time when reasonable certainty of receipt is established. Claims payable are accounted at the time of acceptance.
 - b) Claims raised by Government Authorities regarding taxes and duties, are accounted for based on the merits of each claim. If same is disputed by the Company, these are shown as 'Contingent Liabilities'.
- (vi) **FIXED ASSETS**
- a) Fixed Assets are stated at cost, net of Cenvat less specific grants received, if any and accumulated depreciation and impairment loss if any. Cost includes trial run and stabilisation expenses, interest, finance costs and incidental expenses upto the date of capitalization..
 - b) In case of SBRCC, Fixed Assets include assets related to the operation of the Company having useful life over one year and other than the main production equipments with individual values of over RMB 2,000 equivalent to Rs. 13,785. as on March 31, 2011 having useful life in excess of two years.
 - c) Capital Work-in-Progress includes cost of fixed assets that are not yet ready for the intended use, advance paid to acquire fixed assets and cost of assets not put to use at the Balance Sheet Date.
- (vii) **INTANGIBLE ASSETS**
- Intangible Assets are stated at cost of acquisition less accumulated amortization.
- (viii) **DEPRECIATION AND AMORTISATION**
- a) Depreciation on Plant and Machinery is provided on Straight Line Method (SLM) (except office equipment & transport equipment for Binani Zinc Limited and except for computer in R.B.G. Minerals Industries Limited (RBG) where it is provided on WDV method) , at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956 as applicable for continuous process plant except silos where the general rate of depreciation is considered.

- b) Depreciation on other Fixed Assets has been provided on Written Down Value Method at the rates and in the manner prescribed as per Schedule XIV of the Companies Act, 1956 including asset constructed on land not owned by the Company. However Buildings & Roads inside plant are treated as Factory Buildings and depreciation charged accordingly.
- c) The total expenditure on mine exploration and development is amortized in the ratio of ore extracted to the total estimated exploitable reserves.
- d) Leasehold land is amortized over the period of lease.
- e) Assets having individual value below Rs. 5,000 are depreciated @ 100% and mobile phones are charged to revenue considering their useful life to be less than one year.
- f) Expenditure on major computer software is amortized over the period of five years.
- g) In case of Binani Ready Mix Concrete Ltd, SBRCC, Binani Infrastructure Mauritius Ltd., CPI Binani Inc, PT Anggana Energy Resources and BCF LLC & its subsidiaries, the depreciation on fixed assets and intangible assets is provided for on SLM basis over the estimated useful life at rates permissible under applicable local laws.

(ix) **IMPAIRMENT OF ASSETS**

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

(x) **VALUATION OF INVENTORIES**

- a) Raw Material, Fuel (except for coal lying at Port), Packing Materials, Stores & Spares is valued at lower of moving weighted average cost (net of Cenvat) and net realisable value. Coal lying at Port is valued at cost on specific consignment basis plus custom duty. Loose Tools are charged over a period of three years.. However, materials held for use in the production of inventories are not written down below cost if the finished products in which they are used and expected to be sold at or above cost.
- b) Work – in – process is valued at weighted average cost.
- c) Finished Goods are valued at lower of weighted average cost and Net Realisable Value. Cost for this purpose includes direct cost, attributable overheads and excise duty.
- d) Store and Spares have been valued at lower of weighted average cost (net of Cenvat) and net realisable value.
- e) In case of Binani Cement Factory LLC (BCF), Dubai, Stock are valued at the cost or net realisable value. Raw materials comprising of clinker & slag and packing materials are valued at cost using the First in First out (FIFO) method. Consumables are valued at cost using specific identification method. Raw material comprising of gypsum and limestone are valued at cost using the Weighted Average Method (WAM).
- f) In case of BIL Infratech Ltd: The costs incurred with respect to Kakinada, Jaipur and Coochbihar Projects till date has been kept as work in progress in view of expectation of getting the orders shortly.
- g) In case of Binani Zinc Ltd, By Product are value at estimated selling price.

(xi) **INVESTMENTS**

- a) Investments classified as 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.
- b) In case of Sankalp Holdings Ltd, Unrealised gains or loss arising from the change in the fair value of investment are recognized in the statement of comprehensive income. Investment are shown at cost.

(xii) FOREIGN EXCHANGE TRANSACTIONS

- a) Transactions in foreign currencies are accounted at the exchange rate prevailing on the date of 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 recognized in the profit and loss account. In case of forward contracts (non speculative), the exchange differences are dealt with in the profit and loss account over the period of contracts. Exchange difference arises on a monetary items in substance form part of enterprises net investment in non integral foreign operation is accumulated in a foreign currency translation reserve till the disposal of the net Investment. Non- monetary items at the balance sheet date are stated at historical cost. Year end Foreign Debtors/Creditors are restated as per the rate prevailing on the date of closing of the accounts for respective currencies.

- b) In case of SBRCC, the accounting of foreign exchange transaction is as follows:

Except for the accounting treatment of paid-in capital, foreign currency transactions are translated into RMB at the exchange rates stipulated by the People's Bank of China ("the stipulated exchange rates") on the first day of the month in which the transactions took place. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into RMB at the stipulated exchange rates at the balance sheet date. Exchange differences arising from these translations are expensed, except for those attributable to foreign currency borrowings that have been taken out specifically for the construction of fixed assets, which are capitalized as part of the fixed asset costs and those arising in the pre-operating period, which are recorded as long-term prepaid expenses.

- c) In case of Sankalp Holdings Ltd & Abhinav Holdings Ltd:

Functional and presentation currency: Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in United States Dollars (US\$), which is the Company's functional and presentation currency.

Transaction and Balances: Foreign exchange are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year - end exchange rates of monetary assets and liabilities denominated in foreign currencies and recognized in the statements of comprehensive income.

(xiii) EMPLOYEE BENEFITS

- a) Defined Contribution Plan

Contribution to defined contribution plans are recognized as expense in the Profit and Loss Account, as they are incurred.

- b) Defined Benefit Plan

Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method as at Balance Sheet date. Actuarial gains / losses are recognized immediately in the Profit and Loss Account. Long term compensated absences are provided for based on actuarial valuation.

- c) Short Term Employee Benefit

All employee benefits payable within twelve months of rendering the service are recognized in the period in which the employees renders the related services.

- d) Employees' benefits

- (i) In case of Binani Cement Factory LLC (BCF), Dubai the liability in respect of staff end-of-service gratuity on accrual basis on assumption that all employees were to leave as of the balance sheet date.
- (ii) In case of BCF LLC's Subsidiaries and PT Anggana Energy Resources , the provision for liability is provided in accordance with Laws of Country in which the Company is operating.

(xiv) BORROWING COSTS

Borrowing costs which are directly attributable to acquisition, construction or production of a qualifying asset are capitalised

as a part of the cost of that asset, upto the date when such asset is ready for its intended use or sale. Other borrowing costs are recognized as expenses in the period in which they are incurred.

(xv) **STATUTORY RESERVE**

- (a) In case of BCF LLC, statutory reserve is created by appropriating 10% of the profit of the Company as required by Article 255 of the UAE Commercial Companies Law No.8 of 1984, as amended. The Company can discontinue such annual transfers when the reserve totals 50% of the paid up share capital. The reserve is not available for distribution except as provided in the Federal Law.
- (b) In case of Binani Cement Company WLL, Kuwait, Kuwait Commercial Companies' Law and the Company's articles and memorandum of association requires that 10% of the profit for the year, before contribution to Kuwait Foundation for Advancement of Science and directors' remuneration, is transferred to the statutory reserve. The Company may resolve to discontinue such transfer when the reserve totals 50% of the paid up share capital. The reserve is not available for distribution except for payment of dividend of 5% of paid up share capital in years when profit is not sufficient for the payment of such dividend.

(xvi) **INCOME TAXES**

- a) Tax expense comprises of current tax and deferred tax. Current tax and Deferred tax are accounted for in accordance with Accounting Standard 22 on "Accounting For Taxes on Income", issued by the ICAI. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income taxes reflect the impact of the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years / period. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available except that deferred tax assets arising on account of unabsorbed depreciation and losses are recognized if there is virtual certainty that sufficient future taxable income will be available to realise the same.
- b) In case of foreign subsidiary & step down subsidiary companies Income Tax / Deferred Tax have been provided in accordance with Laws of Country in which the Company is operating.

(xvii) **CONTINGENCIES/PROVISIONS**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote. Contingent assets are neither recognized nor disclosed in the accounts.

(xviii) **ACCOUNTING OF CAPITAL SUBSIDY**

In case of BT Composites Ltd, investment subsidy under State Investment incentive Scheme not specifically related to a fixed asset is credited to Capital Reserve and retained till the requisite conditions are fulfilled.

(xix) **RISK MANAGEMENT TRANSACTIONS**

In case of Binani Zinc Ltd, 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 recognizes gain or loss on effective hedges on settlement. Unrealised gain/loss as at the Balance Sheet date is not recognized.

(xx) **SEGMENT REPORTING POLICIES**

Primary Segment is identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Secondary segment is identified based on geographical area in which major operating divisions of the Company operate.

(xxi) **OPERATING LEASE**

The lease where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account.

(xxii) **EARNING PER SHARE**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(xxiii) **EXPENDITURE DURING CONSTRUCTION PERIOD**

BCL: In case of new projects and substantial expansion of existing factories, expenditure incurred including trial production expenses net of revenue earned, prior to commencement of commercial production are capitalised.

(xxiv) **DERIVATIVES**

In case of BCF LLC, Derivatives are stated at fair values. Derivatives with positive market values (unrealised gains) are included in assets and derivatives with negative market values (unrealised losses) are included in liabilities. Change in fair values are recognized in profit or loss.

(xxv) **LONG TERM PREPAID**

In case of SBRCC, the expenses incurred during the Company's pre-operating period were recorded as long-term prepaid expenses and were expensed in the first month of commercial operations.

(xxvi) **CASH & CASH EQUIVALENTS**

Cash & cash equivalent for the purpose of Cash Flow Statement comprise cash at bank and Current Accounts.

2 Principles of consolidation

Subsidiaries / step down subsidiaries considered for consolidation :

The financial statements of all Indian Subsidiaries including Indian Step down subsidiaries are consolidated on the basis of their stand alone / consolidated & audited accounts available for the year ended 31st March 2011.

1. **Indian Subsidiaries considered for Consolidation**

Binani Cement Limited (BCL), Binani Zinc Limited (BZL), Goa Glass Fibre Limited (GGFL), BT Composites Limited (BTCL), Wada Industrial Estate Limited (WIEL), BIL Infratech Limited & Binani Ready Mix Concrete Limited (RMC) are the Indian subsidiaries whose accounts have been considered for consolidation. GGFL, BTCL, WIEL, BIL Infratech Limited and RMC are wholly owned subsidiaries, whereas in case of BCL, BIL's shareholding is 95.01% (Previous Year 64.91%) and in case of BZL, BIL's shareholding is 89.90% (Previous Year 89.90%).

2. **Step down subsidiaries**

a) **Indian step down subsidiaries**

R.B.G. Minerals Industries Limited (RBG) and Binani Energy Private Limited are wholly owned Indian subsidiaries of BZL & Swiss Merchandise Infrastructure Ltd and Merit Plaza Ltd are wholly owned Indian subsidiaries of BCL, whose accounts have been consolidated by management with BZL for the purpose of consolidation with BIL's accounts.

b) **Overseas Subsidiary / Step down subsidiary**

i) The Consolidated Financial Statements include the financial statements of Binani Cement Ltd. (BCL) and the following subsidiaries and step down subsidiaries:

Name of Company	Relation with Holding Company	Country of Incorporation	% of Share Holding	Accounting Year / Period considered for consolidation
Krishna Holdings Pte Ltd.(KHL)	Step-down Subsidiary of BIL (Subsidiary of BCL)	Singapore	100%*	Jan.'10 - Mar.'11
Murari Holdings Limited -(MUHL)	-do-	British Virgin Islands	100%	Jan.'10 - Mar.'11
Mukundan Holdings Ltd.(MHL)	-do-	British Virgin Islands	100%	Jan.'10 - Mar.'11
Swiss Merchandise Infrastructure Ltd.	-do-	India	100%	2nd Nov. '10 - 31st Mar. '11
Merit Plaza Ltd.	-do-	India	100%	18th Dec. '10 - 31st Mar. '11
Bhumi Resources (Singapore) PTE Ltd	-do-	Singapore	100%	26th Oct. '09 to 31st Mar. '11
Shandong Binani Rong An Cement Company Ltd.(SBRCC)	Step-down Subsidiary of BIL (Step-down Subsidiary of KHL)	China	90%	Jan.'10 - Mar.'11
Binani Cement Factory LLC. (BCF)	Step-down Subsidiary of BIL (Step-down Subsidiary of MHL & MUHL)	United Arab Emirates	100%	Jan.'10 - Mar.'11
Binani Cement Company WLL	Step-down Subsidiary of BIL (Subsidiary of Binani Cement Factory LLC, Dubai)	Kuwait	100%	28th Jul. '10 to 31st Mar. '11
Binani Cement Factory (SFZ) Ltd.	-do-	Republic of Sudan	100%	12th Nov. '09 to 31st Mar. '11
BC Tradelink Limited	-do-	Tanzania	100%	29th Aug. '07 to 31 Mar. '11
Binani Cement Factory (Kenya) Ltd.	-do-	Kenya	100%	3rd Sep. '10 to 31st Mar. '11
Binani Cement (Uganda) Ltd	-do-	Uganda	100%	22nd Dec. '10 to 31st Mar. '11
Binani Cement SARL (Djibouti)	-do-	Djibouti	100%	3rd Nov. '10 to 31 Mar. '11
Binani Cement Factory Mauritius	-do-	Mauritius	100%	25th Sep. '07 to 31 Mar. '11
Binani Cement Co Ltd. (Sudan)	-do-	Sudan	100%	4th Jul. '11 to 31 Mar. '11
PT Anggana Energy Resources	Step-down Subsidiary of BCL (Subsidiary of Bhumi Resources (Singapore) Pte Ltd)	Indonesia	100%	24th Nov. '09 to 31st Mar. '11

Name of Company	Relation with Holding Company	Country of Incorporation	% of Share Holding	Accounting Year / Period considered for consolidation
Binani Infrastructure (Mauritius) Limited	Step-down Subsidiary of BIL (Subsidiary of BIL Infratech Limited)	Mauritius	100%	15th Dec. '10 to 31st Mar. '11
CPI Binani , INC. (USA)	Subsidiary of BIL	USA	100%	14th Feb. '11 to 31st Mar. '11
BZ Minerals (Australia) Pty Limited	Step-down Subsidiary of BIL (Subsidiary of BZL)	USA	100%	6th Apr. '10 to 31st Mar. '11
Sankalp Holdings Ltd. (SHL)	Subsidiary of BIL	Cyprus	100%	1st Jan. '10 to 31st Mar. '11
Abhinav Holdings Limited (AHL)	Step-down Subsidiary of BIL (Subsidiary of SHL)	Cyprus	100%	1st Jan. '10 to 31st Mar. '11

* Includes 44.46% (Previous Year 50%) holding through subsidiary Mukundan Holdings Ltd.

- ii) In March 09, Murari Holdings Limited acquired beneficial interest in 51% of the paid up share capital of BCF which through an agreement, together with 49% shareholding of MHL in BCF makes it a subsidiary of the company. Therefore it has been considered as a subsidiary for the purpose of consolidation.
- iii) For calculation of Goodwill / Capital Reserve, the pre acquisition profits and reserves of the acquired subsidiaries, wherever applicable, have been considered on (no. of days) prorata basis.
- iv) The excess of cost of investment in the Subsidiary Companies over the company's portion of equity of the subsidiary at the date of investment made is recognized in the financial statements as goodwill. This goodwill is tested for impairment at the close of each financial year. The excess of Company's portion of equity of the Subsidiary over the cost of the investment therein is treated as Capital Reserve.
- v) The Combined Goodwill / Capital Reserve of all the subsidiaries arising out of consolidation has been netted of in the Consolidated Financial Statements. Company wise information is as follows : Mukundan Holdings Ltd. - Goodwill Rs.19,134.67 Lakhs, Krishna Holdings Pte Ltd. - Capital Reserve Rs. 2,420.80 Lakhs, Binani Cement Limited - Goodwill Rs.2,188.56 Lakhs, Murari Holdings Limited - Goodwill Rs. 21,746.21 Lakhs, Binani Cement Factory LLC - Goodwill Rs. 2.36 Lakhs, Bhumi Resources (Singapore) Ltd - Capital Reserve - Rs. 12.37 Lakhs, Binani Zinc Limited - Capital reserve Rs. 219.13 Lakhs, Binani Industries Limited - Goodwill Rs. 26,014.13 Lakhs . The net goodwill amounts to Rs.40,638.64 Lakhs and disclosed in the Schedule 5.
- vi) In view of the management, the effect of exception stated in 1 (ii)(c) above is not quantifiable.

3 Estimated amounts of contracts and commitments remaining to be executed on capital account and not provided for (net of advances):

	(Rs. in Lakhs)	
	As at 31/03/2011	As at 31/03/2010
The estimated amount of contracts and commitments remaining to be executed on capital account not provided for (Consolidated)	11,764.95	6,218.22

CONTINGENT LIABILITY

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

4 Contingent liabilities not provided for:-

	(Rs. in Lakhs)	
	As at 31/03/2011	As at 31/03/2010
a. Claims against the Company not acknowledged as debts in respect of certain Income Tax matters and other matters. Rs. 310.77 Lakhs paid (Previous Year Rs. 43.88 Lakhs).	6,206.14	2,104.06
b. Claims against the Company not acknowledged as debts in respect of other matters.	48.63	3,408.31
a) Binani Cement Ltd.		
(i) The Company has imported fuel without payment of Customs Duty aggregating to Rs. 6.77 Lakhs (Previous Year Rs. 6.77 Lakhs) by utilizing transferable DEPB Licenses purchased from the market in the ordinary course of business. The Customs Department has issued show cause notice alleging that the original purchaser had obtained these licenses fraudulently. The above case is pending with Commissioner of Customs, Kandla. Company is hopeful of success as the Company is not at fault.		
(ii) Demands raised by Excise Department in various matters aggregating to Rs. 31.50 Lakhs (Previous Year Rs. 104.30 Lakhs) - (excluding applicable interest). Appeals are pending with various Appellate Authorities.		
(iii) Demands raised by Customs Department, Jamnagar in relation to import of coal made in earlier years aggregating to Rs. 30.61 Lakhs (Previous Year Rs. 30.61 Lakhs). The Company has filed appeals before CESTAT, Mumbai. CESTAT Mumbai has set aside the order of the Appellate Commissioner with a direction that the appeal by the department against the Assistant Commissioner's orders should be heard denovo on merits by the Commissioner (Appeals). Now Department has filed an appeal before the Hon'ble High Court of Gujarat against the order of CESTAT.		
(iv) Demands raised by Excise Department in various matters in relation to Cenvat Credit of Service Tax Rs. 54.61 Lakhs (Previous Year Rs. 0.94 Lakhs). Appeals are pending with various Appellate Authorities. The Cenvat Credit amount / paid under protest Rs. 0.29 Lakhs has been reversed.		
Commissioner, Central Excise, Jaipur issued a show cause notice disputing basis of Excise duty calculated for sales made to contractual buyers. We have paid duty accordingly before issuing of show cause notice. However Commissioner imposed penalty of Rs. 1 Lakhs which is disputed by us on the ground that we have paid duty before issuing show cause notice, and an appeal has been filed before CESTAT and stay granted against recovery of penalty till disposal of appeal.		
Demands raised by Additional Commissioner Central Excise, Jaipur II in relation to Cenvat Credit of Excise Duty paid on Capital goods falling under Chapter 72, 73, 59, 69, 39 & 83 amounting to Rs. 34.70 Lakhs (Previous Year Rs. nil). The Company filed an appeal before Commissioner (Appeals), Jaipur II and same was rejected. Now Company has filed an appeal with CESTAT New Delhi.		
(v) Demands raised by Sales Tax Department aggregating to Rs.70.21 Lakhs (Previous Year Rs.70.21 Lakhs) contending that the Company has wrongly adjusted sales tax on account of trade discounts. The Company has filed a writ petition before Hon'ble High Court, Jodhpur and has also obtained an interim relief. Besides, the Sales Tax department has also issued demand notices relating to various matters aggregating to Rs.10.70 Lakhs (Previous Year Rs.10.70 Lakhs), which are being contested by the Company, including in appeal and is hopeful of success.		
(vi) Demands raised by Uttar Pradesh State Government on account of Entry Tax on Cement for the year 2003-04 & 2005-06 aggregating to Rs. 23.81 Lakhs (Previous Year Rs. 23.81 Lakhs), based on market price which was disputed by the Company on the ground that the Entry Tax is payable on stock transfer price. The Company has paid and accounted the same as advances since a stay order has been obtained from Hon'ble Allahabad High Court, pending disposal of the matter.		
The demand for the year 2004-05, 2006-07 & April' 07 to June' 07 aggregating to Rs. 69.77 Lakhs (Previous Year Rs. 69.77 Lakhs) has not been provided for. The Company has paid Rs. 5.00 Lakhs under protest against these demands and accounted the same as advances since a stay order has been obtained. The case is pending before the Hon'ble Allahabad High Court.		

(vii) Demand raised by Uttar Pradesh Commercial Taxes Deptt. on account of Entry Tax Rs. 268.01 Lakhs based upon the market value of cement stock transfer. We have filed a writ before Hon'ble Allahabad High Court. Case Heard and stay granted.

Against the demand we have deposited Rs. 158.63 Lakhs based upon stock transfer price and provided Bank Guarantee of Rs. 109.38 Lakhs towards security against balance as directed by Hon'ble High Court.

(viii) Demand raised by Uttar Pradesh Commercial Taxes Deptt. on account of penalty on late deposit of VAT amounting to Rs. 21.60 Lakhs. An Appeal has been filed with Additional Commissioner (Appeals), Commercial Taxes Department, Ghaziabad. We have deposited Rs. 12.96 Lakhs under protest.

(ix) Joint Commissioner Commercial Taxes, Ghaziabad has imposed penalty of Rs. 1.32 Lakhs (Previous Year Rs. 0.46 Lakhs) on account of incomplete documents carried by Truck of Cement. We have deposited Rs. 1.32 Lakhs under protest and filed an appeal before Additional Commissioner (Appeals), Commercial Taxes, Ghaziabad.

(x) Letter of Credit opened by banks on behalf of the Company Rs. 121.78 Lakhs (Previous Year Rs. 177 Lakhs)

(xi) Guarantees given by Banks Rs. 483.14 Lakhs (Previous Year 287.95 Lakhs)

(xii) The Company has placed a purchase order for procurement of Steam (Non Coking) coal, on M/s Visa Comtrade A.G. and the party supplied the same under five Bills of lading. However, the Party failed to provide the original bills of lading. The owner of the Ship M/s Great Eastern Shipping Co. Ltd. has filed a suit against the Company for not providing original Bills of lading. The Company has informed them that the balance amount due to them will be paid after adjustment of the losses and expenditure incurred / to be incurred by the Company till the time matter is finally resolved. The Company has incurred expenses of Rs.171.21 Lakhs up to 31.03.2011 to defend the suit filed by M/s Great Eastern Shipping Co. Ltd. and debited the same to the account of supplier which is to be recovered from the party.

b) **Binani Cement Factory LLC.**

(i) Contingent Liability on account of Banker's letters of guarantee Rs.36.24 Lakhs equivalent to AED 294,000 (Previous Year Rs. 27.20 Lakhs equivalent to AED 213,000).

(ii) Unutilized balances of commercial letters of credit of Rs.NIL (Previous Year Rs. 45.70 Lakhs equivalent to AED 357,883).

(iii) Letter of Credit opened by banks on behalf of the Company Rs. 1,069.70 Lakhs equivalent to USD - 2,361,120 (Previous Year NIL)

c) **Binani Cement Factory (Mauritius) Limited**

Letters of Credit of Rs.281.54 Lakhs equivalent to USD 697,790.

d) **Binani Zinc Limited**

(i) Letters of credit opened by banks on behalf of the Company amounts to Rs.4,451.45 Lakhs (Rs.678.48 Lakhs).

(ii) Outstanding guarantees and counter guarantees to various banks, in respect of the guarantees given by those banks in favour of various government authorities and others amounts to Rs.519.54 Lakhs (Rs.450.25 Lakhs).

e) **BIL Infratech Ltd**

Contingent Liability on account of Banker's guarantee Rs. 45 Lakhs

f) **BT Composites Ltd**

Contingent Liability on account of Banker's guarantee Rs. 6.48 Lakhs

5 The Company has opted for Sales Tax Incentive Scheme, 1989. Earlier 25% incentive was allowed by State Level Screening Committee, (SLSC) but pursuant to order of Rajasthan Tax Board, 75% incentive from Sales Tax for sales effected in Rajasthan for 9 years subject to a limit of Eligible Fixed Capital Investment (EFCI) is being availed of. The Company has availed Sales Tax Incentive of Rs. 20,266.98 Lakhs upto 31st March, 2006. The Sales Tax Department filed a revision petition before the Hon'ble Rajasthan High Court, Jodhpur contesting the order of Rajasthan Tax Board, which allowed the Company to avail 75% Sales Tax Incentive. The Hon'ble High Court has dismissed the revision petition of Sales Tax Department. The Department has filed a revision petition before Hon'ble Supreme

Court. Pending the decision of the Supreme Court, no provision has been made for the differential Sales Tax Incentive of Rs.13,327.19 Lakhs (excluding interest, if any) availed by the Company till 31st March, 2006.

However, on introduction of Value Added Tax (VAT) in the State of Rajasthan w.e.f 1st April, 2006, an option has been given to switch over to deferment scheme for twice the remaining validity period as available under the erstwhile Sales Tax Incentive Scheme, 1989 subject to the original limit of EFCL. The Company has exercised this option w.e.f 1st April, 2006 under which 75% of VAT collected and payable after the said date is being deferred for a period of 7 years. Till 26th May, 2007, Rs. 3813.54 Lakhs was deferred and shown as Unsecured Loan.(Refer schedule 4)

During the year 2007-08, the Company has filed an application with Sales Tax Department for extension of period of EFCL scheme, which was not accepted. The Company has filed a case with Hon'ble Jaipur High Court to instruct the Sales Tax Department to extend the EFCL scheme period. However, the company has continued to defer 75% of the VAT liability amounting to Rs. 3967.07 Lakhs for the period 27th May, 2007 to 30th April, 2008.

Application for grant of Sales Tax Incentive was filed to sanction the EFCL to the extent of Rs. 396.72 Crores, but the SLSC sanctioned Rs. 280.47 Crores in Nov.'2000, against which Company has requested vide letter dated 13.12.2000 to the SLSC for reviewing the amount of EFCL sanctioned, but no action was taken by the SLSC. A writ petition was filed during the year 2008-09 before the Hon'ble High Court, Jaipur bench, based on the fact that the SLSC has not replied to our review application within the time frame as per the New Rajasthan Sales Tax Incentive Scheme, 1989 and the decision is pending for review till date, hence the Company has continued to avail the deferment benefit treated as deemed to be sanctioned. Further, the Company has made an application to the State Government / SLSC to revise the amount of EFCL from Rs. 396.72 Crores to Rs. 488.50 Crores based on applicable guidelines under the Incentive Scheme. The company has continued to avail the deferment benefit, pending the decision of State Government / SLSC.

Accordingly the tax liability for the period 30th April, 2008 to 31st March, 2011 is Rs. 15170.69 Lakhs against which we have deposited Rs. 399.21 Lakhs under protest as per the directions of the Hon'ble High Court. The Matter is pending for decision before Hon'ble Rajasthan High Court / State Government.

- 6 The excise duty shown as deduction from turnover is total excise duty on sale of goods for the year. However, the excise duty related to the difference between opening stock and closing stock, samples etc. is shown in schedule 10 in profit & loss account.
- 7 The Company has not deposited a sum of Rs. 811.00 Lakhs (Previous Year Rs. 725.81 Lakhs) net of Rs. 258.88 Lakhs paid under protest (Previous Year nil) shown as current liability in schedule 8, on account of entry tax on goods under the Rajasthan Tax on Entry of Goods into Local Area Act, 1999 on notified goods purchased from outside the state from May 06. The Company has filed a writ petition on 10.07.2006 against the notice of C.T.O. special circle, Commercial Taxes Deptt., Pali for notice issued under Section 16(3) of the said "Act". The said petition was admitted by the Hon'ble Court and a stay was granted. Subsequently, the case was heard by Hon'ble High Court and passed an order that the stay shall remain continued on the condition that petitioner deposit the 50% of amount assessed and submit Solvent security for the balance amount including interest, penalty etc. Accordingly, in compliance of the order, the Entry Tax of Rs. 258.88 Lakhs being 50% of assessed tax was deposited by the Company under protest.

BZL

- 8 The Single Bench of the Hon'ble High Court of Kerala, had in the earlier years disposed the Company's Petition against the Order of the Appellate Authority (Dy. Chief Engineer KSEB) quashing the order levying penalty demand towards alleged unauthorised additional load raised by KSEB, remanding the matter with a direction to take a decision afresh in accordance with Law considering the bonafide conduct of the Company. The Company had obtained all the necessary approvals as stipulated in the conditions of supply of KSEB and since there was no violation, the penal charges are not payable and hence no provision is considered necessary at this stage. The Company has also filed a further writ petition before the Division Bench, challenging that portion of the order, relating to remand which was heard and reserved for judgment.
- 9
 - a) During the year, the Government of Kerala has permitted settlement of disputed demand for increase in power tariff w.e.f 01.10.2002, by payment in 32 monthly installments with interest @ 9% per annum. While the principal amount of dispute had been provided for in prior years, the interest payable thereon, amounting to Rs 1368.95 Lakhs, settled as above, has been fully provided for in this year which includes Rs.1,240.71 Lakhs relating to the prior years.
 - b) Also, the Government has allowed Pre '92 tariff concession to the Company for the entire period, which has been provisionally computed and taken credit for, at Rs.194.36 Lakhs, which is reduced from Power charges.

- 10 Consequent upon expansion of capacity in 1982-83 of its Zinc division, Binani Industries Ltd. (BIL) became entitled to concessional tariff (pre September 1982 tariff) as per notification of the Government of Kerala dtd. 06.10.1986 for a period of 5 years. From Sept 1986, KSEB imposed Power Cut in the Zinc Division of BIL and was importing power from outside the State. The concessional tariff for imported power was fixed as per the order of the Hon'ble High Court of Kerala. However, KSEB withdrew both concessional tariff as above and the liability thereon aggregating to Rs.816.88 Lakhs was included in the liabilities transferred to the company under the scheme. BIL had taken up the matter before the Hon'ble High Court of Kerala, which was pending for a long time. Since considerable time had passed and based on the legal advice obtained, the said amount of Rs.816.88 Lakhs in respect of the said demands was treated as no longer payable and written back in the accounts of the Company in the year 2003-04.

The Hon'ble Single Bench of the Kerala High Court disposed the appeal with a direction to KSEB to reconsider the claim of the Company for concessional tariff for the modernised plant energized before the cut-off date alone, in the earlier year. This order of the Single Bench is disputed by the Company in the writ appeal filed before the Division Bench which has been admitted and is pending disposal.

During the year 2007-08, KSEB cancelled the concessions and raised a demand of Rs. 4,346.79 Lakhs (including interest @ 24% p.a upto 30th November 2007 amounting to Rs.3,389.22 Lakhs). No demand was raised towards interest for the period from 1st December 2007 to 31st March 2011. The above Order was also disputed before the Division Bench. The Division Bench of the Hon'ble High Court vide their Order dated 09.02.2010 held that the counsel for KSEB has stated that the Order cancelling concessions was apparently superfluous and has been issued without considering all relevant factors and the same may be treated as withdrawn. Accordingly the Court allowed the KSEB to treat the above said order as withdrawn and to further hear the Company in this matter.

The Company based on the legal opinion obtained, is hopeful of a favourable decision on final settlement of the issues involved in the matter and hence no provision is considered necessary at this stage.

GGFL

- 11 Bank Guarantee given in favour of Goa State Electricity Board Rs. 149.44 Lakhs as at 31st March, 2011 (Rs. 56.77 Lakhs).
- 12 During the year the Hon'ble Supreme Court has decided the recovery matter of Goa Electricity Board against the Company as a result rebate receivable of Rs. 6,889 thousand is no longer receivable and has been charged to Profit & Loss A/c as a extra ordinary item along with additional demand of Rs. 11,136 thousand raised by Goa Electricity Board.

13 SECURED LOAN -

I BINANI INDUSTRIES LIMITED

Financial Institutions

IFCI Ltd -Corporate Loan - Rs. 35,000 Lakhs (Previous Year Rs. Nil).

Exclusive pledge over 8,01,40,000 equity shares of Binani Cement Ltd. held by the Company. 2) Post dated cheques issued for interest and principal repayment.

II BINANI CEMENT LIMITED

A DEBENTURES

BCL:

- i) 11.20% (Reset Rate) Secured Redeemable Non Convertible Debentures (11.20%SRNCD) - Outstanding Rs. 2,041.67 Lakhs (Previous Year Rs. 3,208.33 Lakhs)

Secured by (a) a charge created on the movable and immovable properties of the Company located at Binanigram, Pindwara, Sirohi in Rajasthan both present and future (except the assets of the first phase of the 2x22.30 MW Captive Thermal Power Plant comprising of 1x22.30 MW Thermal Power Plant, associated equipments and shared facilities which are exclusively charged on first charge basis to Syndicate Bank and the assets imported from M/s F.L.Smidth, Denmark under the export contract dated 14.09.2005 and defined clearly in the loan agreement dated 06.02.2007 entered into between M/s EKF A/S and the Company) and (b) exclusive first charge on plot of land situated at village Mouj, Dhanot, Kalol, Distt. Mehsana, Gujarat subject to charges on specified movables created for securing the

borrowings for working capital requirements from Banks ranking pari-passu with charges created and/or to be created in favour of Financial Institutions/Banks/Debentures Trustee(s) executed by the Company and (c) Corporate Guarantee of Binani Industries Limited(BIL) ((d) pari-passu second charge on the immovable assets of 1st phase of the 2x22.3 MW Captive Thermal Power Plant comprising of 1x22.30 MW Thermal Power Plant, associated equipments and shared facilities.

The Debentures shall be redeemable at par in a period of 6 years in quarterly installments commencing from 31st March, 2007 and ending on 31st December, 2012.

- ii) 9.16% (Reset Rate) Secured Redeemable Non Convertible Debentures (11.99% SRNCD) - Outstanding Rs. 333.33 Lakhs (Previous Year 1,666.67 Lakhs)

Secured by (a) a charge created on the movable and immovable properties of the Company located at Binanigram, Pindwara, Sirohi in Rajasthan both present and future (except the assets of the first phase of the 2x22.30 MW Captive Thermal Power Plant comprising of 1x22.30 MW Thermal Power Plant, associated equipments and shared facilities which are exclusively charged on first charge basis to Syndicate Bank and the assets imported from M/s F.L.Smidth, Denmark under the export contract dated 14.09.2005 and defined clearly in the loan agreement dated 06.02.2007 entered into between M/s EKF A/S and the Company) and (b) exclusive first charge on plot of land situated at village Mouj, Dhanot, Kalol, Distt. Mehsana, Gujarat subject to charges on specified movables created for securing the borrowings for working capital requirements from Banks ranking pari-passu with charges created and/or to be created in favour of Financial Institutions/Banks/Debentures Trustee(s) executed by the Company and (c) Corporate Guarantee of Binani Industries Limited(BIL).

The Debentures shall be redeemable at par in a period of 5 years in quarterly installments commencing from 30th September, 2008 and ending on 30th June, 2011.

B. TERM LOANS

I) Financial Institutions

Eksport Kredit Finansiering A/S - Foreign Currency Loans - Outstanding Rs. 2,166.38 Lakhs (Previous Year Rs. 2,812.49 Lakhs)

Secured by (a) exclusive first charge on the assets imported from M/s. F.L.Smidth, Denmark under the Export Contract dated 14.09.2005 and defined clearly in the loan agreement dated 06.02.2007 entered with EKF A/s. (b) Pari Passu charge on Trust and Retention account and (c) Corporate Guarantee of BIL.

II) Banks

- a) IDBI Bank Ltd. (IDBI) - Rupee Term Loans / Rupee Tied Foreign Currency Loans / Funded Interest Term Loans - outstanding Rs. 21,216.47 Lakhs (Previous Year Rs. 24,287.48 Lakhs)

The above term loans include loans aggregating to Rs. 5,238.54 Lakhs (Previous Year Rs. 5,953.59 Lakhs), which were transferred from BIL to the Company with effect from 1st October, 2004 vide letter No.H.O.CFD-II.B-18/BCL/2274 dated 31st March, 2005 received from IDBI and agreement of take over of loans liabilities dated 30th September, 2005.

Secured/to be secured (a) first mortgage and charge created on immovable properties of the Company at Binanigram, Pindwara, Sirohi in Rajasthan (except the assets of the first phase of the 2x22.30 MW captive Thermal Power Plant comprising of 1x22.30 MW Thermal Power Plant, associated equipments & shared facilities which are exclusively charged on first charge basis to Syndicate Bank) and of BIL both present and future (b) first charge by way of hypothecation on all movables of the Company at Binanigram, Pindwara, Sirohi in Rajasthan and BIL (save & except book debts) including movable machinery, machinery spares, tools & accessories present and future, subject to charges on specified movables created and/or to be created for securing the borrowings for working capital requirements from Banks and ranking pari-passu with mortgages & charges created and/or to be created in favour of Institutions/Banks/Debentures Trustee(s)/Other Term Lender as detailed in the respective loan agreement(s) deed(s) of hypothecation/debenture trust deed(s) executed by the Company except the assets imported from M/s F.L.Smidth, Denmark under the Export Contract

dated 14.09.2005 and defined clearly in the loan agreement dated 06.02.2007 entered into between M/s EKF A/S and the Company, (c) Corporate Guarantee of BIL, (d) Pari Passu charge on Trust & Retention Account (e) Pari Passu second charge on the immovable assets relating to the first phase of the 2x22.3 MW Captive Thermal Power Plant comprising of 1x22.3 MW Captive Thermal Power Plant, associated equipments & shared facilities.

- b) IDBI Bank Ltd. (IDBI) - Zero Coupon Loan (ZCL)- outstanding Rs. 680.60 Lakhs (Previous Year Rs. 1,020.90 Lakhs)

Secured / to be secured by (a) first mortgage and charge created on immovable properties of the Company at Binanigram, Pindwara, Sirohi in Rajasthan (except the assets of the first phase of the 2x22.30 MW Captive Thermal Power Plant comprising of 1x22.30 MW Thermal Power Plant, associated equipments and shared facilities which are exclusively charged on first charge basis to Syndicate Bank) and of BIL both present and future (b) first charge by way of hypothecation on all movables of the Company at Binanigram, Pindwara, Sirohi in Rajasthan and BIL (save and except book debts) including movable machinery, machinery spares, tools and accessories present and future, subject to charges on specified movables created and/or to be created for securing the borrowings for working capital requirements from Banks and ranking pari-passu with mortgages and charges created and/or to be created in favour of Institutions/Banks/Debentures Trustee(s)/Other Term Lenders as detailed in the respective loan agreement(s) deed(s) of hypothecation/debenture trust deed(s) executed by the Company except the assets imported from M/s F.L.Smith, Denmark under the Export Contract dated 14.09.2005 and defined clearly in the loan agreement dated 06.02.2007 entered into between M/s EKF A/S and the Company, (c) Corporate Guarantee of BIL, (d)Pari Passu charge on Trust & Retention Account and (e)Pari Passu second charge on the immovable assets relating to the first phase of the 2x22.3 MW Captive Thermal Power Plant comprising of 1x22.3 MW Captive Thermal Power Plant, associated equipments and shared facilities.

Zero Coupon Loan (ZCL) is payable in four annual installments commencing from 31st March, 2010 and ending on 31st March, 2013. The Company has approached IDBI for waiver of the same since as per restructuring, the Company became eligible for waiver as it has complied with all the terms & conditions of the restructuring package. The Company has provided for ZCL & paid the first installment due as on 31.3.2010 under protest.

- c) IDBI Bank Ltd. (IDBI) - Rupee Term Loans - outstanding Rs. 4,500 Lakhs (Previous Year Rs. 6,000 Lakhs)

Secured/to be secured (a) first mortgage and charge created on immovable properties of the Company at Binanigram, Pindwara, Sirohi in Rajasthan (except the assets of the first phase of the 2x22.30 MW Captive Thermal Power Plant comprising of 1x22.30 MW Thermal Power Plant, associated equipments and shared facilities which are exclusively charged on first charge basis to Syndicate Bank) and of BIL both present and future (b) first charge by way of hypothecation on all movables of the Company at Binanigram, Pindwara, Sirohi in Rajasthan and BIL (save and except book debts) including movable machinery, machinery spares, tools and accessories present and future, subject to charges on specified movables created and/or to be created for securing the borrowings for working capital requirements from Banks and ranking pari-passu with mortgages and charges created and/or to be created in favour of Institutions/Banks/Debentures Trustee(s)/Other Term Lenders as detailed in the respective loan agreement(s) deed(s) of hypothecation/debenture trust deed(s) executed by the Company except the assets imported from M/s F.L.Smith, Denmark under the Export Contract dated 14.09.2005 and defined clearly in the loan agreement dated 06.02.2007 entered into between M/s EKF A/S and the Company, (c) Corporate Guarantee of BIL, (d)Pari Passu charge on Trust & Retention Account and (e)Pari Passu second charge on the immovable assets relating to the first phase of the 2x22.3 MW Captive Thermal Power Plant comprising of 1x22.3 MW Captive Thermal Power Plant, associated equipments and shared facilities.

- d) IDBI - Term Loan - Outstanding Rs. 5,500 Lakhs (Previous Year Rs. Nil)

Secured/to be secured by (a) first mortgage and charge created on immovable properties of the Company at Binanigram, Pindwara, Sirohi in Rajasthan (except the assets of the first phase of the 2x22.30 MW Captive Thermal Power Plant comprising of 1x22.30 MW Thermal Power Plant, associated equipments and shared facilities which are exclusively charged on first charge basis to Syndicate Bank) and of BIL both present and

future (b) first charge by way of hypothecation on all movables of the Company at Binanigram, Pindwara, Sirohi in Rajasthan and BIL (save and except book debts) including movable machinery, machinery spares, tools & accessories present and future, subject to charges on specified movables created and/or to be created for securing the borrowings for working capital requirements from Banks and ranking pari-passu with mortgages & charges created and/or to be created in favour of Institutions/Banks/Debentures Trustee(s)/Other Term Lenders as detailed in the respective loan agreement(s) deed(s) of hypothecation/debenture trust deed(s) executed by the Company except the assets imported from M/s F.L.Smidth, Denmark under the Export Contract dated 14.09.2005 & defined clearly in the loan agreement dated 06.02.2007 entered into between M/s EKF A/S & the Company, c) Post dated cheques for repayment of Principal

- e) Syndicate Bank - Term Loan - Outstanding Rs.15,000 Lakhs (Previous Year Rs. 15,000 Lakhs)
Secured / to be secured by a) Corporate Guarantee of BIL b) Post dated cheques for repayment of Principal
- f) Syndicate Bank - Rupee Term Loan - Outstanding Rs. 1,105.13 Lakhs (Previous Year Rs. 2,772.13 Lakhs)
Secured by (a) first Mortgage and exclusive charge created on immovable properties of first phase of 2x22.30 MW Captive Thermal Power Plant comprising of 1x22.30 MW Thermal Power Plant, all associated equipments & shared facilities situated at Pindwara, Sirohi, Rajasthan and all goods & equipments forming part of the plant both present and future, (b) Secured by pari passu first mortgage and charge on underlying land and building for the first phase of 2x22.30 MW Captive Power Plant comprising of 1x22.30 MW Thermal Power Plant, associated equipments and shared facilities situated at Binanigram, Pindwara, Sirohi in Rajasthan both present and future,(c) pari passu charge on Trust and Retention Account and (d) Corporate Guarantee of BIL.
- g) Syndicate Bank - Rupee Term Loan - Outstanding Rs. Nil (Previous Year Rs. 1,857 Lakhs)
a) Pari-passu first mortgage and charge created on immovable properties of the Company at Binanigram, Pindwara, Sirohi, in Rajasthan (except the assets of the first phase of the 2x22.30 MW Captive Thermal Power Plant comprising of 1x22.30 MW Thermal Power Plant, associated equipments and shared facilities which are exclusively charged on first charge basis to Syndicate Bank), both present and future, ranking pari-passu with mortgage and charges created and / or to be created in favour of institutions / banks / Debenture trustee(s) as detailed in respective loan agreement(s) / deed(s) of hypothecation / debenture trust deed (s) executed by the Company, (b) pari passu charge on Trust & Retention Account and (c) pari passu second charge on immovable assets relating to the first phase of the 2x22.3 MW captive thermal power plant comprising of 1x22.3 MW captive Thermal Power Plant, associated equipments and shared facilities.
- h) Punjab National Bank - Short Term Corporate Loan - Outstanding Rs. Nil (Previous Year Rs. 5,000 Lakhs)
Secured / to be secured by a) Corporate Guarantee of BIL b) Post dated cheques for repayment of Principal
- i) Yes Bank Ltd - Term Loan - Outstanding Rs. 5,000 Lakhs (Previous Year Rs. 5,000 Lakhs)
Secured/to be secured by a) Corporate Guarantee of Binani Industries Ltd. till the time Yes Bank is included in to working capital consortium b) subservient charge on movable assets of the Company c) Post dated cheques for Principal repayment.
- j) UCO Bank - Term Loan - Outstanding Rs. 6,000 Lakhs (Previous Year Rs. 6,000 Lakhs)
Secured/to be secured by a) Subservient Hypothecation charge on the plant and machinery of the Company, b) Post dated cheques for repayment of Principal & Interest.
- k) Central Bank of India - Term Loan - Outstanding Rs. 5,000 Lakhs (Previous Year Rs. 5,000 Lakhs)
Secured/to be secured by a) Subservient Hypothecation charge on the movable assets of the Company b) Post dated cheques for repayment of Principal & Interest

- l) Syndicate Bank - Term Loan - Outstanding Rs. 4,000 Lakhs (Previous Year Rs. 2,663 Lakhs)
Secured/to be secured by a) Exclusive first charge on Plant and Machinery , Equipments of 4th cement grinding unit situated at Binanigram, Pindwara, Sirohi, Rajasthan and b) pari passu first charge on the portion of land pertaining to the 4th cement grinding unit situated at Binanigram, Pindwara, Sirohi, Rajasthan.
- m) State Bank of India - Term Loan - Outstanding Rs. 10,000 Lakhs (Previous Year Rs. 10,000 Lakhs)
Secured/to be secured by a) Second pari passu charge on Fixed Assets of the Company b) Post dated cheques for repayment of Principal & Interest
- n) Punjab National Bank - Term Loan - Outstanding Rs. 5,000 Lakhs (Previous Year Rs. Nil)
Secured / to be secured by a) Corporate Guarantee of BIL b) Post dated cheques for repayment of Principal.
- o) Bank of Baroda - Term Loan - Outstanding Rs. 10,000 Lakhs (Previous Year Rs. Nil)
Secured/to be secured by a) Subservient charge on fixed assets of the Company (Movable & immovable)
- p) Central Bank of India - Term Loan - Outstanding Rs. 5,000 Lakhs (Previous Year Rs. Nil)
Secured/to be secured by a) First pari passu charge on Fixed Assets of the Company
- q) IDBI Bank Ltd. (IDBI) - Rupee Term Loan (Rs. 10,000 Lakhs yet to be availed) - outstanding Rs.Nil (Previous Year Rs. Nil)
Secured / to be secured by a first charge by way of hypothecation of all the movables (save & except book debts) including movable machinery, machinery spares, tools & accessories, present & future pertaining to the new cement plant along with 25 MW captive power plant & housing colony to be set up/ situated at village Lodhana, Taluka Sutrapada, Distt. Junagad and a grinding unit at village Jhangar, Dist Bharuch both in the state of Gujarat and also pertaining to mining over land area of 400 hectares acquired / to be acquired for new cement plant in Gujarat subject to prior charges created and / or to be created in favour of the bankers on stocks of raw materials, semi finished & finished goods, consumable stores, book debts & such movables as may be agreed to by the lenders for securing the borrowings for working capital requirements in the ordinary course of business.
- r) Vijaya Bank - Term Loan (Rs. 4,000 Lakhs yet to be received) - Outstanding Rs.Nil (Previous Year Rs.Nil)
Secured / to be secured by a first charge by way of hypothecation of all the movables (save & except book debts) including movable machinery, machinery spares, tools & accessories, present & future pertaining to the new cement plant along with 25 MW Captive Power Plant & housing colony situated at village Lodhana, Taluka Sutrapada, Distt. Junagad and a grinding unit at village Jhangar, Dist Bharuch both in the state of Gujarat and also pertaining to mining over land area of 400 hectares acquired / to be acquired for new cement plant in Gujarat subject to prior charges created and / or to be created in favour of the bankers on stocks of raw materials, semi finished & finished goods, consumable stores, book debts & such movables as may be agreed to by the lenders for securing the borrowings for working capital requirements in the ordinary course of business.

C WORKING CAPITAL DEMAND LOANS / CASH CREDIT FROM BANKS

Banks - Outstanding Rs. Nil (Previous Year Rs. 7.58 Lakhs)

Secured against (a) Hypothecation of Raw Materials, Stock in Trade, Stock-in-Process, Finished Goods, Consumables, Stores & Spares and Packing Material, Book Debts and other receivables belonging to the Company, second charge on immovable properties of the Company and Corporate Guarantee of BIL and (b) pari passu charge on Trust and Retention Account.

III Mukundan Holdings Ltd.**TERM LOANS****Bank**

Axis Bank : Rs. 17,321.67 Lakhs (US \$ 38.25 Million) (Previous Year Rs.39,859 Lakhs (US \$ 85 Million))

Bank of Baroda Bank : Rs. 9,057.08 Lakhs (US \$ 20.00 Million) (Previous Year NIL).

The loan is secured by a corporate guarantee from BCL and pledge of all shares in the capital of KHL held by BCL and MHL, shares in capital of SBRCC held by KHL, shares in capital of BCF held by MHL and shares in capital of MHL held by BCL.

IV Krishna Holdings Pte Ltd.**TERM LOANS****Bank**

State Bank of India (HK) : Rs.10,325.52 Lakhs (USD 22,801,000) (Previous Year Rs.Nil)

The loan is secured by irrecoverable and unconditional corporate guarantee of Binani Cement Limited, The Holding Company.

V Binani Cement Factory LLC**Bank Borrowings**

Overdrafts: Rs. Nil (Previous Year Rs. 2,774.57 Lakhs (AED 21,728,131))

Trust Receipts Rs. 1,294.16 Lakhs (AED 10,497,864) (Previous Year Rs. 4,406.01 Lakhs (AED 34,504,132))

Cheques discounted Rs. Nil (Previous Year Rs. 6,391.90 Lakhs (AED 50,055,898))

The bank borrowings are secured by:

- Assignment of insurance policies on Stock and Trade & other receivable
- Assignment of bank guarantees provided by customers and issued by reputed local banks.
- Undertaking to maintain own funds of AED 100 million.

VI MURARI HOLDINGS LIMITED**TERM LOANS****Bank**

a) The loan are secured by :

- Corporate Guarantee of Binani Cement Limited,
- Pledging of 100% shares of the Company (held by Binani Cement Limited),
- A negative lien on the assets of the Binani Cement Factory LLC, Dubai.
- Non disposal undertaking for the beneficial interest for 51% shares of Binani Cement Factory LLC, Dubai
- Non disposal undertaking for 49% shares of Binani Cement Factory LLC held by Mukundan Holdings Limited.

An analysis by Bank of amounts outstanding is as follows:

Punjab National Bank: Rs. 3,396.41 Lakhs (USD 75,00,000) (Previous Year Rs.4,689.36 Lakhs (USD 10,000,000)

Bank of Baroda: Rs. 1,811.42 Lakhs (USD 4,000,000) (Previous Year Rs. 2,344.68 Lakhs (USD 5,000,000)

State Bank of India: Rs.3,849.26 Lakhs (USD 8,500,000) (Previous Year Rs. 4,689.36 Lakhs (USD 10,000,000)

Syndicate Bank: Rs. 1,924.63 Lakhs (USD 4,250,000) (Previous Year Rs. 2,344.68 Lakhs (USD 5,000,000)

- b) Interest amount of Rs. 19.79 Lakhs (USD 43,699) (Previous Year Rs. 32.03 Lakhs (USD : 68,296)) due and payable on loan from PNB, Hong Kong. Sufficient balance was maintained in current a/c with the bank to settle the interest. But, it is the bank's practice to debit the interest amount to the current a/c during the following month and hence the same can be deemed to be paid as at the period/year end.

VII SHANDONG BINANI RONG'AN CEMENT COMPANY

- a) The loan is secured by of Rs. 10,338.90 Lakhs (RMB 150,000,000) : Plant & Machinery and land purchased for 2nd Clinker Production Line

VIII GGFL

A. Rupee Term Loan:

Bank

- i) Vijaya Bank Limited – Outstanding Rs. 1,979.11 Lakhs (Previous Year Rs. 2,395.78 Lakhs)
Secured by a) a first pari passu charge on the fixed assets of the Company situated at Village Colvale, Taluka Bardez, Goa both present and future, b) First charge by way of hypothecation of all movable including movable machinery, machinery spares, tools and accessories, present and future (except book debts) subject to charges created for securing the borrowings for working capital requirements from banks, and c) Corporate Guarantee of Binani Industries Limited.
- ii) Indian Overseas Bank - Outstanding Rs.1,718.50 Lakhs (Previous Year Rs. 2,343.70 Lakhs)
Secured by a) a first pari passu charge on the fixed assets of the Company situated at Village Colvale, Taluka Bardez, Goa both present and future, b) Second pari passu charge on the current assets of the Company on pari passu with other term lender. c) Corporate Guarantee of Binani Industries Limited.

B.

- (i) Cash Credit from Punjab National Bank - Outstanding Rs. 706.26 Lakhs (Previous Year Rs. 899.99 Lakhs).
Secured by (a) Hypothecation of present and future stocks of raw materials, work-in-process, finished goods, consumables, stores and spares, book debts, outstanding decrees, money receivables, claims, securities, government subsidies, investment, right and other movable assets excluding bills purchased/discounted by bank and bills against which advance has been paid which belong to the Company and (b) Second charge and mortgage on immovable properties of the Company situated at Village Colvale, Taluka Bardez, Goa, both present and future.
- (ii) Bills Discounted with Punjab National Bank – Outstanding Rs.59.97 Lakhs (Previous Year Rs.582.25 Lakhs).
Secured by bills drawn on Letters of Credit issued by approved banks.

IX BZL

1 TERM LOANS

Bank

- a) UCO Bank – Balance Outstanding Rs.5,000 Lakhs (Rs.5,000 Lakhs)
Secured by first hypothecation and mortgage charge on all movable and immovable fixed assets of the Company, both present and future.
- b) Punjab National Bank – Balance Outstanding Rs.3,000 Lakhs (Rs.Nil)
Secured / to be secured by first pari-passu charge on all movable and immovable fixed assets of the Company, both present and future.

2 Cash Credit from Bank

Oriental Bank of Commerce – Debit Rs.41.66 Lakhs (Credit Rs.141.17 Lakhs)

Facilities are secured by :

- a. 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. b. Pari-passu Second charge on the fixed assets of the Company located at Binanipuram, Kerala, and c. Corporate Guarantee of Binani Industries Limited, the Holding Company.

14 UNSECURED LOAN -

BIL

Short Term Loans from Banks

Punjab National Bank -Short Term Corporate Loan - Outstanding Rs. Nil (Previous Year Rs. 5,000 Lakhs).

Post dated cheques for repayment of Principal were issued in Previous Year.

Indian Overseas Bank -Short Term Corporate Loan - Outstanding Rs. 15,000 Lakhs (Previous Year Rs. Nil).

Post dated cheques for repayment of Principal are issued.

Loans from Others

Syndicate Bank - Corporate Loan - Outstanding Rs. 10,000 Lakhs (Previous Year Rs Nil)

15 Other Income (Consolidated)

(Rs. in Lakhs)

	For the year ended 31st March 2011	For the year ended 31st March 2010
i) Profit from Hedging Transactions	801.39	-
ii) Interest & Dividend from Banks/ Others (Includes Tax Deducted at Source of Rs. 105.51 Lakhs (Previous Year Rs. 58.18 Lakhs)	1,749.26	694.41
iii) Exchange Rate Fluctuation	-	1,537.73
iv) Income from 'inadvertant' flow of surplus power to RPPC	-	18.86
v) Profit on sale of Investments	8.00	-
vi) Profit on sale of Fixed Assets	12.70	-
vii) Sale of Carbon Credits (Certified Emission Reduction)	-	-
viii) Liability no longer required written back	655.91	13.10
ix) Scrap Sale / Industrial waste	1,033.89	757.84
x) Subsidy income of SBRCC	-	972.96
xi) Insurance Claim	783.91	342.42
xii) Others	476.04	288.26
	5,521.10	4,625.58

16 Misc. expenses in Schedule 13 includes Rs. 25 Lakhs (Previous Year Rs. 25 Lakhs) donation, given to G D Binani Charitable Trust and Rs. 75 Lakhs (Previous Year Rs. 50 Lakhs) to G. D. Binani Charitable Foundation.

17 (a) Managerial Remuneration (Managing Director, Manager, Whole Time Director)

(Rs. in Lakhs)

	For the year ended 31st March 2011	For the year ended 31st March 2010
Salary	414.90	214.56
Contribution to Provident and other funds	13.94	13.42
Perquisites **	56.60	80.06
	485.44	308.03

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

Excluding contribution to gratuity fund and provision for leave encashment since the same are provided on an actuarial basis for the Company as a whole.

For BIL

During the year necessary approval has been received from Government for payment of Managerial Remuneration.

For GGFL

The Company has received approval of the Central Government for the payment of remuneration to Whole Time Director as approved by shareholders as minimum remuneration vide letter no. SRN/ A65428773 dtd. 23rd Dec. '2009.

For BZL

- a) Mr. Sushil Bhattar has been appointed as Managing Director of the Company with effect from 01.01.2011 by the Board of Directors of the Company, subject to the approval of the Company in the General Meeting which is being sought for in the ensuing Annual General Meeting of the Company, as also the approval of Central Government which has been sought for.

	(Rs. in Lakhs)	
	For the year ended 31st March 2011	For the year ended 31st March 2010
(b) Commission to Non Executive Directors	33.00	28.00

18 Remuneration to Auditors

	(Rs. in Lakhs)	
Particulars	For the Year ended 31st March, 2011	For the Year ended 31st March, 2010
Audit Fees	42.27	35.00
Consolidated Accounts	3.00	3.00
Tax Audit	3.10	3.06
Reimbursement of Expenses	1.28	1.30
For other Matters	12.41	7.38
Total	62.06	49.74

19 Deferred Tax Liability of the Group as on 31.03.2011 comprises of the following (Consolidated) * :

	(Rs. in Lakhs)	
	As at 31/03/2011	As at 31/03/2010
a) Deferred Tax Liability		
Fixed Assets	23,700.04	23,077.16
Others	-	-
Total	23,700.04	23,077.16
b) Deferred Tax Asset		
Unabsorbed losses and depreciation	(1,929.38)	(1,210.27)
Disallowance under Income Tax Act, 1961	(1,977.01)	(2,096.83)
Others	-	-
Total	(3,906.39)	(3,307.10)
Provision for Deferred Tax (net)	19,793.65	19,770.07
Rounded off	19,794.00	19,771.00

* In case of Binani Industries Ltd., Binani Ready Mix Concrete Ltd, Deferred Tax Assets is not recognised in books on prudence basis.

20 Segmental Reporting as per Accounting Standard AS - 17 issued by The Institute of Chartered Accountants of India (Consolidated)

(Rs. in Lakhs)

Particulars	Zinc & by products	Cement	Glass Fibre	Unallocated	Sub Total	Less: Elimination	Total
Segment Revenue (net of Excise Duty)	41,209.51 (39,541.60)	191,703.57 (229,196.47)	11,221.38 (6,046.33)	604.08 (56.55)	244,738.54 (274,840.95)	- (-20.31)	244,738.54 (274,861.27)
Inter-segment Revenue	- (-)	3,970.25 (20.32)	- (38.29)	9,004.49 (6,964.35)	12,974.75 (7,022.96)	12,974.75 (7,022.96)	- (-)
Total Revenue	41,209.51 (39,541.60)	195,673.82 (229,196.47)	11,221.38 (6,046.33)	9,608.58 (56.55)	257,713.28 (274,840.95)	12,974.75 (-20.31)	244,738.54 (274,861.27)
Segment Result	202.83 (497.44)	4,971.85 (45,725.01)	(1,169.93) (-2,584)	(1,916.27) (925.81)	2,088.47 (44,564.13)	(5,473.84) (4,469.04)	(3,385.37) (40,095.09)
Income Taxes							978.88 (13,018.02)
Extraordinary Items							(1,774.96) (-)
Previous Year adjustment and other impact							(658.49) (1,361.21)
Net Profit/Loss							(4,501.84) (25,715.87)
Segment Assets	39,845.55 (35,629.57)	344,893.66 (267,425.67)	18,534.45 (13,259.49)	230,852.46 (63,090.65)	634,126.12 (379,405.38)	223,019.28 (9,368.02)	411,106.84 (370,037.35)
Total Assets	39,845.55 (35,629.57)	344,893.66 (267,425.67)	18,534.45 (13,259.49)	230,852.46 (63,090.65)	634,126.12 (379,405.38)	223,019.28 (9,368.02)	411,106.84 (370,037.35)
Segment Liability	32,584.27 (27,491.44)	241,718.58 (191,180.58)	13,197.23 (8,023.60)	144,128.33 (78,676.40)	431,628.41 (305,372.03)	67,728.10 (18,058.79)	363,900.31 (287,313.24)
Total Liabilities	32,584.27 (27,491.44)	241,718.58 (191,180.58)	13,197.23 (8,023.60)	144,128.33 (78,676.40)	431,628.41 (305,372.03)	67,728.10 (18,058.79)	363,900.31 (287,313.24)
Capital Expenditure (net)	9,568.66 (9,842.74)	203,021.20 (217,730.55)	14,035.06 (10,376.25)	3,463.81 (-658)	230,088.73 (237,292.02)	(65,419.74) (-)	295,508.47 (237,292.02)
Depreciation & Amortisation	860.93 (1,221.80)	11,757.03 (10,846.12)	1,502.45 (1,066.77)	52.52 (35.61)	14,172.93 (13,170.31)	- (-)	14,172.93 (13,170.31)

Statement of Secondary Segment wise Sales & External Receivables

(Rs. in Lakhs)

Particulars	Within India	Out of India	Total
Segment Revenue	226,499.76 (231,386.93)	18,238.78 (43,474.33)	244,738.54 (235,617.36)
Segment Assets	271,283.62 (307,246.97)	139,823.21 (62,790.38)	411,106.84 (310,480.08)
Capital Expenditure (net)	187,526.30 (197,767.77)	107,982.17 (39,524.25)	295,508.47 (237,292.02)

(Figures in bracket pertains to Previous Year)

Notes:

(i) Business Segments

The Company has considered "Business Segments" as the "Primary Segment" for disclosures which comprises of Zinc & by Products, Cement and Glass Fibre & its Products.

(ii) Geographical Segments

Geographical Segment is the "Secondary Segment" and location of its market i.e., "India" and "Out of India" have been used. Since sales out of India are made to many Countries without any significant difference in the value of supplies made to individual Countries, these have been aggregated under "Out of India".

(iii) Segment Revenue

Segment Revenue comprises of Sales and related Income that are directly identifiable with the segment.

(iv) Segment Expenses

Directly identifiable with the segment are charged to the respective segment.

(v) All the accounting policies adopted for the segment reporting are in line with those of BIL.

21 a) **Particulars of unhedged foreign currency exposure as at Balance Sheet date**

(i) BCL

(Rs. in Lakhs)

Particulars	Currency	As at 31st March, 2011	As at 31st March, 2010
Outstanding Creditors for Coal	USD	3.895	5602
Outstanding Creditors for Spares	DKK	1.3	0.24
Outstanding Creditors for Spares	USD	0	21.53

(ii) GGFL

(Rs. in Lakhs)

Balances as on 31st March, 2011	Foreign Currency amount	Equivalent Rupees in Lakhs
Sundry Creditors	USD NIL (USD 6,878)	NIL (3.14)
Sundry Creditors	EURO 127420 (Euro 81,583)	81.54 (51.42)
Sundry Creditors	GBP NIL (GBP 36,560)	NIL (25.20)
Sundry Debtors	EURO 98,294 (EURO 51,324)	61.30 (30.60)
Sundry Debtors	GBP 98,801 (GBP NIL)	70.14 NIL
Sundry Debtors	USD 1,11,934 (USD 15,07,652)	49.51 (673.47)
Loans and Advances	EURO 36,718 (EURO 45,433)	23.13 (28.87)
Loans and Advances	USD 1150 (USD 14,266)	0.52 (6.51)

(ii) BZL

(Rs. in Lakhs)

Balances as on March 31st , 2011	Foreign Currency Amount	Equivalent in Rupees in Lakhs
Receivables	USD 229,897 (USD 105,341)	102 (47)
	AUD 45,644 (-)	21 (-)
	EURO 60,27,600 (-)	3,817 (-)
Trade Payables	USD 1,75,92,773 USD 9,881,054	7,855 (4,447)

b) BCL - The details of forward contracts outstanding at the year end are as follows :-

Currency	Number of Contracts	Buy Amount	Purpose
USD	7	7,200,000	Creditors / FCL Payment
USD	(9)	(9,600,000)	Creditors Payment

22 Related Party disclosure as per AS 18 issued under Accounting Standard Rules 2006.

(a) The Company has entered into transactions in ordinary course of business with related parties at arms length as per details below:

(Rs. in Lakhs)

Particulars	Enterprises where Key Management Personnel have got significant influence	Companies under Common ownership and or common management control	Total
Purchase of Material English Indian Clay Ltd	121.46 (104.26)	- -	121.46 (104.26)
Sale of Material Ess vee Alloys Pvt Ltd	53.30 -	- -	53.30 -
Purchase of Fixed Asset - Transnational Trading Services Pte Limited	- -	- (66.00)	- (66.00)
Dividend Paid Binani Metals Ltd	(142.46) (142.46)	- -	(142.46) (142.46)
Services charges received Triton Trading Company Pvt Ltd	11.34 (5.23)	- -	11.34 (5.23)
Payment towards Services received Sambhaw Holdings Ltd	64.50 (52.50)	- -	64.50 (52.50)
Triton Trading Company Pvt Ltd	8.63 (90.47)	- -	8.63 (90.47)

Particulars	Enterprises where Key Management Personnel have got significant influence	Companies under Common ownership and or common management control	Total
Rent paid			
Sambhaw Holdings Ltd	1.50	-	1.50
	(3.00)	-	(3.00)
Binani Metals Limited	6.36	-	6.36
	(5.76)	-	(5.76)
Others*	2.73	-	2.73
	(-)	-	(-)
Interest paid on Inter - Corporate deposit			
Binani Metals Limited	10.54	-	10.54
	(26.00)	-	(26.00)
Compensation paid for surrender of Tenancy Rights			
Triton Trading Company Pvt Ltd	-	-	-
	(140.00)	-	(140.00)
Rent Received			
Triton Trading Company Pvt Ltd	-	-	-
	(0.01)	-	(0.01)
Sale of Investment			
Ess Vee Alloys Pvt Ltd	31.00	-	31.00
	-	-	-
Loans & Advances Repayment / Received			
Ess Vee Alloys Pvt Ltd	26.39	-	26.39
	-	-	-
Donation			
- G D Binani Charitable Trust	25.00	-	25.00
	(25.00)	-	(25.00)
- G D Binani Charitable Foundation	75.00	-	75.00
	(50.00)	-	(50.00)
Inter - Corporate deposit - Repaid			
Binani Metals Limited	200.00	-	200.00
	-	-	-
Interest Expenses			
- Kalpvriksh Holding AG	-	30.83	30.83
	-	(29.63)	(29.63)
Freight service availed			
- Transnational Trading Services Pte Limited	-	699.93	699.93
	-	(2,932.84)	(2,932.84)
- Transnational Trading	-	-	-
	(2,011.77)	-	(2,011.77)
Service charges paid for Car Usage			
Binani Metals Limited	146.3	-	146.36
	(115.25)	-	(115.25)
Triton Trading Company Pvt Limited	5.08	-	5.08
	-	-	-
Repayment of Loan			
- Kalpvriksh Holding AG	-	2,884.50	2,884.50
	(-)	-	-

Particulars	Enterprises where Key Management Personnel have got significant influence	Companies under Common ownership and or common management control	Total
Balance outstanding as on 31st March, 2011			
- Kalpvriksh Holding AG	-	-	-
		(2,844.50)	(2,844.50)
Due to Asian Industries	0.18	-	0.18
	-	-	-
Due from Woodshed Technologies LLC*	21.02	-	21.02
	-	-	-
- Inter - Corporate Deposit	-	-	-
Binani Metals Limited	(200.00)	-	(200.00)

(Figures in bracket pertain to Previous Year)

* Partnership firm owned by certain officers / shareholders of CPI Binani Inc (USA).

Note:

- 1 The remuneration paid to key management personnel as disclosed vide note no. 21.
- 2 Names of related parties and description of relationship:
 - a) Key Management Personnel: Mr. Braj Binani, Mr. Sunil Sethy, Mr. Ibrahim Ali, Mr. S.Padmakumar Mr.V.Subramanian, Mr. Roy Kurian K K , and Mr. Sushil Bhattar , Mr. P. Acharya, Mr. Roy Kurian K.K, Mr. I. C. Ahuja, Mr. S.S. Khandekar upto 31.12.2010.
 - b) Transactions with enterprises where Key Management Personnel have got significant influence: i) Mr. Braj Binani in Binani Metals Limited, Sambhaw Holdings Limited, K. B. Vyapar Private Limited, Triton Trading Co. Pvt. Ltd., Lexus Holding & Finance Private Limited, Miracle Securities Private Limited and G.D. Binani Charitable Foundation, ii) Mr. Sunil Sethy in Radix Technologies and iii) Mr. S.Padmakumar in English Indian Clays Ltd.
 - c) Company under common control ownership / and / or common management control : Transnational Trading Services Pte Limited, Transnational Trading, Kalpvriksh Holding AG., Woodshed Technologies LLC.

23 Consolidated Earning per share is calculated as follows :

A Basic and Diluted EPS before extraordinary items

(Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2011	For the Year ended 31st March, 2010
Net Profit after tax attributable to equity shareholder	(3,064.97)	25,716
Net Profit after tax before extraordinary item attributable to equity shareholder	(3,064.97)	25,716
Equity shares outstanding as at the period end (in Nos.)	29,596,425	29,596,425
Weighted average number of Equity Shares used as denominator for calculating Basic and Diluted Earning Per Share	29,596,425	29,596,425
Nominal Value per Equity Share (in Rs.)	10.00	10.00
Earning Per Share (Basic and Diluted) (in Rs.)	(10.36)	86.89

B Basic and Diluted EPS after extraordinary items

(Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2011	For the Year ended 31st March, 2010
Net Profit after tax attributable to equity shareholder	(3,064.97)	25,716
Less: Extraordinary item	1,774.96	-
Net Profit after tax before extraordinary item attributable to equity shareholder	(4,839.93)	25,716
Equity shares outstanding as at the period end (in Nos.)	29,596,425	29,596,425
Weighted average number of Equity Shares used as denominator for calculating Basic and Diluted	29,596,425	29,596,425
Nominal Value per Equity Share (in Rs.)	10/-	10/-
Earning Per Share (Basic and Diluted) (in Rs.)	(16.35)	86.89

24 EMPLOYEE BENEFITS :

a) Defined Contribution

During the year the Company has recognized Rs 480.5 Lakhs (Previous Year Rs 364.63 Lakhs) in the Profit and Loss Account on account of defined contribution plans i.e. Employers Contribution to Provident Funds & E.S.I.C.

b) Defined benefit plans as per actuarial valuation on 31st March, 2011.

(Rs. in Lakhs)

		Gratuity Funded	
		For the Year ended 31st March, 2011	For the Year ended 31st March, 2010
I	Expenses recognized in the Statement of Profit & Loss for the year ended 31st March, 2011		
1	Current Service Cost	119.53	93.74
2	Interest Cost	77.97	63.32
3	Employees Contributions		
4	Expected return on plan assets	(86.89)	(73.13)
5	Net Actuarial (Gains) / Losses	(22.21)	202.95
6	Past Service Cost	-	-
7	Settlement Cost	-	-
8	Total Expenses	88.40	286.88
9	Actual return on plan assets	76.96	59.65
II	Net Asset/ (Liability) recognised in the Balance Sheet as at 31 st March, 2011		
1	Present value of Defined Benefit Obligation as at 31st March, 2011	1,105.89	1,071.19
2	Fair value of plan assets as at 31st March, 2011	1,187.39	1,086.20
3	Funded status [Surplus/(Deficit)]	84.57	15.01
4	Net asset/ (Liability) as at 31st March, 2011	84.57	15.01

III Change in obligation during the year ended 31st March, 2011		For the Year ended 31st March, 2011	For the Year ended 31st March, 2010
1	Present value of Defined Benefit Obligation at beginning of the year	1,071.19	802.53
2	Current Service Cost	119.53	93.74
3	Interest Cost	77.97	63.33

4	Settlement Cost	-	-
5	Past Service Cost	-	-
6	Employees Contributions	-	-
7	Actuarial (Gains) / Losses	(26.38)	200.49
8	Benefits Payments	(136.21)	(88.89)
9	Present value of Defined Benefit Obligation at end of the year	1,106.09	1,071.20

IV	Change in Assets during the year ended 31st March, 2011	For the Year ended 31st March, 2011	For the Year ended 31st March, 2010
1	Plan assets at beginning of the year	1,085.02	807.20
2	Assets acquired on amalgamation in Previous Year	-	-
3	Settlements	-	-
4	Expected return on plan assets	45.45	45.16
5	Contributions by Employer	141.21	296.03
6	Actual benefits paid	(135.71)	(88.89)
7	Actuarial (Gains) / Losses	7.68	(2.44)
8	Plan assets at end of the year	1,184.98	1,085.02
9	Actual return on plan assets		

V	The major categories of plan assets as a percentage of total plan	For the Year ended 31st March, 2011	For the Year ended 31st March, 2010
	Qualifying Insurance Policy	YES	YES
VI	Actuarial Assumptions		
	Discount Rate	8.25%	8% to 8.25%
	Salary Escalation	4% to 7%	4% to 7%

- Current service cost in case of leave encashment are net of benefit paid during the year included under salary and allowance.
- In case of BCL: The Actuarial valuation of Defined Benefit Obligation (DBO) as at the end of the current year has been considered as per report of an independent certified Actuary where as at the end of the Previous Year the same was considered as per Actuarial report of L.I.C. of India with whom the Gratuity liability is funded. As both the Actuaries differ in their assumptions for arriving at the present value of DBO, the Actuarial loss of Rs. 11.66 Lakhs for the current year is lower by Rs. 127.95 Lakhs which has been adjusted in the Profit & Loss A/c.
- In case of BTCL (Previous Year - No)

b) Provision towards liability for Leave Encashment made on the basis of actuarial valuation as per Accounting Standard 15 (Revised). Actuarial value of liability is Rs. 370.05 Lakhs (Previous year Rs.196.49 Lakhs) based upon following assumptions.

Particular	31st March 2011	31st March 2010
Discount Rate	8.25%	8.25%
Salary Escalation	4% to 7%	4%

- 25 BCL : During the year, the buy back of 1,45,00,000 equity shares of Rs.10 each, from the existing shareholders, on proportionate basis has been completed and the said equity shares have been extinguished on 26th August, 2010. The equity share capital stands reduced to Rs.18,860 Lakhs effective from that date and the premium paid of Rs. 11,600 Lakhs has been reduced from the reserves & surplus of the Company.
- 26 During the year, Binani Cement Limited has completed the Reverse Book Building process for voluntary delisting of its Equity Shares in terms of SEBI (Delisting of Equity Shares), Regulations, 2009. Final Application for Delisting of Equity Shares has been filed with Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). Approvals of the Exchanges are expected shortly. With a view to provide exit opportunity to the public shareholders of Binani Cement Limited under SEBI (Delisting of Equity Shares), Regulations, 2009, during the year the Company has purchased 47,358,222 number of shares of Binani Cement Limited from its public shareholders at a price of Rs. 90.00 per share valuing Rs. 42,622.40 Lakhs.
- 27 No events or transactions have occurred since the date of Balance Sheet or are pending that would have a material effect on the financial statements at that date or for the period then ended, other than those reflected or fully disclosed in the books of accounts.
- 28 MHL: The Company incurred loss of US\$ 4,473,728 during the 15 months period ended 31 March 2011 and, as of that date, the Company's total current liabilities exceeded its total current assets by US\$ 18,904,289 including loan from Binani Cement Limited of US\$ 15,000,000, Bhumi Resources (Singapore) PTE Ltd of US\$ 9,150,000 and Krishna Holdings Pte Ltd.(KHL) US\$ 9,700,000. The holding Company, however, has agreed to provide unconditional financial support to the Company to enable the Company to operate as a going concern and to discharge its obligations as and when they fall due.
- 29 Previous Year's figures have been regrouped / reclassified wherever necessary.

As per our report of even date attached

For KANU DOSHI ASSOCIATES

Chartered Accountants
Firm Registration No. 104746W

JAYESH PARMAR

Partner
Membership No: 45375

Place : Mumbai
Date : 22nd April, 2011

For and on behalf of Board of Directors

R. Venkateswaran
Chief Financial Officer
- Group Control Accounts

S. N. Sridhar
Sr. Vice President (Corporate Legal)
& Company Secretary

Place : Mumbai
Date : 22nd April, 2011

Braj Binani
Chairman

Sunil Sethy
Executive Vice
Chairman & Managing
Director

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2011

(Rs. in Lakhs)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
Cash Flow From Operating Activities		
Net Profit Before Tax before Prior period items	(3,385.36)	40,095.09
Adjustments for:		
Depreciation / Amortization	14,172.93	13,170.31
Interest and Finance Charges	19,015.82	13,784.84
Exchange Fluctuation Unrealised	(332.75)	(121.92)
Sundry Balances written off / Liabilities no longer required written back	(50.45)	(21.22)
Loss/(Profit) on sale/discard of Fixed Assets	308.77	788.25
Profit on sale of Investments	(43.34)	(19.73)
Profit on sale of Investments in Subsidiaries	(8.27)	-
Interest and Dividend Income	(1,802.60)	(700.06)
Operating Profit Before Working Capital Changes	27,874.74	66,975.55
Adjustments for:		
Inventories	1,060.35	1,951.36
Trade and Other Receivables	20,834.89	17,803.64
Trade and Other Payables	7,415.67	(15,443.02)
Cash Generated from Operations	57,185.65	71,287.53
Extra-ordinary Item	(1,774.94)	-
Direct Taxes Paid (including Fringe Benefit Tax) (Net)	(6,455.68)	(4,130.13)
A Net Cash flow from Operating Activities	48,955.03	67,157.40
Cash Flow from Investing Activities		
Purchase of Fixed Assets (including capital work - in progress)	(48,483.51)	(32,245.35)
Sale of Fixed Assets	85.52	32.11
Purchase consideration for Deferred Tax Asset	(730.00)	-
Investment (including investment in Subsidiaries)	(88,025.97)	(51,774.87)
Sale of Investment in Subsidiaries	31.00	-
Other Advances	(4,049.64)	-
Investment in Fixed Deposit	1,080.78	(1,080.48)
Interest and Dividend Income Received	1,719.62	661.97
Other Income	-	6.54
B Net Cash Used in Investing Activities	(138,372.20)	(84,400.08)
Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings (including Funded Interest)	42,876.47	70,973.87
Repayment of Borrowings	(31,082.99)	(23,950.54)
Increase / Decrease in Bank Borrowings (Net)	66,434.74	(160.78)
Towards Share Capital of Subsidiaries including Share application money	54,992.13	22,682.40
Trade deposits	272.58	395.01
Unsecured Loan from Subsidiaries & others	(423.52)	414.74
Interest & Finance Charges paid	(19,248.96)	(15,167.00)
Dividend Paid / Dividend Distribution Tax Paid	(4,559.71)	(4,555.57)
Buy Back of Shares	(13,050.00)	-
Proceeds from Short Terms Borrowings (Net)	-	19,621.59
Repayment of Short Terms Borrowings (Net)	(5,000.00)	(29,000.00)
Increase in Reserves	775.96	437.07

[Continued..]

(Rs. in Lakhs)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
C Net Cash from Financing Activities	91,986.70	41,690.79
D Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	2,569.52	24,448.11
E Opening Cash & Cash Equivalents (Cash and Bank Balances)	47,756.59	23,308.48
F Closing Cash & Cash Equivalents (D+E) (Cash and Bank Balances)	50,326.12	47,756.59

- Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) - 3 "Cash Flow Statements" as specified in the Companies (Accounting Standards) Rules, 2006.
- Closing Cash and Cash Equivalents as per Books

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2011	For the year ended 31st March, 2010
Cash in hand	30.54	19.15
Current Accounts	29,763.81	15,479.31
Deposit Accounts Less than 3 months	20,507.48	32,258.13
Remittances in transit and cheques in hand	24.29	-
Total Cash & Cash Equivalent less than 3 months	50,326.12	47,756.59
Fixed Deposit more than 3 months	-	1,080.48
Total	50,326.12	48,837.07

- Previous year figure have been recast / regrouped wherever considered necessary.

As per our report of even date attached

For KANU DOSHI ASSOCIATES

Chartered Accountants
Firm Registration No. 104746W

JAYESH PARMAR

Partner
Membership No: 45375

Place : Mumbai
Date : 22nd April, 2011

For and on behalf of Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

Braj Binani
Chairman

S. N. Sridhar
Sr. Vice President (Corporate Legal)
& Company Secretary

Sunil Sethy
Executive Vice
Chairman & Managing
Director

Place : Mumbai
Date : 22nd April, 2011

Statement Pursuant to Section 212 (3) and 212(5) of the Companies Act, 1956 relating to Subsidiary / Stepdown Subsidiary Companies of Binani Industries Limited for the year ended 31st March 2011.

(Rs. in Lakhs)

Sr. No	Name of the Subsidiary Company	Binani Cement Ltd. (BCL)	Binani Zinc Ltd. (BZL)	Goa Glass Fibre Ltd. (GGFL)	B.T. Composites Ltd. (BTCL)	Wada Industrial Estate Ltd. (WIEL)	Binani Ready Mix Concrete Ltd (BRMC)	Binani Infracore Ltd. (Binfra)	Sankalp Holdings Ltd. (SHL)	Krishna Holdings Pte. Ltd. (KHL)	Mukundan Holdings Ltd. (MHL)	Murari Holdings Ltd. (MUHL)	Swiss Merchandise Infrastructure Ltd (Swiss)
1	Country of Incorporation	India	India	India	India	India	India	India	Cyprus	Singapore	British Virgin Islands	British Virgin Islands	India
2	Financial year / period of the Subsidiary Company	April 1, 2010 to March 31, 2011	April 1, 2010 to March 31, 2011	April 1, 2010 to March 31, 2011	April 1, 2010 to March 31, 2011	April 1, 2010 to March 31, 2011	December 1, 2010 to March 31, 2011	July 29, 2010 to March 31, 2011	January 1, 2010 to December 31, 2010	January 1, 2010 to December 31, 2010	January 1, 2010 to December 31, 2010	January 1, 2010 to December 31, 2010	November 2, 2010 to March 31, 2011
3	Relation with Binani Industries Ltd (BIL)	Subsidiary of BIL	Subsidiary of BIL	Subsidiary of BIL	Subsidiary of BIL	Subsidiary of BIL	Subsidiary of BIL	Subsidiary of BIL	Subsidiary of BIL	Subsidiary of BCL	Subsidiary of BCL	Subsidiary of BCL	Subsidiary of BCL
4	Information pursuant to Sec. 212 (3)												
A)	Extent of the Holding Company's interest in the Subsidiary as at the end of the Financial Year / Period :												
	Number of Shares	188,601,274 Equity Shares of Rs.10 each	60,788,138 Equity Shares of Rs.10 each	74,177,389 Equity Shares of Rs.10 each	140,00,000 Equity Shares of Rs.10 each	5,90,007 Equity Shares of Rs.100 each	1,00,000 Shares of Rs.10 each	50,000 Shares of Rs.10 each	75,000 Ordinary Shares of € 1 each	8,77,76,670 Shares of SGD 1 each	11,100,000 Ordinary Shares of USD 1 each	41,400,000 Ordinary Shares of USD 1 each	50,000 Shares of Rs.10 each
	Number of Preference shares				5,00,000 4% Redeemable Non Cumulative Preference Shares of Rs.10 each					96,31,835 Shares of SGD 1 each	-	-	-
	% of Share Holding (Excluding Preference Share Capital)	95.01 % held by BIL	89.90 % held by BIL	100 % held by BIL	100 % held by BIL	100 % held by BIL	100 % held by BIL	100% held by BIL	100 % held by BIL	55.54% held by BCL balance 44.46% held by MHL	100% held By BCL	100% held By BCL	100% held By BCL
B)	Net aggregate amount of Profits / (Losses) of the subsidiary so far it concerns members of BIL, not dealt with in the standalone accounts of the Company :												
	a) For the financial year / period of the subsidiary aforesaid (Rs. Lakhs)	7,280.57	(770.42)	(1,088.90)	(277.31)	(24.14)	(18.15)	(3.15)	(8.06)	52.07	(1,379.70)	(1,370.08)	(0.43)
	b) For the previous financial year / period of the subsidiary since it became the holding company's subsidiary (Rs. Lakhs)	29,398.50	1,219.44	(2,180.66)	(1,047.04)	(421.92)	-	-	(6.05)	(21.17)	(451.14)	484.91	-
5	Information pursuant to Sec. 212 (5) [See Note 3]												

Notes:

- BCF had incorporated five companies viz BC Trade Link Limited (Tanzania), Binani Cement Company WLL (Kuwait), Binani Cement Factory (Kenya) Limited, Binani Cement SARL (Djibouti) and Binani Cement (Uganda) Limited on 29th August, 2007, 28th July, 2010, 3rd September, 2010, 3rd November, 2010 & 22nd December, 2010 respectively. Their first accounting period would be from the date of incorporation to 31st December, 2011. However, their unaudited financial statements from the date of incorporation to 31st March, 2011 have been considered for consolidation.
- The Company has acquired CPI Binani, Inc. (USA) on 14th February, 2011. Its first accounting year, post acquisition would end on 31st December 2011. Hence, its unaudited financial statements from the date of acquisition till 31st March, 2011 have been considered for consolidation.
- During the current year, the financial statements of subsidiaries including step down subsidiaries (whose accounting year/period ended on 31st December, 2010) for their respective period ended 31st March, 2011 have been considered for consolidation with the Company's financial statements for the year ended on the same date. Hence information required to be provided pursuant to Sec. 212 (5) is not applicable.

Statement Pursuant to Section 212 (3) and 212(5) of the Companies Act, 1956 relating to Subsidiary / Stepdown Subsidiary Companies of Binani Industries Limited for the year ended 31st March 2011.

(Rs. in Lakhs)

Merit Plaza Limited (Merit)	Bhumi Resources (Singapore) Pte. Ltd (Bhumi)	Binani Cement Factory LLC (BCF)	Shandong Binani Rong'An Cement Co. Ltd. (SBRCC)	Binani Cement Factory (SFZ) Limited (BCF(SFZ))	Binani Cement Factory Mauritius Ltd (BCFM)	Binani Cement Co. Ltd (BCCL)	PT. Anggana Energy Resources (ANGGANA)	BZ Minerals (Australia) PTY Ltd. (BZA)	RBG Minerals Industries Ltd. (RBG)	Binani Energy Pvt. Ltd. (BEPL)	Abhinav Holdings Ltd. (AHL)	Binani Infrastructure Mauritius Ltd (BIML)
India	Singapore	United Arab Emirates	China	Republic of Sudan	Mauritius	Republic of Sudan	Indonesia	Australia	India	India	Cyprus	Mauritius
December 18, 2010 to March 31, 2011	October 26, 2009 to December 31, 2010	January 1, 2010 to December 31, 2010	January 1, 2010 to December 31, 2010	November 12, 2009 to December 31, 2010	September 25, 2007 to December 31, 2010	July 4, 2010 to December 31, 2010	November 24, 2009 to December 31, 2010	April 6, 2010 to March 31, 2011	April 1, 2010 to March 31, 2011	April 1, 2010 to March 31, 2011	January 1, 2010 to December 31, 2010	December 15, 2010 to March 31, 2011
Subsidiary of BCL	Subsidiary of BCL	Step-down Subsidiary of BCL (Subsidiary of MHL & MUHL)	Step-down Subsidiary of BCL (Subsidiary of KHL)	Step-down Subsidiary of BCL (Subsidiary of BCF)	Step-down Subsidiary of BCL (Subsidiary of BCF)	Step-down Subsidiary of BCL (Subsidiary of BCF)	Step-down Subsidiary of BCL (Subsidiary of Bhumi)	Subsidiary of BZL	Subsidiary of BZL	Subsidiary of BZL	Subsidiary of SHL	Subsidiary of Binfra
50,000 Shares of Rs.10 each	1,20,00,000 Ordinary Shares of USD 1 each	31,943 Shares of AED 1,000 each	Share Capital is not divided into No. of Shares [Amount of Share Capital in Rmb 4,499.94 lakhs equivalent to Rs. 31,095.06 Lakhs]	10 Shares of USD 500 each	250 Ordinary Shares of MUR 100 each	1000 Shares of SGD 100 each	6,00,000 Shares of IDR 9,480 each	85,25,929 Ordinary Shares of AUD 1 each	44,40,000 Equity Shares of Rs.10 each	10,000 Equity Shares of Rs.10 each	25,000 Ordinary Shares of € 1 each	1 Ordinary share of MUR 100 each
-	-	-	-	-	-	-	-	-	-	-	-	-
100% held By BCL	100% held By BCL	49% held by MHL / 51% held by MUHL [Beneficial Interest]	90% held by KHL	100% held by BCF	100% held by BCF	100% held by BCF	100% held by Bhumi	100 % held by BZL	100 % held by BZL	100 % held by BZL	100 % held by SHL	100% held by Binfra
(0.30)	0.62	(1,666.01)	71.46	(1,006.68)	-	2.93	36.28	(6.69)	-	0.06	(4.05)	2.42
-	-	973.48	363.28	-	-	-	-	-	-	2.41	(6.53)	-

For and on behalf of Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

Braj Binani
Chairman

S. N. Sridhar
Sr. Vice President (Corporate Legal) & Company Secretary

Sunil Sethy
Executive Vice Chairman &
Managing Director

Place : Mumbai
Date : 22nd April, 2011

SUMMARISED FINANCIAL INFORMATION IN RESPECT OF SUBSIDIARIES OF THE COMPANY IN COMPLIANCE WITH THE EXEMPTION GRANTED BY THE MINISTRY OF CORPORATE AFFAIRS UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956.

(Amount in Lakhs)

Sr. No	Name of the Subsidiary Company	Country of Incorporation	Relationship	Financial year/ period ended on	Currency	Capital	Reserves	Total Assets	Total Liabilities	Details of Investments (except investments in subsidiaries)	Turnover excluding other income	Profit/ (Loss) before Taxation	Profit/ (Loss) after prior period items	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend
1	Binani Cement Ltd. (BCL)	India	Subsidiary of BIL	31-Mar-2011	INR	18,860.38	39,041.98	258,854.14	200,951.78	-	172,053.25	8,226.95	8,226.95	(823.58)	9,050.53	4,715.03
2	Binani Zinc Ltd. (BZL)	India	Subsidiary of BIL	31-Mar-2011	INR	6,761.81	499.47	39,845.55	32,584.27	-	39,620.07	(1,155.97)	(1,155.97)	(299.00)	(856.97)	-
3	Goa Glass Fibre Ltd. (GGFL)	India	Subsidiary of BIL	31-Mar-2011	INR	7,417.74	(3,244.56)	11,736.99	7,563.81	-	9,670.16	(1,088.90)	(1,088.90)	-	(1,088.90)	-
4	B.T.Composites Ltd. (BTCL)	India	Subsidiary of BIL	31-Mar-2011	INR	1,450.00	(1,299.35)	709.91	559.26	-	576.43	(277.31)	(277.31)	-	(277.31)	-
5	Wada Industrial Estate Ltd. (WIEL)	India	Subsidiary of BIL	31-Mar-2011	INR	590.01	(446.06)	259.27	115.32	-	-	(24.14)	(24.14)	-	(24.14)	-
6	Binani Ready Mix Concrete Ltd (BRMC)	India	Subsidiary of BIL	31-Mar-2011	INR	10.00	(18.15)	131.10	139.25	-	207.27	(18.15)	(18.15)	-	(18.15)	-
7	Binani Infratech Ltd. (BInfra)	India	Subsidiary of BIL	31-Mar-2011	INR	500.00	(3.15)	1,199.46	702.60	-	-	(3.15)	(3.15)	-	(3.15)	-
8	Sankalp Holdings Ltd. (SHL)	Cyprus	Subsidiary of BIL	31-Dec-2010	USD	1.00	(0.30)	0.75	0.05	-	-	(0.18)	(0.18)	-	(0.18)	-
					INR	45.57	(13.65)	34.13	2.21	-	-	(8.06)	(8.06)	-	(8.06)	-
9	Krishna Holdings Pte. Ltd. (KHL)	Singapore	Subsidiary of BCL	31-Dec-2010	USD	682.78	0.53	913.23	229.93	-	-	1.21	1.20	0.00	1.20	-
					INR	31,100.66	23.97	41,597.78	10,473.15	-	-	55.85	55.02	0.21	54.81	-
10	Mukundan Holdings Ltd. (MHL)	British Virgin Islands	Subsidiary of BCL	31-Dec-2010	USD	111.00	(39.08)	995.54	923.62	-	-	(31.61)	(31.61)	-	(31.61)	-
					INR	5,056.05	(1,779.87)	45,347.05	42,070.87	-	-	(1,452.21)	(1,452.21)	-	(1,452.21)	-
11	Murari Holdings Ltd. (MUHL)	British Virgin Islands	Subsidiary of BCL	31-Dec-2010	USD	414.00	(20.98)	802.52	409.50	-	-	(17.96)	(31.39)	-	(31.39)	-
					INR	18,857.70	(955.68)	36,554.62	18,652.60	-	-	(824.97)	(1,442.09)	-	(1,442.09)	-
12	Swiss Merchandise Infrastructure Limited (Swiss)	India	Subsidiary of BCL	31-Mar-2011	INR	1,351.00	(0.46)	1,350.62	0.08	-	-	(0.46)	(0.46)	-	(0.46)	-
13	Merit Plaza Limited (Merit)	India	Subsidiary of BCL	31-Mar-2011	INR	10.00	(0.32)	9.76	0.08	-	-	(0.32)	(0.32)	-	(0.32)	-
14	Bhumi Resources (Singapore) Pte. Ltd (Bhumi)	Singapore	Subsidiary of BCL	31-Dec-2010	USD	120.00	0.01	120.05	0.04	-	-	0.01	0.01	0.00	0.01	-
					INR	5,466.00	0.65	5,468.42	1.79	-	-	0.68	0.68	0.03	0.65	-
15	Binani Cement Factory LLC (BCF)	United Arab Emirates	Subsidiary of MHL & MUHL	31-Dec-2010	AED	319.43	833.45	2,314.26	1,161.38	-	453.91	(139.24)	(139.24)	-	(139.24)	-
					INR	3,962.08	10,337.76	28,705.16	14,405.32	-	5,678.15	(1,753.56)	(1,753.56)	-	(1,753.56)	-
16	Shandong Binani Rong An Cement Co. Ltd. (SBRCC)	China	Subsidiary of KHL	31-Dec-2010	RMB	4,499.94	190.91	7,265.12	2,574.27	-	1,090.63	17.04	17.04	5.19	11.86	-
					INR	31,095.06	1,319.19	50,202.74	17,788.49	-	7,410.93	115.74	115.74	35.24	80.50	-
17	Binani Cement Factory (SFZ) Ltd. (BCF(SFZ))	Republic of Sudan	Subsidiary Of BCF	31-Dec-2010	SDG	0.12	(52.68)	26.14	78.70	-	81.25	(52.68)	(52.68)	-	(52.68)	-
					INR	2.16	(966.74)	479.69	1,444.27	-	1,629.68	(1,059.59)	(1,059.59)	-	(1,059.59)	-
18	Binani Cement Factory, Mauritius (BCFM)	Mauritius	Subsidiary Of BCF	31-Dec-2010	MUR	0.25	-	513.86	513.61	-	-	-	-	-	-	-
					INR	0.38	-	797.99	797.60	-	-	-	-	-	-	-
19	Binani Cement Co. Ltd Sudan (BCCL)	Republic of Sudan	Subsidiary Of BCF	31-Dec-2010	SDG	1.00	0.16	4.22	3.06	-	44.70	0.16	0.16	-	0.16	-
					INR	18.35	2.89	77.36	56.12	-	875.97	3.08	3.08	-	3.08	-

SUMMARISED FINANCIAL INFORMATION IN RESPECT OF SUBSIDIARIES OF THE COMPANY IN COMPLIANCE WITH THE EXEMPTION GRANTED BY THE MINISTRY OF CORPORATE AFFAIRS UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956.
(Continued) (Amount in Lakhs)

Sr. No	Name of the Subsidiary Company	Country of Incorporation	Relationship	Financial year/ period ended on	Currency	Capital	Reserves	Total Assets	Total Liabilities	Details of Investments (except investments in subsidiaries)	Turnover excluding other income	Profit/(Loss) before Taxation	Profit/(Loss) after prior period items	Provision for Taxation	Profit/(Loss) after Taxation	Proposed Dividend
20	PT Anggana Energy Resources (Anggana)	Indonesia	Subsidiary of Bhumi	31-Dec-2010	IDR	54,630.00	7,543.65	242,454.56	180,280.91	-	-	9,545.88	9,545.88	2,002.23	7,543.65	-
					INR	280.42	38.73	1,244.51	925.36	-	-	48.32	48.32	10.13	38.19	-
21	BZ Minerals (Australia) PTY LTD (BZA)	Australia	Subsidiary of BZL	31-Mar-2011	AUD	85.26	(0.16)	167.71	82.61	-	-	(0.16)	(0.16)	-	(0.16)	-
					INR	3,980.35	(7.26)	7,829.66	3,856.57	-	-	(6.69)	(6.69)	-	(6.69)	-
22	RBG Minerals Industries Ltd. (RBG)	India	Subsidiary of BZL	31-Mar-2011	INR	444.00	-	448.77	4.77	-	-	-	-	-	-	-
23	Binani Energy Pvt. Ltd. (BEPL)	India	Subsidiary of BZL	31-Mar-2011	INR	1.00	2.47	4.52	1.04	-	-	0.08	0.08	0.03	0.06	-
24	Abhinav Holdings Ltd. (AHL)	Cyprus	Subsidiary of SHL	31-Dec-2010	USD	0.33	(0.22)	0.28	0.18	-	-	(0.09)	(0.09)	-	(0.09)	-
					INR	15.04	(10.12)	12.97	8.05	-	-	(4.05)	(4.05)	-	(4.05)	-
25	Binani Infrastructure Mauritius Ltd (BIML)	Mauritius	Subsidiary of Blnfra	31-Mar-2011	MUR	0.00	1.64	64.23	62.59	-	95.26	2.02	2.02	0.39	1.64	-
					INR	0.00	2.51	98.37	95.86	-	141.01	3.00	3.00	0.57	2.43	-

Notes:

- Indian Rupees equivalent figures have been arrived at by applying the year/period end exchange rates prevailing for respective companies for all Assets & Liabilities which are as follows: a) for KHL, MHL, MUHL & Bhumi 1 USD = Rs. 45.55, b) for SBRCC 1 RMB = Rs.6.91, c) for BCF(SFZ) & BCCL 1 SGD = Rs.18.35, d) for BCF 1 AED = Rs. 12.40, e) for Anggana 1 IDR = Rs.0.01 f) for BCFM 1 MUR = Rs.1.55 and g) for BZA 1 AUD = Rs.46.69. Revenue items are arrived by applying the average rates prevailing during the year / period which are as follows: a) for KHL, MHL & MUHL 1 USD = Rs.45.94, b) for Bhumi 1 USD = Rs.46.07, c) for BCF 1 AED = Rs.12.51, d) for SBRCC 1 RMB = Rs.6.80, e) for BCF (SFZ) 1 SGD = Rs.20.06, f) for BCCL 1 SDG = Rs.19.60, g) for Anggana 1 IDR = Rs.0.005 and h) for BZA 1 AUD = Rs.43.09.
- BCF had incorporated five companies viz BC Trade Link Limited (Tanzania), Binani Cement Company WLL (Kuwait), Binani Cement Factory (Kenya) Limited, Binani Cement SARL (Djibouti) and Binani Cement (Uganda) Limited on 29th August, 2007, 28th July, 2010, 3rd September, 2010, 3rd November, 2010 & 22nd December, 2010 respectively. Their first accounting period would be from the date of incorporation to 31st December, 2011. However, their unaudited financial statements from the date of incorporation to 31st March, 2011 have been considered for consolidation.
- The Company has acquired CPI Binani, Inc. (USA) on 14th February, 2011. Its first accounting year, post acquisition would end on 31st December 2011. Hence, its unaudited financial statements from the date of acquisition till 31st March, 2011 have been considered for consolidation.

For and on behalf of Board of Directors

R. Venkiteswaran
Chief Financial Officer
- Group Control Accounts

Braj Binani
Chairman

S. N. Sridhar
Sr. Vice President (Corporate Legal)
& Company Secretary

Sunil Sethy
Executive Vice
Chairman & Managing
Director

Place : Mumbai
Date : 22nd April, 2011

BINANI INDUSTRIES LIMITED

Registered Office: 37/2, Chinar Park, New Rajarhat Main Road, P.O. Hatiara, Kolkata – 700 157

Corporate Office: Mercantile Chambers, 12, J.N. Heredia Marg, Ballard Estate, Mumbai – 400001

CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC MODE

- (1) Name(s) of Shareholder(s) :
(including joint holders, if any)
- (2) Registered address of the sole/
first named shareholder :
- (3) Registered folio No./DP ID No./Client ID No.* :
[*Applicable to investors holding shares in
dematerialized form]
- (4) No. of Shares held :
- (5) I / we hereby exercise my/our option to receive the documents such as Notice of Annual General Meeting, Audited Financial Statements, Balance Sheet, Profit & Loss Account, Directors' Report, Auditors' Report, Explanatory Statement etc., in electronic mode pursuant to the 'Green Initiative' by the Ministry of Corporate Affairs vide circular dated 29th April, 2011
- (6) My email id is:

Place:

Date:

(Name and Signature of the Member)

Binani

Binani Industries Limited

Registered Office: 37/2, Chinar Park, New Rajarhat Main Road,
P.O. Hatiara, Kolkata -700 157

PROXY FORM

I/We _____
of _____ in the district of _____
being a Member/Members of **BINANI INDUSTRIES LIMITED** hereby appoint
_____ of _____ in the district of _____ or failing him
_____ of _____
in the district of _____

as my/our Proxy to attend and vote for me/us and on my/our behalf at the
FORTY EIGHTH ANNUAL GENERAL MEETING of the Company to be held
at 2.00 p.m at Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700020
on Monday, the 27th June 2011 and at any adjournment thereof.

Signed this _____ day of _____ 2011

Signature(s) of
the Member(s)

Folio No. _____

DP. Id* _____

Client Id* _____

Note

i) This Proxy Form must be deposited at the Registered Office of the
Company, not later than 48 hours before the time of the meeting.

ii) A Proxy need not be a member.

*Applicable for Investors holding shares in Electronic Mode.

**Affix
Revenue
Stamp**

Binani

Binani Industries Limited

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

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

I hereby record my presence at the **FORTY EIGHTH ANNUAL GENERAL
MEETING** at Rotary Sadan, 94/2, Chowringhee Road, Kolkata -700 020 on
Monday, the 27th June 2011 at 2.00 p.m.

Name of the Member _____

No. of Shares held _____

Folio No. _____

DPID* _____ ClientId* _____

Name of Proxy/Representative (in Block Letter)
(To be filled in if the Proxy attends instead of the Member)

Signature of the Members of Proxy/Representative.

* Applicable for Investors holding shares in Electronic Mode.

