

23rd
ANNUAL REPORT
2009-2010

INDO ZINC LIMITED

23rd Annual General Meeting

Date : 30th September 2010

Time : 4.00 P.M.

Venue : Chembur Mahila Samaj Hall,
Near Hotel Malhar,
D K Sandu Marg, Chembur,
Mumbai 400 071

A REQUEST

Shareholders are requested to bring their copy of the Annual Report to the meeting.

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INDO ZINC LIMITED

BOARD OF DIRECTORS :

Sri N.Srinivasan, Chairman

Dr. B.S.Adityan

Sri Arun Datta

Sri R.K.Das

Sri N.R.Krishnan

Sri A.Sankarakrishnan

Sri L.Sabaretnam

Sri T.S.Raghupathy

Sri PL.Subramanian

Sri R.Srinivasan

Sri V.M.Mohan

AUDITORS :

Chaturvedi S K & Fellows
F-2, Vaishali 1st Floor,
V Mehta Marg, JVPD, Juhu,
Mumbai - 400 049.

REGISTERED OFFICE :

No.8, 2nd Floor,
Kamanwala Chambers,
Opp. Bombay Stores,
Sir. P.M. Road, Fort,
Mumbai - 400 001.

CORPORATE OFFICE :

'Coromandel Towers',
93, Santhome High Road,
Karpagam Avenue, R.A.Puram,
Chennai - 600 028

CEMENT PLANT :

Wajwana,
Banswara District
Rajasthan

INDO ZINC LIMITED

Registered Office:

No.8, 2nd Floor, Kamanwala Chambers, Opp. Bombay Stores, Sir. P.M.Road, Fort, Mumbai 400 001.

Corporate Office:

'Coromandel Towers', 93, Santhome High Road, Karpagam Avenue, R.A.Puram, Chennai 600 028.

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Twentythird Annual General Meeting of Indo Zinc Limited will be held at 4.00 P.M. on Thursday, the 30th September 2010 at Chembur Mahila Samaj Hall, Near Hotel Malhar, D K Sandu Marg, Chembur, Mumbai 400 071, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report, the accounts of the Company for the year ended 31st March 2010 and the Auditors' Report thereon.

2. To appoint Auditors and fix their remuneration:

To consider and if thought fit, to pass with or without modification the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT M/s.Chaturvedi SK & Fellows, (Registration No.112627W) Chartered Accountants, Mumbai, be and are hereby appointed Auditors of the Company to hold office from the conclusion of the Twentythird Annual General Meeting until conclusion of the Twentyfourth Annual General Meeting and that their remuneration be and is hereby fixed at Rs.3,00,000/- exclusive of service tax and all travelling and out of pocket expenses which shall be reimbursed to them."

SPECIAL BUSINESS :

3. To appoint Sri N.Srinivasan as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following ORDINARY RESOLUTION of which notice has been received from a member of the Company as required under Section 257 of the Companies Act, 1956:

"RESOLVED THAT Sri N.Srinivasan be and is hereby appointed as a Director of the Company subject to retirement by rotation."

4. To appoint Dr. B.S.Adityan as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following ORDINARY RESOLUTION of which notice has been received from a member of the Company as required under Section 257 of the Companies Act, 1956:

"RESOLVED THAT Dr.B.S.Adityan be and is hereby appointed as a Director of the Company subject to retirement by rotation."

5. To appoint Sri Arun Datta as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following ORDINARY RESOLUTION of which

notice has been received from a member of the Company as required under Section 257 of the Companies Act, 1956:

"RESOLVED THAT Sri Arun Datta be and is hereby appointed as a Director of the Company subject to retirement by rotation."

6. To appoint Sri R.K.Das as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following ORDINARY RESOLUTION of which notice has been received from a member of the Company as required under Section 257 of the Companies Act, 1956:

"RESOLVED THAT Sri R.K.Das be and is hereby appointed as a Director of the Company subject to retirement by rotation."

7. To appoint Sri N.R.Krishnan as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following ORDINARY RESOLUTION of which notice has been received from a member of the Company as required under Section 257 of the Companies Act, 1956:

"RESOLVED THAT Sri N.R.Krishnan be and is hereby appointed as a Director of the Company subject to retirement by rotation."

8. To appoint Sri A.Sankarakrishnan as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following ORDINARY RESOLUTION of which notice has been received from a member of the Company as required under Section 257 of the Companies Act, 1956:

"RESOLVED THAT Sri A.Sankarakrishnan be and is hereby appointed as a Director of the Company subject to retirement by rotation."

9. To appoint Sri L.Sabaretnam as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following ORDINARY RESOLUTION of which notice has been received from a member of the Company as required under Section 257 of the Companies Act, 1956:

"RESOLVED THAT Sri L.Sabaretnam be and is hereby appointed as a Director of the Company subject to retirement by rotation."

10. To appoint Sri T.S.Raghupathy as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following ORDINARY RESOLUTION of which notice has been received from a member of the

INDO ZINC LIMITED

Company as required under Section 257 of the Companies Act, 1956:

"RESOLVED THAT Sri T.S.Raghupathy be and is hereby appointed as a Director of the Company subject to retirement by rotation."

11. To appoint Sri PL.Subramanian as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following ORDINARY RESOLUTION of which notice has been received from a member of the Company as required under Section 257 of the Companies Act, 1956:

"RESOLVED THAT Sri PL.Subramanian be and is hereby appointed as a Director of the Company subject to retirement by rotation."

12. To appoint Sri R.Srinivasan as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following ORDINARY RESOLUTION of which notice has been received from a member of the Company as required under Section 257 of the Companies Act, 1956:

"RESOLVED THAT Sri R.Srinivasan be and is hereby appointed as a Director of the Company subject to retirement by rotation."

13. To appoint Sri V.M.Mohan as a Director of the Company and for that purpose to consider and if deemed fit, to pass the following ORDINARY RESOLUTION of which notice has been received from a member of the Company as required under Section 257 of the Companies Act, 1956:

"RESOLVED THAT Sri V.M.Mohan be and is hereby appointed as a Director of the Company subject to retirement by rotation."

14. To consider and if thought fit, to pass with or without modification, the following resolutions as ORDINARY RESOLUTIONS:

"RESOLVED THAT consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to mortgaging and / or charging by the Board of Directors of the Company by way of first mortgage/charge of all/ any of the immovable and movable properties of the Company wheresoever situate, present and future save and except book debts and subject to prior charge(s) created / to be created in favour of the Company's bankers on its current assets for securing the borrowings for working capital requirements and /or conferring power to enter upon and to take possession of the assets of the Company in certain events to or in favour of Axis Trustee Services Limited, the Security Trustee for the lenders namely Yes Bank Limited, IDFC Limited, Axis Bank and UCO Bank (hereinafter collectively referred to as 'Lenders'), to secure an aggregate loan amount of

Rs.300 Crores (Rupees Three Hundred Crores only), together with interest thereon at the agreed rate, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment, costs, charges, expenses and other monies payable by the Company to the lenders / Axis Trustee Services Limited, the Security Trustee for the lenders, in terms of their heads of agreement(s)/loan agreement(s)/ Security Trustee agreement(s)/ hypothecation agreement(s)/ letters of sanction/ memorandum of terms and conditions entered into/to be entered into by the Company in respect of the said loan."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise with the lenders / Axis Trustee Services Limited, the Security Trustee for the lenders, the documents for creating the aforesaid mortgage and/or charge and to do all such acts and things as may be necessary for giving effect to the above resolution."

15. To consider and if thought fit, to pass with or without modification the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT the consent of the Company be and is hereby accorded to the Board of Directors under Section 293(1)(d) of the Companies Act, 1956 to borrow any sum or sums of monies from time to time notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes, provided that the total amount which may be so borrowed by the Board of Directors and outstanding at any time (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed Rs.1000 crores over and above the paid-up Capital and free reserves of the Company for the time being."

16. To consider and, if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT the Report of the Board of Directors to the Shareholders of the company with regard to the financial position of the company be and is hereby considered and adopted."

NOTES:

1. Explanatory Statement is annexed to the Notice of the Twentythird Annual General Meeting of the Company as required by Section 173(2) of the Companies Act, 1956 in respect of item nos.3 to 16.

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2. Details pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Directors seeking appointment at the Annual General Meeting are separately annexed hereto for item nos. 3 to 13.
3. ANY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2010 to 30.09.2010 (both days inclusive).
5. Members are requested to contact the Registrar and Share Transfer Agent for all matters connected with the Company's shares at: Integrated Enterprises (India) Limited, 2nd Floor, 'Kences Towers', No.1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai 600017. Tel.:044-28140801 to 28140803 & Fax : 044-28142479 Email: corpseiv@iepindia.com
6. The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable the members to dematerialize the equity shares of the Company. The ISIN Number allotted by NSDL and CDSL for dematerializing the Company's shares is INE031L01014.
7. Members holding shares in physical form are requested to notify change of address, if any, to the Registrar and Share Transfer Agent (RTA). Members holding shares in physical form in more than one folio are requested to write to the RTA immediately enclosing their share certificates for consolidation of their holdings into one folio.
8. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, etc. to their Depository Participant (DP). These changes will be automatically reflected in the Company's records.
9. Under the provisions of Section 109A and 109B of the Companies Act, 1956, shareholder(s) is/are entitled to nominate in the prescribed manner, a person to whom his/her/their shares in the Company, shall vest after his/her/their lifetime. Members who are holding shares in physical form and are interested in availing this nomination facility are requested to write to the Company/ RTA.
10. Members are requested to note that in case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for transfer/transmission/transposition, is now mandatory.

(By order of the Board)
for INDO ZINC LIMITED

Place: Chennai
Date : 13th August 2010

S. SRIDHARAN
Company Secretary

INDO ZINC LIMITED

PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES, FOLLOWING INFORMATION ARE FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED VIDE ITEM NOS. 3 to 13 OF NOTICE DATED 13TH AUGUST, 2010.

(i)	Name of the Director	: Sri N. Srinivasan
	Date of Birth	: 3 rd January 1945
	Date of appointment on the Board as Director	: 9 th October 2009
	Date of last reappointment as Director	: Not Applicable
	Expertise in specific functional areas	: Industry
	Qualification	: B.Sc (Tech.), M.S. (IIT) Chicago
	Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
	List of outside Directorships held in Public Companies	: 1. Andhra Pradesh Gas Power Corporation Ltd. 2. Biosynth Life Sciences India Limited 3. Coromandel Electric Company Limited 4. Coromandel Sugars Limited 5. ICL Financial Services Limited 6. ICL International Limited 7. ICL Securities Limited 8. ICL Shipping Limited 9. India Cements Capital Limited 10. M M Forgings Limited 11. Raasi Cement Limited 12. The India Cements Limited 13. Trishul Concrete Products Limited
	Chairman / Member of the Committees of Board of Directors of the Company	: Shareholders'/ Investors' Grievance Committee - Chairman
	Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: 1. Coromandel Sugars Limited - Audit Committee - Chairman 2. India Cements Capital Limited - Audit Committee - Member 3. The India Cements limited - Shareholders' / Investors' Grievance Committee - Member 4. M M Forgings Limited - Audit Committee - Member
	Relationship with other Directors	: Nil
	(ii)	Name of the Director
Date of Birth		: 24 th September 1936
Date of appointment on the Board as Director		: 25 th March 2010
Date of last reappointment as Director		: Not Applicable
Expertise in specific functional areas		: Industry
Qualification		: Bachelor of Arts
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis		: Nil
List of outside Directorships held in Public Companies		: 1. India Cements Capital Ltd. 2. The India Cements Ltd. 3. Sun Paper Mill Ltd. 4. Miot Hospitals Ltd.
Chairman / Member of the Committees of Board of Directors of the Company		: Nil

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	Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: 1. India Cements Capital Limited - Audit Committee - Chairman 2. The India Cements Limited - Audit Committee - Chairman - Shareholders'/ Investors' Grievance Committee - Chairman
	Relationship with other Directors	: Nil
(iii)	Name of the Director	: Sri Arun Datta
	Date of Birth	: 14 th June 1947
	Date of appointment on the Board as Director	: 25 th March 2010
	Date of last reappointment as Director	: Not Applicable
	Expertise in specific functional areas	: Management
	Qualification	: B.E. (Mechanical Engineering) & Post Graduate Diploma in Marketing Management
	Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
	List of outside Directorships held in Public Companies	: The India Cements Limited
	Chairman / Member of the Committees of Board of Directors of the Company	: Nil
	Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: The India Cements Limited - Audit Committee - Member
	Relationship with other Directors	: Nil
(iv)	Name of the Director	: Sri R.K.Das
	Date of Birth	: 23 rd May 1933
	Date of appointment on the Board as Director	: 25 th March 2010
	Date of last reappointment as Director	: Not Applicable
	Expertise in specific functional areas	: Technical
	Qualification	: B.E.(Mechanical), MIE
	Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
	List of outside Directorships held in Public Companies	: 1. Coromandel Sugars Limited 2. ICL Financial Services Limited 3. ICL International Limited 4. ICL Securities Limited 5. ICL Shipping Limited 6. Industrial Chemicals & Monomers Ltd 7. Raasi Cement Limited 8. The India Cements Limited
	Chairman / Member of the Committees of Board of Directors of the Company	: Nil
	Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: The India Cements Limited - Audit Committee - Member
	Relationship with other Directors	: Nil
(v)	Name of the Director	: Sri N.R.Krishnan
	Date of Birth	: 20 th June 1938
	Date of appointment on the Board as Director	: 25 th March 2010

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	Date of last reappointment as Director	: Not Applicable
	Expertise in specific functional areas	: Indian Administrative Service (Retd..)
	Qualification	: B.Sc.(Hons.) Chemistry, M.Sc. Chemistry
	Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
	List of outside Directorships held in Public Companies	: 1. Ponni Sugars (Erode) Limited 2. Tamil Nadu Petroproducts Limited 3. Tamil Nadu Road Development Company Limited 4. The India Cements Limited
	Chairman / Member of the Committees of Board of Directors of the Company	: Audit Committee - Member
	Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: 1. Ponni Sugars (Erode) Limited - Audit Committee - Member 2. Tamil Nadu Petroproducts Limited - Audit Committee - Member 3. Tamil Nadu Road Development Company Limited - Audit Committee - Chairman
	Relationship with other Directors	: Nil
(vi)	Name of the Director	: Sri A.Sankarakrishnan
	Date of Birth	: 27 th October 1942
	Date of appointment on the Board as Director	: 25 th March 2010
	Date of last reappointment as Director	: Not Applicable
	Expertise in specific functional areas	: Industry
	Qualification	: B.E.(Mechanical)
	Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
	List of outside Directorships held in Public Companies	: 1. Allsec Technologies Limited 2. India Cements Capital Limited 3. India Cements Investment Services Ltd 4. The India Cements Limited
	Chairman / Member of the Committees of Board of Directors of the Company	: Audit Committee - Chairman
	Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: 1. Allsec Technologies Limited - Audit Committee - Member 2. India Cements Capital Limited - Audit Committee - Member
	Relationship with other Directors	: Nil
(vii)	Name of the Director	: Sri L.Sabaretnam
	Date of Birth	: 19 th June 1940
	Date of appointment on the Board as Director	: 28 th May 2010
	Date of last reappointment as Director	: Not Applicable
	Expertise in specific functional areas	: Advisor
	Qualification	: M.B.A (Marketing).
	Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
	List of outside Directorships held in Public Companies	: 1. Biosynth Life Sciences India Ltd 2. Chennai Petroleum Corporation Ltd 3. Coromandel Sugars Ltd

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	Chairman / Member of the Committees of Board of Directors of the Company	: Nil
	Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Nil
	Relationship with other Directors	: Nil
(viii)	Name of the Director	: Sri.T.S.Raghupathy
	Date of Birth	: 4th November 1951
	Date of appointment on the Board as Director	: 9th October 2009
	Date of last reappointment as Director	: Not Applicable
	Expertise in specific functional areas	: Marketing
	Qualification	: B.Com., MMSC
	Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
	List of outside Directorships held in Public Companies	: <ol style="list-style-type: none"> 1. Biosynth Life Sciences India Limited 2. Coromandel Infotech India Limited 3. Coromandel Sugars Limited 4. ICL Financial Services Limited 5. ICL International Limited 6. ICL Securities Limited 7. ICL Shipping Limited 8. India Cements Capital Limited 9. India Cements Investment Services Ltd 10. Industrial Chemicals & Monomers Ltd 11. Raasi Cement Limited 12. Trishul Concrete Products Limited
	Chairman / Member of the Committees of Board of Directors of the Company	: Audit Committee - Member Shareholders' / Investors' Grievance Committee - Member
	Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: India Cement Capital Limited - Audit Committee - Member
	Relationship with other Directors	: Nil
(ix)	Name of the Director	: Sri.PL.Subramanian
	Date of Birth	: 16 th May 1945
	Date of appointment on the Board as Director	: 9 th October 2009
	Date of last reappointment as Director	: Not Applicable
	Expertise in specific functional areas	: Technical
	Qualification	: B.E.(Mechanical)
	Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
	List of outside Directorships held in Public Companies	: Coromandel Electric Company Limited
	Chairman / Member of the Committees of Board of Directors of the Company	: Nil
	Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Nil
	Relationship with other Directors	: Nil

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(x)	Name of the Director	: Sri.R.Srinivasan
	Date of Birth	: 4th April 1956
	Date of appointment on the Board as Director	: 9th October 2009
	Date of last reappointment as Director	: Not Applicable
	Expertise in specific functional areas	: Finance
	Qualification	: A.C.A
	Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
	List of outside Directorships held in Public Companies	: 1. Coromandel Infotech India Limited 2. Coromandel Travels Limited
	Chairman / Member of the Committees of Board of Directors of the Company	: Nil
	Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Nil
	Relationship with other Directors	: Nil
(xi)	Name of the Director	: Sri.V.M.Mohan
	Date of Birth	: 19 th May 1956
	Date of appointment on the Board as Director	: 9 th October 2009
	Date of last reappointment as Director	: Not Applicable
	Expertise in specific functional areas	: Finance
	Qualification	: B.Com., A.C.A., A.C.S., AICWAI
	Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	: Nil
	List of outside Directorships held in Public Companies	: 1. Coromandel Infotech India Limited 2. Coromandel Travels Limited
	Chairman / Member of the Committees of Board of Directors of the Company	: Nil
	Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	: Nil
	Relationship with other Directors	: Nil

INDO ZINC LIMITED

EXPLANATORY STATEMENT ANNEXED TO THE NOTICE OF THE TWENTYTHIRD ANNUAL GENERAL MEETING OF THE COMPANY IN RESPECT OF ITEM NOS.3 TO 16 OF NOTICE DATED 13TH AUGUST, 2010.

Item No. 3:

Sri.N.Srinivasan was co-opted as an additional Director on the Company's Board with effect from 9th October 2009. As per the provisions of Section 260 of the Companies Act, 1956, Sri.N.Srinivasan will hold the office upto the date of Twentythird Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri.N.Srinivasan as a Director at the Twentythird Annual General Meeting. Sri.N.Srinivasan represents the promoter group. This ordinary resolution is submitted to the members for approval.

Interest of Directors:

Sri.N.Srinivasan is interested in this resolution as it concerns his appointment. No other Director is directly or indirectly concerned or interested in this resolution.

Item No. 4:

Dr.B.S.Adityan was co-opted as an additional Director on the Company's Board with effect from 25th March 2010. As per the provisions of Section 260 of the Companies Act, 1956, Dr.B.S.Adityan will hold the office upto the date of Twentythird Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Dr.B.S.Adityan as a Director at the Twentythird Annual General Meeting. This ordinary resolution is submitted to the members for approval.

Interest of Directors:

Dr.B.S.Adityan is interested in this resolution as it concerns his appointment. No other Director is directly or indirectly concerned or interested in this resolution.

Item No. 5:

Sri.Arun Datta was co-opted as an additional Director on the Company's Board with effect from 25th March 2010. As per the provisions of Section 260 of the Companies Act, 1956, Sri.Arun Datta will hold the office upto the date of Twentythird Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri.Arun Datta as a Director at the Twentythird Annual General Meeting. This ordinary resolution is submitted to the members for approval.

Interest of Directors:

Sri.Arun Datta is interested in this resolution as it concerns his appointment. No other Director is directly or indirectly concerned or interested in this resolution.

Item No. 6:

Sri.R.K.Das was co-opted as an additional Director on the Company's Board with effect from 25th March 2010. As per the provisions of Section 260 of the Companies Act, 1956, Sri.R.K.Das will hold the office upto the date of Twentythird Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri.R.K.Das as a Director at the Twentythird Annual General Meeting. This ordinary resolution is submitted to the members for approval.

Interest of Directors:

Sri.R.K.Das is interested in this resolution as it concerns his appointment. No other Director is directly or indirectly concerned or interested in this resolution.

Item No. 7:

Sri.N.R.Krishnan was co-opted as an additional Director on the Company's Board with effect from 25th March 2010. As per the provisions of Section 260 of the Companies Act, 1956, Sri.N.R.Krishnan will hold the office upto the date of Twentythird Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri.N.R.Krishnan as a Director at the Twentythird Annual General Meeting. This ordinary resolution is submitted to the members for approval.

Interest of Directors:

Sri.N.R.Krishnan is interested in this resolution as it concerns his appointment. No other Director is directly or indirectly concerned or interested in this resolution.

Item No. 8:

Sri.A.Sankarakrishnan was co-opted as an additional Director on the Company's Board with effect from 25th March 2010. As per the provisions of Section 260 of the Companies Act, 1956, Sri.A.Sankarakrishnan will hold the office upto the date of Twentythird Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri.A.Sankarakrishnan as a Director at the Twentythird Annual General Meeting. This ordinary resolution is submitted to the members for approval.

Interest of Directors:

Sri.A.Sankarakrishnan is interested in this resolution as it concerns his appointment. No other Director is directly or indirectly concerned or interested in this resolution.

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Item No. 9:

Sri.L.Sabaretnam was co-opted as an additional Director on the Company's Board with effect from 28th May 2010. As per the provisions of Section 260 of the Companies Act, 1956, Sri.L.Sabaretnam will hold the office upto the date of Twentythird Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri.L.Sabaretnam as a Director at the Twentythird Annual General Meeting. This ordinary resolution is submitted to the members for approval.

Interest of Directors:

Sri.L.Sabaretnam is interested in this resolution as it concerns his appointment. No other Director is directly or indirectly concerned or interested in this resolution.

Item No. 10:

Sri.T.S.Raghupathy was co-opted as an additional Director on the Company's Board with effect from 9th October 2009. As per the provisions of Section 260 of the Companies Act, 1956, Sri. T.S.Raghupathy will hold the office upto the date of Twentythird Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri.T.S.Raghupathy as a Director at the Twentythird Annual General Meeting. Sri.T.S.Raghupathy represents the promoter group. This ordinary resolution is submitted to the members for approval.

Interest of Directors:

Sri.T.S.Raghupathy is interested in this resolution as it concerns his appointment. No other Director is directly or indirectly concerned or interested in this resolution.

Item No. 11:

Sri.PL.Subramanian was co-opted as an additional Director on the Company's Board with effect from 9th October 2009. As per the provisions of Section 260 of the Companies Act, 1956, Sri. PL.Subramanian will hold the office upto the date of Twentythird Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri.PL.Subramanian as a Director at the Twentythird Annual General Meeting. Sri.PL.Subramanian represents the promoter group. This ordinary resolution is submitted to the members for approval.

Interest of Directors:

Sri.PL.Subramanian is interested in this resolution as it concerns his appointment. No other Director is directly or indirectly concerned or interested in this resolution.

Item No. 12:

Sri.R.Srinivasan was co-opted as an additional Director on the Company's Board with effect from 9th October 2009. As per the provisions of Section 260 of the Companies Act, 1956, Sri.R.Srinivasan will hold the office upto the date of Twentythird Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri.R.Srinivasan as a Director at the Twentythird Annual General Meeting. Sri.R.Srinivasan represents the promoter group. This ordinary resolution is submitted to the members for approval.

Interest of Directors:

Sri.R.Srinivasan is interested in this resolution as it concerns his appointment. No other Director is directly or indirectly concerned or interested in this resolution.

Item No. 13:

Sri.V.M.Mohan was co-opted as an additional Director on the Company's Board with effect from 9th October 2009. As per the provisions of Section 260 of the Companies Act, 1956, Sri.V.M.Mohan will hold the office upto the date of Twentythird Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received along with necessary deposit from a member signifying his intention to propose the appointment of Sri.V.M.Mohan as a Director at the Twentythird Annual General Meeting. Sri.V.M.Mohan represents the promoter group. This ordinary resolution is submitted to the members for approval.

Interest of Directors:

Sri.V.M.Mohan is interested in this resolution as it concerns his appointment. No other Director is directly or indirectly concerned or interested in this resolution.

Item No. 14:

The Company has availed financial assistance in the form of Term Loan aggregating Rs.300 Crores from Yes Bank Limited, IDFC Limited, Axis Bank and UCO Bank (hereinafter collectively referred to as 'Lenders'), for the purpose of development, construction and operation of a 1.50 million tonnes p.a. Cement Plant and a 20 MW thermal captive power plant located at Village Jhalo ka Gara, Taluka Garhi, District Banswara, Rajasthan. One of the terms and conditions set out by the lenders is that the said financial assistance is required to be secured by way of first mortgage/charge of all/ any of the immovable and movable properties of the Company wheresoever situate, present and future save and except book debts and subject to prior charge(s) created / to be created in favour of the Company's bankers on its current assets for securing working capital facilities in the ordinary course of business.

INDO ZINC LIMITED

Approval of the Shareholders is being sought pursuant to Section 293(1)(a) of the Companies Act, 1956 for creation of mortgage and charge on the immovable and movable properties of the Company in favour of the lenders as aforesaid.

Inspection of Documents:

Copies of Letter(s) of sanction received from the Lenders, are available for inspection of the shareholders at the Registered Office/Corporate Office of the Company between 11.00 A.M. and 1.00 P.M. on any working day prior to the date of the meeting and will also be available for inspection at the meeting.

Interest of Directors:

No Director of the Company is directly or indirectly concerned or interested in this resolution.

Item No. 15:

The Shareholders at the Annual General Meeting held on 29th September 2009 passed necessary resolution under section 293(1)(d) of the Companies Act, 1956, authorizing the Board of Directors to borrow monies upto Rs.600 crores over and above the paid-up capital and free reserves of the Company.

The Company's 1.5 mtpa cement plant at Banswara, Rajasthan is in advanced stage of completion and commission. For meeting the project and business operating requirements and also to expand the capacity, the Company is required to raise/ borrow necessary funds from banks/ financial institutions / corporate bodies and others for an amount not exceeding Rs.1000 crores over and above the paid-up capital and free reserves of the Company. In view of this and also to provide flexibility in operation, it is necessary that the Board of Directors be authorised to borrow monies

upto Rs.1000 crores over and above the paid up capital and free reserves of the Company for the time being. Hence the resolution.

Interest of Directors:

No Director of the Company is directly or indirectly concerned or interested in this resolution.

Item No. 16:

As per the audited accounts of the company for the year ended March 31, 2010, the accumulated losses of the company stood at Rs.35.15 crores and the peak net worth during the immediately preceding four financial years was Rs.43.68 crores. As per the provisions of the Sick Industrial Companies (Special Provision) Act, 1985 (SICA), this fact, viz. accumulated loss being in excess of 50% of peak net worth, has to be put up for the consideration of the Shareholders of the company and further necessary action needs to be taken as per the relevant provisions of this Act. Accordingly the Directors' Report for the year ended March 31, 2010 contains a section relating to this for consideration and adoption by the members of the Company.

Your Directors, therefore, commend the resolution set out in the Notice of this Meeting for your consideration and adoption.

Interest of Directors:

No Director of the Company is directly or indirectly concerned or interested in this resolution.

(By order of the Board)
for INDO ZINC LIMITED

Place : Chennai
Date : 13th August, 2010

S. SRIDHARAN
Company Secretary

INDO ZINC LIMITED

DIRECTORS' REPORT

Your Directors have pleasure in presenting their Twentythird Annual Report together with the audited accounts for the year ended 31st March 2010.

FINANCIAL RESULTS:

	(Rs.in Lakhs)	
	For the year ended 31st March	
	2010	2009
Profit/(Loss) before Interest & Depreciation	75.12	(568.49)
Less: Depreciation	7.37	11.72
Profit/(Loss) before tax and exceptional items	67.75	(580.21)
Exceptional Items:		
Interest Provision written back on settlement of liabilities	0.00	65.15
Profit/(Loss) before tax	67.75	(515.06)
Provision for Tax	10.31	3.79
Profit/(Loss) after tax	57.44	(518.85)

DIVIDEND:

In view of the accumulated loss, your Directors do not recommend any dividend for the year 2009-10.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors make the following statement in terms of Section 217 (2AA) of the Companies Act,1956 with respect to Directors' responsibility.

"We confirm

1. That in the preparation of the accounts for the year ended 31st March, 2010, the applicable Accounting Standards have been followed.
2. That such Accounting Policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and of the profit of the Company for the year ended on that date.
3. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the annual accounts for the year ended 31st March 2010 have been prepared on a going concern basis."

OPERATIONS:

The Company has discontinued operations in the zinc division and the cement division is yet to commence operations.

The sales and other incomes for the financial year under review were Rs.163.03 lakhs as against Rs. 36.35 lakhs in the previous financial year. This mainly represents the profit made on sale of assets and certain provisions written back during the year. The Company registered the profit after tax of Rs.57.44 Lakhs, during the current financial year as against loss of Rs.518.85 lakhs in the previous financial year.

PROJECT:

The Company is in an advanced stage of completing the 1.50 million tonne per annum cement plant at Banswara, Rajasthan. The project is estimated to cost Rs.600 Crores. The company has arranged a term loan of Rs.300 crores to part finance the project and has availed Rs.160 crores out of this as on March 31, 2010. The Company has also proposed to implement 20 MW thermal based power generation plant as part of the cement project to secure the power requirements for the cement plant at Banswara. The EPC contract in this regard has already been placed and civil work has already commenced. The power plant is expected to be completed during April - June 2011.

OPEN OFFER:

During the year, ICL Financial Services Limited (ICLFSL), the wholly owned subsidiary of The India Cements Limited, acquired 12.97% of the equity shares of the Company and entered into a share purchase agreement with the promoters of the Company to acquire an additional 39.73% of the equity shares of the Company. In terms of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 (Takeover Code) an open offer was made to non-promoter shareholders for acquiring their shareholding subject to a maximum of 20% of the paid up share capital of the Company at a price of Rs.22.50 per fully paid share. All the formalities under the Takeover Code were completed and ICLFSL presently holds 60.89% of Equity Share capital of the Company (including 8.19% acquired under open offer). Consequent to the acquisition of equity shares by ICLFSL, the Company has become a subsidiary of ICLFSL and ultimate subsidiary of The India Cements Limited.

MANAGEMENT DISCUSSION AND ANALYSIS:

Pursuant to Clause 49 of the Listing Agreement, a Management Discussion and Analysis Report is given as addition to this report.

CORPORATE GOVERNANCE:

Pursuant to clause 49 of the Listing Agreement with Stock Exchanges, a report on Corporate Governance along with Auditor's Certificate of its compliance is included as part of the Annual Report of the Company.

FINANCIAL POSITION:

As reported in the last year the company had fully settled its dues and the liabilities to Financial Institutions and banks. In view of the company's net worth exceeding the accumulated losses and the company no longer being a sick company, it was discharged from the purview of SICA/BIFR by the Board

INDO ZINC LIMITED

for Industrial and Financial Reconstruction (BIFR) vide its order No.277/98 dated 17th March 2009.

As reported elsewhere in this report, The India Cements Limited, a cement major based in south has acquired controlling interest in the company through its subsidiary ICL Financial Services Limited, consequent to which your company has become the ultimate subsidiary of The India Cements Limited. The 1.5 million tonne cement project, which is under commissioning is being funded by way of term loan of Rs.300 crores from a consortium of banks and the balance is being funded by The India Cements Limited. While the funding from The India Cements Limited is presently in the form of "loans and advances", the company will be making a "Rights Issue" during the current year to repay a part of these loans. After successful completion of the proposed Rights Issue, the share capital of the company and hence the Net worth of the company will go up considerably. As on 31st March 2010, the company had an accumulated losses of Rs.35.15 crores and the net worth was Rs.43.68 crores, which was the peak net worth of the company in the preceding four financial years. Since the accumulated losses are more than 50% of the peak net worth, as per the relevant provisions of SICA, such fact is to be put up for consideration and adoption by members of the company and accordingly the relevant item has been included in the notice convening the twentythird Annual General Meeting. It may be mentioned here that even at the time of discharge of the company from the purview of SICA, the accumulated losses were more than 50% of the peak net worth and the status has been continuing since then. With the successful completion of the proposed Rights Issue as indicated earlier and also with the commissioning of the cement plant, the net worth of the company is expected to go up considerably.

PUBLIC DEPOSITS:

During the year under review the Company has neither accepted nor invited any public deposits within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975. Also there are no outstanding public deposits at the end of the year.

CONSERVATION OF ENERGY ETC.:

The particulars relating to conservation of energy and technology absorption as stipulated in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable to the company.

Total foreign exchange used and earned:

	Current year	Previous year
Used Rs./Crores	17.07	0
Earned Rs./Crores	0	0

PERSONNEL:

The Company has no employee drawing a salary of Rs.2,00,000 per month or above or which in aggregate was

not less than Rs.24 lakhs during the year.

DIRECTORS:

Consequent to divestment of share holdings by the previous Promoters, the Board of Directors of the Company was reconstituted by appointing the following persons as additional Directors:

- Mr.N.Srinivasan, Mr.T.S.Raghupathy, Mr.PL.Subramanian, Mr.R.Srinivasan and Mr.V.M.Mohan w.e.f. 9th October 2009;
- Dr.B.S.Adityan, Mr.Arun Datta, Mr.R.K.Das, Mr.N.R.Krishnan and Mr.A.Sankarakrishnan w.e.f. 25th March 2010; and
- Mr.L.Sabaretnam w.e.f. 28th May 2010.

As per the provisions of Section 260 of the Companies Act, 1956, the aforesaid directors will hold their offices upto the date of the ensuing Annual General Meeting. The Company has received requisite notices in writing from members proposing the appointment of the above additional directors as 'Directors liable to retire by rotation' and resolutions for their election as directors of the Company are included under "Special Business" in the Notice dated 13th August, 2010 convening the 23rd Annual General Meeting of the Company.

Information on Directors eligible for appointment in terms of Clause 49 of Listing Agreement is annexed to the Notice convening the 23rd Annual General Meeting.

During the year, the following Directors representing the previous promoters resigned from the Board.

- Mr.Manoj Agrawal, Mr.B.L.Kakrecha, Col.Nitin Bhatnagar and Mr.Ritesh Lunkad w.e.f. 9th October 2009 and
- Mr.Sanjay Agrawal and Mr.Surendra Kumar Nuwal w.e.f. 13th January 2010.

The Board expresses its appreciation of the contributions made by them during the tenure of their directorships.

REGISTERED OFFICE:

During the year, the Registered office of the Company was shifted from 601, Ravi Building, 189/191, Dr.D.N. Road, Near Central Camera House, Fort, Mumbai 400 001 to No.8, 2nd Floor, Kamanwala Chambers, Opp. Bombay Stores, Sir.P.M.Road, Fort, Mumbai 400001.

AUDITORS:

M/s.Chaturvedi SK & Fellows, Chartered Accountants, Mumbai, Auditors of the Company, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

ACKNOWLEDGEMENT:

The Directors are thankful to the Bankers for their continued support. The Directors also thank the Central Government and the State Governments for their support. The continued dedication and sense of commitment shown by the employees at all levels during the year deserve special mention.

for and on behalf of the Board

Place : Chennai
Date : 13th August, 2010

N. SRINIVASAN
Chairman

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MANAGEMENT DISCUSSION AND ANALYSIS

Economy - Overview

The spectacular performance of the industrial sector and the services sector in the fourth quarter of the fiscal year 2009-10 helped the economy to register an overall GDP growth of 7.4% as against a growth of 6.7% in the previous fiscal. The industrial sector led the way with a growth of 9.27% during the financial year 2009-10 while the services sector was not far behind with a growth of 8.53%. However, growth in Agriculture was a mere 0.22% owing to decline in food production. There was a revival in the six core infrastructure industries as well with the upswing in this sector being spurred by higher growth in production of steel, coal, electricity generation and cement.

According to official data, the country's fiscal deficit stood at 6.7% of the country's economic output consequent to increasing expenditure and falling revenue.

With the buoyancy in industrial output, exports and growth in consumer durables, fuelling an impressive GDP growth at 9% in the first quarter of the current fiscal, the outlook for the economy in 2010-11, given normal monsoon and the continuation of the stimulus packages, appears extremely encouraging.

Industry scenario

Despite the widely published impact of global melt down elsewhere in the world, the growth of cement industry in India was upbeat registering double digit growth during the year under review defying the prediction of troubled times for the industry. Based on the available information furnished by Cement Manufacturer's Association, the all India clinker production was up by a healthy 13.4% while cement production was up by 12.4% with the industry operating at close to 85% of the capacity. The domestic consumption of cement in the country grew significantly by 12.8% for the year ended 31st March 2010.

The growth in the markets where the company will be serving has grown at over 10% during last year. There is also significant increase in capacities which has resulted in softening of prices. It is expected that it may take at least 4 to 6 quarters for the country as a whole to reach a balance in terms of supply demand and the cement prices during this period will depend on the growth in the market and the matured behaviour of the players.

Opportunities, Threats, Risk and Concerns

The growth of the industry has been upbeat during last year with a capacity utilization of 85%. Though the economy

showed signs of slow down in the early part of the year, it posted a remarkable recovery, thanks to the inherent strength of the economy and revival of the infrastructure industry and improvement in industrial production. With the outlook of a 10% growth rate in the 12th plan period and with more investments in the infrastructure sector, the industry can expect buoyancy to continue in the medium term. However, significant portion of the balance of capacities announced earlier are on the anvil and this is likely to have an impact on the cement prices in the short term; but with the anticipated boost to the infrastructural developments such as roads, ports and mega power plants and with the revival of the global economy as being witnessed, the demand supply imbalance for the country as a whole could get corrected in about a year, which augurs well for the industry. To overcome the bottlenecks in the availability of power posed through restrictions from grid supply, the company, as part of the project, is setting up a 20 MW captive thermal power plant. The company has also taken steps to secure long term agreement for supply of fly ash for maximizing blended cement production. The company will be largely benefited with the support from the holding company, namely The India Cements Limited, which will help in acquiring coal for both power plant as well as for cement manufacturing.

Outlook

Based on the announcements and projections of the Planning Commission and ADB, the Indian economy is better placed to grow at over 8% in the medium term despite the relatively nil growth or recessionary trends elsewhere. The economy is driven by self-consumption and growth in fundamental sectors of industry, agriculture and services. Even during the difficult times in the previous year, the industry was not affected by the economic slow down and registered a growth of over 8% in 2008-09 and over 12% in 2009-10. Since economic growth is driven more by development of infrastructure and housing, it has a direct link to the cement consumption which has grown at more than 100% of the growth in GDP. With this sustained growth in cement consumption and with part of the new capacities having already been absorbed in the market place, the industry will be poised to register significant strides with improved returns despite marginal aberrations in prices during commissioning of new capacities in 2010-11.

The company is in the process of commissioning the cement plant and as of date is not engaged in the manufacture of any product.

INDO ZINC LIMITED

CORPORATE GOVERNANCE

(As required by Clause 49 of the Listing Agreement with the Stock Exchanges)

A. MANDATORY REQUIREMENTS

1. Company's Philosophy:

The Company's Philosophy on Corporate Governance aims at the attainment of the highest levels of transparency, accountability and responsibility in all operations and all interactions with its Shareholders, Investors, Lenders, Employees, Government and other stakeholders.

The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value consistently over a sustained period of time.

2. BOARD OF DIRECTORS

The present Board consists of 11 non-executive Directors including a non executive Chairman.

The Board functions both as a full Board and through Committees. The Board and Committees meet at regular intervals. Policy formulation, evaluation of performance and control functions vest with Board, while the Committees oversee operational issues.

The Board has constituted three Committees viz., Audit Committee, Share Transfer Committee and Shareholders'/ Investors' Grievance Committee.

During the year 2009-2010, twelve Board Meetings were held on 15.04.2009, 12.06.2009, 13.07.2009, 28.07.2009, 13.08.2009, 12.09.2009, 07.10.2009, 09.10.2009, 30.12.2009, 13.01.2010, 30.01.2010 and 25.03.2010.

The composition of Directors, attendance at the Board Meetings during the year and the last Annual General Meeting and also number of other directorships and Committee memberships are given below:

Sl. No.	Name of the Director	Category of Directorship	No. of Board meetings attended (From 01.04.2009 to 31.03.2010)	Attendance at last AGM	No. of other Directorships held in public Companies	No. of Membership (M)/ Chairmanship (C) in other Board Committee(s)*
					(As on 13 th August, 2010)	
1.	Mr.N.Srinivasan ^{*1} Chairman	Promoter, Non- Executive Director	3	NA	13	3(M) & 1(C)
2.	Dr.B.S.Adityan ^{*2}	Independent, Non-Executive Director	NA	NA	4	3(C)
3.	Mr.Arun Datta ^{*2}	Independent, Non-Executive Director	NA	NA	1	1(M)
4.	Mr.R.K.Das ^{*2}	Independent, Non-Executive Director	NA	NA	8	1(M)
5.	Mr.N.R.Krishnan ^{*2}	Independent, Non-Executive Director	NA	NA	4	2(M) & 1(C)
6.	Mr.A.Sankar Krishnan ^{*2}	Independent, Non-Executive Director	NA	NA	4	2(M)
7.	Mr.L.Sabaretnam ^{*3}	Independent, Non- Executive Director	NA	NA	3	Nil
8.	Mr.T.S.Raghupathy ^{*1}	Promoter, Non- Executive Director	4	NA	12	1(M)
9.	Mr.PL.Subramanian ^{*1}	Promoter, Non- Executive Director	Nil	NA	1	Nil
10.	Mr.R.Srinivasan ^{*1}	Promoter, Non- Executive Director	Nil	NA	2	Nil
11.	Mr.V.M.Mohan ^{*1}	Promoter, Non- Executive Director	4	NA	2	Nil
12.	Mr.Sanjay Agrawal ^{# 2} Chairman & Managing Director	Executive Director	9	No	NA	NA
13.	Mr.Manoj Agrawal ^{#1}	Non -Executive Director	Nil	No	NA	NA
14.	Mr.Surendra Kumar Nuwal ^{#2}	Non -Executive Director	9	Yes	NA	NA
15.	Mr.B.L.Kakrecha ^{#1}	Non-Executive Director	Nil	No	NA	NA
16.	Col.Nitin Bhatnagar ^{#1}	Non-Executive Director	8	No	NA	NA
17.	Mr.Ritesh Lunkad ^{#1}	Non-Executive Director	8	Yes	NA	NA

* only Audit Committee and Shareholders'/Investors' Grievance Committee are considered for the purpose.

*¹ Appointed as an additional Director of the Board w.e.f. 09.10.2009.

*² Appointed as an additional Director of the Board w.e.f. 25.03.2010.

*³ Appointed as an additional Director of the Board w.e.f. 28.05.2010.

#1 Ceased to be a Director of the Board w.e.f. 09.10.2009.

#2 Ceased to be a Director of the Board w.e.f. 13.01.2010.

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3 AUDIT COMMITTEE:

The role and terms of reference of the Audit Committee cover the areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred to by the Board of Directors from time to time.

The Audit Committee met four times during the year on 15.04.2009, 28.07.2009, 13.08.2009 and 07.10.2009.

The Audit Committee has been reconstituted on 25th March 2010.

The Composition and attendance of the Audit Committee meetings are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1	Mr. A.Sankarakrishnan, Chairman ^{*1}	Nil	Nil
2	Mr. N.R.Krishnan ^{*1}	Nil	Nil
3	Mr. T.S.Raghupathy ^{*1}	Nil	Nil
4	Col. Nitin Bhatnagar ^{#1}	4	4
5	Mr. Ritesh Lunkad ^{#1}	4	4
6	Mr. Surendra Kumar Nuwal ^{#2}	4	4

^{*1} Appointed as a member w.e.f. 25.03.2010.

^{#1} Ceased to be a Director and hence a member w.e.f. 09.10.2009.

^{#2} Ceased to be a Director and hence a member w.e.f. 13.01.2010.

The Company Secretary is also Secretary to the Audit Committee.

4. REMUNERATION COMMITTEE:

There was no Remuneration Committee meeting held during the year.

The Composition of the Remuneration Committee is given below:

Sl. No.	Name of the Member
1	Col.Nitin Bhatnagar, Chairman ^{#1}
2	Mr.Ritesh Lunkad ^{#1}
3	Mr.Surendra Kumar Nuwal ^{#2}

^{#1} Ceased to be a Director and hence a member w.e.f. 09.10.2009.

^{#2} Ceased to be a Director and hence a member w.e.f. 13.01.2010.

The Company has no Managing Director / Executive Director. The Company has not paid any remuneration either in the form of commission or sitting fee to its non-executive Directors. Hence, the Remuneration Committee was not reconstituted during the year.

There are no stock options available/ issued to any Director of the Company.

Details of remuneration paid to the Directors for the year ended 31st March, 2010:

(i) Executive Director:

Name of Director	All Elements of Remuneration Package
Mr. Sanjay Agrawal ^{#1}	Rs. 60,000/- (for 2 Months)

^{#1} Ceased to be a Director w.e.f. 13.01.2010.

(ii) Non-Executive Directors:

During the year ended 31st March, 2010, no remuneration either in the form of commission or sitting fee was paid to non-executive Directors.

There has been no pecuniary relationship or transactions between the Company and Non-Executive Directors during the year 2009-2010.

There are no convertible instruments issued to any of the Non-Executive Directors of the Company. None of the directors holds any equity share of the Company.

5 a. SHARE TRANSFER COMMITTEE:

A Share Transfer Committee has been constituted on 30th January 2010.

The Committee, during the year, met 2 times on 25.02.2010 and 31.03.2010 and approved the transfer of 6,300 equity shares in favour of transferee(s).

The shares received for transfer were registered in favour of transferees and certificates despatched within a month's time, wherever the documents received were in order and complete.

The Composition and attendance of the Share Transfer Committee meetings are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1	Mr.N.Srinivasan, Chairman	2	2
2	Mr.T.S.Raghupathy	2	2

b. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Shareholders'/Investors' Grievance Committee has been reconstituted on 30th January 2010 to review and redress Shareholders' / Investors' grievance(s) / complaint(s). The reconstituted Committee, during the year, met two times on 30.01.2010 and 25.03.2010.

All the complaints received during the year have generally been solved to the satisfaction of the complainants, except for disputed cases and sub-judice matters, which would be solved on final disposal by the Courts/ Forums where they are pending.

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The composition and attendance of the Shareholders' / Investors' Grievance Committee meetings are given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mr.N.Srinivasan, Chairman ^{*1}	2	2
Mr.T.S.Raghupathy ^{*1}	2	2
Col.Nitin Bhatnagar # 1	Nil	Nil
Mr.Ritesh Lunkad # 1	Nil	Nil
Mr.Surendra Kumar Nuwal #2	Nil	Nil

^{*1} Appointed as a member w.e.f. 30.01.2010.

1 Ceased to be a Director and hence a member w.e.f. 09.10.2009.

#2 Ceased to be a Director and hence a member w.e.f. 13.01.2010.

Mr.S.Sridharan, Company Secretary is the Compliance Officer.

6. ANNUAL GENERAL MEETINGS

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue
2006-2007	29.09.2007	4.00 p.m.	No. 601, Ravi Building, 189/191, Dr.D.N.Road, Fort, Mumbai 400001
2007-2008	30.09.2008	4.00 p.m.	No. 601, Ravi Building, 189/191, Dr.D.N.Road, Fort, Mumbai 400001
2008-2009	29.09.2009	12.00 Noon	No. 601, Ravi Building, 189/191, Dr.D.N.Road, Fort, Mumbai 400001

No special resolution was required to be put through postal ballot last year.

No item of business relating to matters specified under Clause 49 of the Listing Agreement with the Stock Exchanges and/or the provisions contained in Section 192A of the Companies Act, 1956, requiring voting by postal ballot is included in the Notice convening the 23rd Annual General Meeting of the Company.

7. DISCLOSURES

- During the year, there were no transactions of material nature with the directors or the management or their subsidiaries or relatives that had potential conflict with the interest of the Company.
- A certificate regarding review of financial statements and cash flow statements for the financial year ended 31st March 2010 and a declaration on Code of Conduct as required under Clause 49(V) & 49(1)(D) respectively of the Listing Agreement are annexed.

3. During the year, there were no instances of non-compliance on any matter relating to the capital market. However, there were instances of non-compliance / belated compliance of various provisions of the Listing Agreement in the earlier management. The Company was a sick Company till it was discharged by BIFR from the purview of SICA vide its Order No.277/98 dated 17th March 2009.

4. Presently, the Company does not have a Whistle Blower Policy.

5. The Company has since complied with all mandatory requirements of the Clause 49 of the listing agreement. As regards the non-mandatory requirements the extent of compliance has been stated in Part B of this report.

6. Details of information on appointment of directors:
A brief resume, nature of expertise in specific functional areas, number of equity shares held in the Company by the Director or for other person on a beneficial basis, names of companies in which the person already holds directorship, membership of committees of the Board and relationship with other directors, forms part of the Notice convening the 23rd Annual General Meeting.

7. IZL Code of Conduct for Prevention of Insider Trading:

The Company has adopted and implemented IZL Code of Conduct for Prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended. The code prohibits purchase/sale of securities of the Company by an 'insider' including Directors, Designated employees etc., while in possession of unpublished price sensitive information.

8. IZL Code of Conduct:

The Company has framed and implemented IZL Code of Conduct for its Directors and Senior Management. Affirmation on compliance of Code of Conduct for the financial year 2009-10 has been received from the persons, to whom the Code is applicable.

9. Unclaimed Shares:

The Company does not have any share(s) remaining unclaimed, issued pursuant to public / other issues.

10. Subsidiary Company:

The Company does not have a subsidiary.

8. MEANS OF COMMUNICATION

The quarterly, half yearly and annual/yearly financial results of the Company are filed with the stock exchanges and also published in the English newspaper 'Business Standard' and Marathi newspaper 'Nava Sakthi' for investors' information.

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9. GENERAL INFORMATION FOR SHAREHOLDERS

i. Annual General Meeting

- Date and Time : 30th September, 2010 at 4.00 P.M
- Venue : Chembur Mahila Samaj Hall, Near Hotel Malhar, D K Sandu Marg, Chembur, Mumbai 400 071.

ii. Financial Year (1st April to 31st March)

- Provisional : Will be published on or before
- Results for the quarter ending June 30, 2010. : 14th August, 2010
- Results for the quarter ending September 30, 2010 : 14th November, 2010
- Results for the quarter ending December 31, 2010 : 14th February, 2011
- Results for quarter ending March 31, 2011 (audited) : 30th May, 2011

iii. Date of Book Closure : 24th September 2010 to 30th September 2010 (both days inclusive)

iv. Dividend Payment Date : Not Applicable

v. Listing on Stock Exchanges:

- a. The Company's Equity Shares are listed on the following Stock Exchanges:
 1. Bombay Stock Exchange Limited, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001 (Stock Code:513428).
 2. Delhi Stock Exchange Ltd., DSE House, 3/1 Asaf Ali Road, New Delhi - 110002 (Stock Code:6574).
 3. Ahmedabad Stock Exchange Limited, Kamadhenu Complex, 1st Floor, Opp. Sahajanand College, Panjarapole, Ahmedabad - 380015 (Stock Code:26480).
 4. Madhya Pradesh Stock Exchange Limited, 201, 'Palika Plaza', Phase-II, M.T.H. Compound, Indore - 452 001 (Stock Code:146).

The Company's equity shares have been suspended from trading at Bombay Stock Exchange Limited (BSE) w.e.f. 13th May 2002. The Company has taken necessary steps for revival of trading of its equity shares at BSE.

- b. The Company has paid the Listing Fee for the year 2010-2011 to BSE and has not paid the listing

fees to other stock exchanges where the Company's equity shares are listed. The Company is reviewing the advisability of continuing the listing in the other stock exchanges.

vi. Market Price Data :

The shares of the Company have been suspended from trading by the Stock Exchanges. Therefore, price quotations are not available.

vii. Dematerialisation of shares:

The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable the investors to dematerialize the equity shares of the Company. The ISIN Number allotted by NSDL and CDSL for dematerializing the Company's shares is INE031L01014.

viii. Registrar and Transfer Agent [RTA]:

During the year, the Company has appointed Integrated Enterprises (India) Limited, Chennai, as Registrar and Transfer Agents. Shareholders / Investors are requested to send all their documents and communications pertaining to physical shares to the Registrar at the following address:

Integrated Enterprises (India) Limited
2nd Floor, "Kences Towers"
No.1, Ramakrishna Street, North Usman Road,
T.Nagar, Chennai - 600017.
Phone : 044-28140801 to 28140803;
Fax: 044-28142479
Email: corpseiv@iepindia.com

ix. Share Transfer System:

Shares lodged in physical form with the Company/ RTA are processed and returned, duly transferred, within 30 days from the date of receipt, if the documents submitted are in order and complete. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through the respective Depository Participants.

x. Distribution of Shareholding:

- a) The distribution of shareholding of equity shares as on 31st March, 2010 is given below:

No. of Share held	No. of shareholders	% of share holders	No. of shares held	% of share holding
Upto 500	3816	92.17	601000	13.36
501-1000	199	4.81	171680	3.82
1001-2000	66	1.59	102600	2.28
2001-3000	15	0.36	37200	0.83
3001-4000	11	0.27	40800	0.91
4001-5000	4	0.10	19900	0.43
5001-10000	11	0.27	80300	1.78
10001 and above	18	0.43	3446520	76.59
TOTAL	4140	100.00	4500000	100.00

INDO ZINC LIMITED

b) Pattern of Shareholding as on 31.03.2010:

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)	As a percentage of (A+ B+C)	Number of Shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX) = (VIII)/(IV)* 100
(A)	Promoter and Promoter Group							
(1)	Indian							
(a)	Individuals/ Hindu Undivided Family	0	0	N.A	0	0	0	0
(b)	Central Government/ State Government(s)	0	0	N.A	0	0	0	0
(c)	Bodies Corporate	1	2740274	N.A	60.89	60.89	2295600	83.77
(d)	Financial Institutions/ Banks	0	0	N.A	0	0	0	0
(e)	Any Other (specify)	0	0	N.A	0	0	0	0
	Sub-Total (A)(1)	1	2740274		60.89	60.89	2295600	83.77
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	N.A	0	0	0	0
(b)	Bodies Corporate	0	0	N.A	0	0	0	0
(c)	Institutions	0	0	N.A	0	0	0	0
(d)	Any Other (specify)	0	0	N.A	0	0	0	0
	Sub-Total (A)(2)	0	0		0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	1	2740274		60.89	60.89	2295600	83.77
(B)	Public shareholding						N.A	N.A
(1)	Institutions						N.A	N.A
(a)	Mutual Funds/UTI	3	100700	N.A	2.24	2.24		
(b)	Financial Institutions/ Banks	1	400	N.A	0.01	0.01		
(c)	Central Government/ State Government(s)	0	0	N.A	0	0		
(d)	Venture Capital Funds	0	0	N.A	0	0		
(e)	Insurance Companies	0	0	N.A	0	0		
(f)	Foreign Institutional Investors	0	0	N.A	0	0		
(g)	Foreign Venture Capital Investors	0	0	N.A	0	0		
(h)	Any Other (specify)	0	0	N.A	0	0		
	Sub-Total (B)(1)	4	101100	N.A	2.25	2.25		
(2)	Non-institutions						N.A	N.A
(a)	Bodies Corporate	39	239700	N.A	5.33	5.33		
(b)	Individuals -							
	i) Individual shareholders holding nominal share capital up to Rs. 1 lakh.	4069	984980	N.A	21.89	21.89		
	ii) Individual share holders holding nominal share capital in excess of Rs.1 lakh.	10	413846	N.A	9.19	9.19		
(c)	Any Other (specify)							
	i Non-Resident Individuals	17	20100	N.A	0.45	0.45		
	Sub-Total (B)(2)	4135	1658626	N.A	36.86	36.86		
	Total Public Shareholding (B)= (B)(1)+(B)(2)	4139	1759726	N.A	39.11	39.11	N.A	N.A
	TOTAL (A)+(B)	4140	4500000	N.A	100.00	100.00	2295600	51.01
(C)	Shares held by Custodians and against which Depository Receipts have been issued							
	TOTAL (C)	0	0		0	0	N.A	N.A
	GRAND TOTAL (A)+(B)+(C)	4140	4500000	N.A	100.00	100.00	2295600	51.01

INDO ZINC LIMITED

xi Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity shares as on 31.03.2010:

No GDRs/ADRs/Warrants or any convertible instruments have been issued by the company and hence, there would not be any impact on the equity.

xii. Plant Location

1. Plant (Zinc) - (abandoned)
2. Plant (Cement) - under construction : Wajwana, Banswara, Rajasthan.

xiii. Address for Correspondence

: Registered Office:

No.8, 2nd Floor, Kamanwala Chambers,
Opp. Bombay Stores, Sir.P.M. Road, Fort, Mumbai 400001.
Tel. No. : (091)(022)3241 5199/6524/0422
Fax No. : (091) (022) 2262 6313

Corporate Office:

'Coromandel Towers', 93, Santhome High Road,
Karpagam Avenue, R.A.Puram, Chennai - 600 028
Tel. No. : (091) (044) 285215 26/27
Fax No. : (091) (044) 28517198

Investor Complaints under Clause 47(f)
of the Listing Agreement

Contact Person

: Mr.S.Sridharan
Company Secretary

Email-Id

: indozincltd@gmail.com

B. NON-MANDATORY REQUIREMENTS

1. The Board - A Non-executive Chairman may be entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties. : At present, the Non-executive Chairman does not have any office at the Company's expense. No reimbursement of expenses is made by the Company for performance of his duties.
- Independent Directors may have a tenure not exceeding, in the aggregate, a period of nine years, on the Board of a company. : No tenure has been fixed for independent directors.
- The company may ensure that the person who is being appointed as an independent director has the requisite qualifications and experience which would be of use to the company and which, in the opinion of the company, would enable him to contribute effectively to the company in his capacity as an independent director. : This is ensured.
2. Remuneration Committee. : Please refer to Serial No. A - 4 of this Report.
3. Shareholders Rights- A half-yearly declaration of financial performance including summary of the significant events in last six months, may be sent to each household of Shareholders. : As the Company's half yearly results are published in one English newspaper having circulation all over India and in a Marathi newspaper, the same are not sent to the Shareholders of the Company. There is no publication of second half-yearly results as the annual results are approved by the Board and then published in the newspapers and also communicated to the shareholders through the Annual Report.
4. Audit qualifications - Company may move towards a regime of unqualified financial statements. : Nil
5. Training of Board Members - A Company may train its Board Members in the business model of the Company as well as the risk profile of the business parameters of the Company, their responsibilities as directors and the best ways to discharge them. : At present, the Company does not have any such Training programme for Directors.

INDO ZINC LIMITED

6. Mechanism for evaluating non-executive Board for Members - The performance evaluation of non-executive directors could be done by a Peer Group comprising the entire Board of Directors, excluding the director being evaluated; and Peer Group evaluation could be the mechanism to determine whether to extend / continue the terms of appointment of non-executive directors. : At present, the Company does not have any such mechanism for evaluating the performance of non-executive Board Members.
7. Whistle Blower Policy. : The Company does not have a Whistle Blower Policy.

The Ministry of Corporate Affairs, Government of India, has issued in December 2009 "Corporate Governance Voluntary Guidelines 2009". While the Board welcomes the issue of these guidelines intended for better governance of corporates, introduction of the recommended measures will be considered carefully at the appropriate time.

CEO AND CFO CERTIFICATION

To the Board of Directors of Indo Zinc Limited

In compliance with Clause 49(V) of the Listing Agreement with the Stock Exchanges, we hereby certify that:

- (a) We have reviewed financial statements and the cash flow statements for the year ended 31st March 2010 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) 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; and
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2009-2010, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have not observed any deficiencies in the design or operation of internal controls.
- (d) We have indicated to the auditors and the Audit Committee that there are:
- (i) no significant changes in the internal control during the year;
 - (ii) no significant changes in accounting policies during the year; and
 - (iii) no instances of significant fraud where the involvement of management or an employee having a significant role in the Company's internal control system have been observed.

Place : Chennai
Date : 13th August, 2010

T.S. Raghupathy
Director

V.M. Mohan
Director

CODE OF CONDUCT - DECLARATION UNDER CLAUSE 49(I)(D)

This is to certify that:

1. In pursuance of the provisions of Clause 49(I)(D) of the Listing Agreement with Stock exchanges, a Code of Conduct for the Board members and the Senior Management Personnel of the Company has been approved by the Board in its meeting held on 14th April 2010.
2. All Board members have affirmed compliance with the said Code of Conduct.

for INDO ZINC LIMITED

Place: Chennai
Date : 13th August, 2010

V.M. Mohan
Director

CHATURVEDI SK & FELLOWS

CHARTERED ACCOUNTANTS

F-2, VAISHALI, 1st FLOOR, V. MEHTA MARG, JVPD, JUHU, MUMBAI 400 049

Telefax: (+9122) 67419960. E-mail: cskfelos@cskfelos.in

Auditors' Certificate on Corporate Governance

To the Members of Indo Zinc Ltd.

We have examined the compliance of conditions of Corporate Governance by Indo Zinc Ltd, for the year ended on 31st March 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange(s) in 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 the 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 representations 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 Chaturvedi SK & Fellows
Chartered Accountants

Srikant Chaturvedi
Partner

(Firm Regn No. 112627W;
Partner's Membership No. 70019)

Place : Chennai
Dated : 13th August, 2010

CHATURVEDI SK & FELLOWS
CHARTERED ACCOUNTANTS
F-2, VAISHALI, 1st FLOOR, V. MEHTA MARG, JVPD,
JUHU, MUMBAI 400 049
Telefax: (+9122) 67419960. E-mail: cskfelos@cskfelos.in

AUDITORS' REPORT

To the Members of Indo Zinc Ltd.

We have audited the attached Balance Sheet of **INDO ZINC LTD.** as at 31st March, 2010 and also the Profit and Loss Account and the Cash Flow Statement of the Company 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order 2003, issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraph 4 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of the books.
- c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account and, in our opinion comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- d) On the basis of written representation received from the directors as on 31.03.2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of provisions of section 274 (1) (g) of the Companies Act, 1956.
- e) In our opinion and to the best of our information and according to the explanation given to us, the said accounts read with the notes to accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2010;
 - (ii) In the case of Profit & Loss Account, of the Profit for the year ended on that date;
 - (iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Chaturvedi SK & Fellows
Chartered Accountants

Srikant Chaturvedi
Partner

Place : Chennai (Firm Regn No. 112627W;
Dated : 13th August, 2010 Partner's Membership No. 70019)

ANNEXURE TO THE AUDITOR'S REPORT

Referred to in our report of even date on the accounts of **INDO ZINC LIMITED** for the year ended 31st March 2010.

- 1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) According to the information and explanations given to us, the fixed assets were physically verified during the period by the management. No material discrepancies were noticed on such verification.
 - (c) The company has not disposed off substantial part of its fixed assets during the year.
- 2. (a) According to the information given to us, physical verification of inventory was conducted by the management during the year at reasonable intervals.
 - (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) The company is maintaining proper records of inventory. According to the information and explanations given to us, no material discrepancies were noticed on physical verification of inventories.
- 3. (a) The company has not granted any loans, secured and unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraphs 4(iii)(b),(c) and (d) of the Order are not applicable.
 - (b) In our opinion and according to the information and explanations given to us, the company has not taken

any loans from the parties covered in the register maintained under section 301 of the Companies Act 1956.

4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business with regards to the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and the explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. According to the information and explanations given to us, the Company did not do any transactions that needed entry into the register maintained under section 301 of the Companies Act, 1956.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public. The provisions of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under are not applicable.
7. According to information and explanations given to us, the company did not have formal internal audit system during the year under consideration.
8. We are informed that the Rules relating to maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 for Cement industry were not applicable during the year since the Company has not commenced production in its Cement project.
9. According to the records of the company, the company is generally regular in depositing undisputed statutory dues including Income-tax, Sales-tax, Custom duty, Excise duty and other statutory dues applicable to it, except in cases mentioned below. According to information and explanations given to us, provisions of Provident Fund Scheme and Employees' State Insurance Scheme were not applicable to the company during this year. Following amounts of above mentioned statutory dues were in arrears as at 31/03/2010 for a period of more than six months from the date they became payable.

Nature of dues	Amount- Rs. In lacs
Central Sales-tax	10.45
MP Sales-tax	1.86
MP Entry Tax	39.02
UP Trade Tax	2.19

10. The company is registered for a period of more than five years. Its accumulated losses at the end of the financial

year were more than fifty per cent of its net worth. The company has not incurred cash loss during the current financial year although it incurred cash loss during the previous financial year.

11. In our opinion and according to the information and explanation given to us by the management, the company has not defaulted in repayment of dues to the financial institutions or banks or the debenture-holders during the year.
12. The company has not granted loans and advances on the basis of security of shares, debentures and other securities.
13. The company is not engaged in the business of chit funds, nidhi, mutual benefit fund or mutual benefit society.
14. The company is not dealing or trading in shares, securities, debentures or other investments.
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others.
16. In our opinion and according to the information and explanations given to us, on an overall basis, the term loans availed by the company during the year were applied for the purpose for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment.
18. The company has not made any preferential allotment of shares during the year.
19. Company did not have any outstanding secured debentures as on the date of the balance sheet.
20. The company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For Chaturvedi SK & Fellows
Chartered Accountants

Srikant Chaturvedi
Partner

Place : Chennai (Firm Regn No. 112627W;
Dated : 13th August, 2010 Partner's Membership No. 70019)

INDO ZINC LIMITED

Balance Sheet as at 31st March, 2010

	Schedule No.	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Capital	1	44,878,000	44,878,000
Share Application Money		100,000	100,000
Reserves and Surplus	2	57,220,994	51,476,754
		<u>102,198,994</u>	<u>96,454,754</u>
Loan Funds			
Secured Loans	3	1,619,200,165	870,002,283
Unsecured Loans		4,899,762,663	0
		<u>6,518,962,828</u>	<u>870,002,283</u>
		<u>6,621,161,822</u>	<u>966,457,037</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	4	40,941,993	38,391,612
Less: Depreciation		20,950,020	20,591,461
Net Block		19,991,973	17,800,151
Capital Work in Progress		6,062,121,465	852,119,268
Pre-operative expenses (pending capitalisation)	5	458,211,807	66,287,587
		<u>6,540,325,245</u>	<u>936,207,006</u>
Current Assets, Loans & Advances			
Inventories	6	0	986,562
Debtors	7	716,838	1,657,998
Cash & Bank Balances	8	195,248,996	6,688,908
Loans & Advances	9	209,297,224	72,549,095
		<u>405,263,058</u>	<u>81,882,563</u>
Less : Current Liabilities & Provisions	10	324,426,481	51,632,532
Net Current Assets		<u>80,836,577</u>	<u>30,250,031</u>
		<u>6,621,161,822</u>	<u>966,457,037</u>
Notes to Accounts	14		

As per our report of even date

For CHATURVEDI SK & FELLOWS
Chartered Accountants

N. SRINIVASAN
Chairman

T.S. RAGHUPATHY

Srikant Chaturvedi
Partner
(Firm Regn. No. 112627W;
Partner's Membership No. 70019)

R. SRINIVASAN

Place : Chennai
Date : 13th August, 2010

S. SRIDHARAN
Company Secretary

V.M. MOHAN
Directors

INDO ZINC LIMITED

Profit & Loss Account for the year ended 31st March, 2010

	Schedule No.	For the year ended 31.03.2010 Rs.	For the year ended 31.03.2009 Rs.
INCOME			
Sales		673,209	7,510,986
Other Income	11	8,887,080	2,736,579
Increase/(decrease) in stocks	12	(56,969)	(6,612,543)
Provision for bad & doubtful advances no longer required		6,800,000	0
		16,303,320	3,635,022
EXPENDITURE			
Cost of Traded Goods		929,593	2,311,165
Excise Duty (net)		10,697	1,143,853
Manufacturing & other expenses	13	1,050,612	7,769,781
Depreciation		736,968	1,171,694
Provision for bad & doubtful advances made		0	42,780,000
Bad & doubtful advances written off		6,800,000	6,479,464
		9,527,870	61,655,957
Profit/(Loss) before income tax and exceptional items		6,775,450	(58,020,935)
<i>Extraordinary items:</i>			
Interest provision written back on settlement of liabilities		0	6,515,668
Profit before income tax		6,775,450	(51,505,267)
Less: Income tax		1,031,210	0
Less: Fringe Benefit Tax		0	379,660
Profit/(Loss) after tax		5,744,240	(51,884,927)
Balance brought forward from last year		(357,275,999)	(305,391,072)
Balance carried to Balance Sheet		(351,531,759)	(357,275,999)
Earnings per equity share (Basic and diluted) (Face value of share Rs. 10/- each)			
Before extra-ordinary items		1.28	(12.98)
After extra-ordinary items		1.28	(11.53)
Notes to Accounts	14		

As per our report of even date

For CHATURVEDI SK & FELLOWS
Chartered Accountants

N. SRINIVASAN
Chairman

T.S. RAGHUPATHY

Srikant Chaturvedi
Partner
(Firm Regn. No. 112627W;
Partner's Membership No. 70019)

R. SRINIVASAN

Place : Chennai
Date : 13th August, 2010

S. SRIDHARAN
Company Secretary

V.M. MOHAN
Directors

INDO ZINC LIMITED

Schedules Forming Part of the Balance Sheet

	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
1 SHARE CAPITAL		
Authorised capital		
25,000,000 equity shares of Rs. 10/- each	250,000,000	250,000,000
1,000,000 preference shares of Rs. 100/- each	100,000,000	100,000,000
	<u>350,000,000</u>	<u>350,000,000</u>
Issued, subscribed and paid up		
4,500,000 equity shares of Rs. 10/- each	45,000,000	45,000,000
Less: Calls unpaid (other than directors)	122,000	122,000
	<u>44,878,000</u>	<u>44,878,000</u>
Note: Of the above shares		
I. 250,000 equity shares are allotted as fully paid bonus shares by capitalisation of general reserve.		
II. 384,000 shares are allotted as fully paid shares to the shareholders of Mahi Cement Limited, the amalgamating company for consideration other than cash.		
2 RESERVES & SURPLUS		
a) Capital investment subsidy	1,500,000	1,500,000
b) Amalgamation reserve	15,360,000	15,360,000
c) Share premium account	46,557,000	46,557,000
d) General Reserve	345,335,753	328,135,753
Add: Loan liabilities written back on settlement of dues (See Note No. 2 in Schedule No. 14)	0	17,200,000
Total (d)	<u>345,335,753</u>	<u>345,335,753</u>
Grand Total (a) to (d)	<u>408,752,753</u>	<u>408,752,753</u>
Profit and Loss account - debit balance	<u>(351,531,759)</u>	<u>(357,275,999)</u>
	<u>57,220,994</u>	<u>51,476,754</u>
3 LOANS		
Secured:		
Long term loans from banks	1,619,200,165	0
Short term loans from The India Cements Ltd.	0	870,002,283
	<u>1,619,200,165</u>	<u>870,002,283</u>
Unsecured:		
From The India Cements Ltd.	4,899,762,663	0
	<u>6,518,962,828</u>	<u>870,002,283</u>

INDO ZINC LIMITED

Schedules Forming Part of the Balance Sheet

SECURITY:

Long Term loans are secured in favour of Axis Trustee Services Limited, the Security Trustee for the lenders namely Yes Bank Limited, UCO Bank, Axis Bank Limited and Infrastructure Development Finance Company Limited by hypothecation of Company's movable properties, both present and future, including current assets, movable machinery, machinery spares, tools and accessories, tangible and intangible assets of the Company, subject to prior charges on current assets created / to be created in favour of Company's bankers for securing the working capital facilities and required to be further secured by a first pari passu charge on all the fixed assets of the project at village Jhalo ka Gara, Taluka Garhi Dist. Banswara, Rajasthan. The loans are further secured by Pledge of shares held by Promoters and Corporate guarantee from The India Cements Ltd.

4. FIXED ASSETS:

in Rs.

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2009	Addition	Deduction	As at 31.03.2010	Upto 01.04.2009	For the year	Write back	Upto 31.03.2010	As at 31.03.2010	As at 31.03.2009
Land - Lease hold	4,406,997	0	0	4,406,997	0	0	0	0	4,406,997	4,406,997
Land - Free hold	3,323,871	435,000	0	3,758,871	0	0	0	0	3,758,871	3,323,871
Buildings	24,393,514	0	1,395,958	22,997,556	17,149,370	480,092	761,810	16,867,652	6,129,904	7,244,144
Plant & Machinery	1,242,023	0	0	1,242,023	810,626	61,687	0	872,313	369,710	431,397
Furniture & Fixtures	1,342,670	469,762	0	1,812,432	996,169	105,611	0	1,101,780	710,652	346,501
Other Assets	3,682,537	3,041,577	0	6,724,114	1,635,296	472,979	0	2,108,275	4,615,839	2,047,241
Grand Total	38,391,612	3,946,339	1,395,958	40,941,993	20,591,461	1,120,369	761,810	20,950,020	19,991,973	17,800,151
Previous Year	98,789,909	1,703,878	62,102,175	38,391,612	77,269,763	1,235,940	57,914,242	20,591,461	17,800,151	21,520,146

	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
5 PRE-OPERATIVE EXPENSES PENDING CAPITALISATION:		
Amount brought forward from previous year	<u>66,287,587</u>	<u>0</u>
Expenditure during the year:		
Labour charges	1,938,576	2,223,069
Stores & spares	1,682,278	138,105
Electricity expenses	11,716,361	2,627,353
Building repairs	0	96,800
Mechanical & electrical repairs	288,602	1,443,145
Rent	113,718	62,449
Travelling & conveyance	5,803,221	1,765,500
Business promotion	5,436,820	8,357,417
Professional fees	1,493,733	1,636,991
Sundry expenses	85,493,388	27,130,453
Interest (Net)	277,659,016	20,761,743
Depreciation	383,401	64,246
	<u>392,009,114</u>	<u>66,307,271</u>
Less: Sundry receipts	84,894	19,684
Net expenditure during the year	<u>391,924,220</u>	<u>66,287,587</u>
	<u>458,211,807</u>	<u>66,287,587</u>

INDO ZINC LIMITED

Schedules Forming Part of the Balance Sheet

	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
6 INVENTORIES		
(as taken valued and certified by one of the directors)		
Materials (at cost)	0	929,593
Finished Goods (at lower of cost or market value)	0	56,969
	0	986,562
7 SUNDRY DEBTORS		
(Unsecured considered good)		
Debts outstanding for a period exceeding six months	716,838	1,657,998
Other debts	0	0
	716,838	1,657,998
8 CASH & BANK BALANCES		
Cash on hand	362,338	5,398,963
Bank balances with scheduled banks		
- in current accounts	185,519,320	33,644
- in margin deposit accounts	581,338	536,301
Cheques in hand	8,786,000	720,000
	195,248,996	6,688,908
9 LOANS AND ADVANCES		
(Unsecured-considered good except doubtful amount specified below)		
Advance recoverable in cash or in kind or for value to be received	243,753,399	112,901,435
Accrued income	0	12,427
Prepaid expenses	16,455	17,280
Deposits	1,501,066	2,001,066
Tax deducted at source	6,304	396,887
	245,277,224	115,329,095
Less:Provision for doubtful advances	35,980,000	42,780,000
	209,297,224	72,549,095
10 CURRENT LIABILITIES & PROVISIONS		
A. Current liabilities:		
Sundry creditors		
- outstanding dues of micro and small enterprises	0	0
- outstanding dues of other creditors	240,201,111	37,779,204
Other liabilities	84,225,370	7,863,390
Advance from customers	0	69,938
Total A	324,426,481	45,712,532
B. PROVISIONS :		
Provision for income-tax (including fringe benefit tax)	0	5,920,000
Total A + B	324,426,481	51,632,532

INDO ZINC LIMITED

Schedules Forming Part of the Profit & Loss Account

	For the year ended 31.03.2010 Rs.	For the year ended 31.03.2009 Rs.
11 OTHER INCOME		
Interest received	5,008	12,427
Sale of scrap & other items	0	109,194
Profit on sale of fixed assets	8,151,852	0
Miscellaneous receipts	4,989	30,060
Sundry balances written back	725,231	311,561
Excess provisions no more required	0	2,273,337
	8,887,080	2,736,579
12 INCREASE /(DECREASE) IN STOCKS		
Closing stocks		
Finished goods	0	56,969
Less : Opening Stocks :		
Finished goods	56,969	6,669,512
Increase/(decrease) in stocks	(56,969)	(6,612,543)
13 MANUFACTURING & OTHER EXPENSES		
Salaries, wages & bonus	183,200	979,068
Staff welfare expenses	300	11,000
Electricity & water charges	111,823	54,510
Rent	0	6,530
Rates & taxes	0	4,737,990
Building maintenance	167,225	453,336
Travelling & conveyance	112,954	82,165
Vehicle expenses	0	1,337
Bank charges	938	29,387
Security expenses	0	15,578
Labour charges	0	415
Professional fees	309,710	578,170
Postage & telephone	5,554	40,169
Stock shortage written off	0	233,310
Loss on sale of fixed assets	0	97,729
Loss on disposal of CWIP	0	225,539
Prior period expenses	69,286	175,400
Sundry expenses	89,622	48,148
	1,050,612	7,769,781

INDO ZINC LIMITED

14. NOTES FORMING PART OF ACCOUNTS

1. Significant Account Policies:

i. Basis of preparation of financial statements:

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

ii. Use of Estimates:

The preparation of financial statements requires estimates and assumptions. Differences between the estimates and actual results are recognised in the period in which the same are known.

iii. Fixed Assets:

- a) Fixed assets are stated at cost of acquisition or construction and include proportionate amount of expenditure during construction capitalised to respective assets.
- b) Expenditures and outlays of money on uncompleted projects of a capital nature are shown as capital works-in-progress until such time these projects are completed and commissioned. Capital works-in-progress include capital advances paid, machinery under installation/ in transit, construction and erection materials (including those lying with contractors).

iv. Depreciation:

- a) Depreciation on fixed assets of Zinc division is provided on written down value (WDV) method and in the manner provided in schedule XIV to the Companies Act, 1956. Depreciation on additions is provided on pro-rata basis for the period for which the assets are put to use.
- b) Depreciation on fixed assets of Cement division is provided on straight-line basis and in the manner provided in schedule XIV to the Companies Act, 1956. Depreciation on additions is provided on pro-rata basis for the period for which the assets are put to use.
- c) Assets costing less than Rs. 5000 are fully depreciated in the year of purchase.
- d) Leasehold land is not amortised.

v. Impairment of Assets:

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use.

vi. Foreign Exchange Transactions:

Foreign exchange transactions are recorded at the exchange rates prevailing on the date of transaction and net loss or gain arising on settlement of transaction is adjusted to profit and loss account.

vii. Valuation of inventory:

- a) Raw materials are valued at cost on FIFO basis. Cost includes incidental expenses such as freight, transport and clearing charges.
- b) Stores & spare parts are valued at cost.
- c) Finished goods are valued at cost or market value whichever is lower.
- d) Goods in process are valued at cost or net realisable value whichever is lower.

viii. Sales/ Turnover:

Sales/ Turnover include sale value of goods and excise duty thereon but exclude VAT recovered.

ix. Excise duty and Cenvat Credits:

Sales and purchases (other than those of capital goods) are stated inclusive of excise duty. Cenvat credits relating to capital goods are reduced from the value of the capital goods.

x. Retirement benefits:

None of the employees of the company was entitled to any retirement benefit at the end of the current year.

2. Contingent liabilities:

	As at 31.03.2010	As at 31.03.2009
	(Rupees in Lacs)	
a) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for.	27394	21740
b) Interest for late payment of income-tax for which demand is raised by the Government but company has applied for waiver of the same.	55	NIL

INDO ZINC LIMITED

Notes on Accounts (Contd.)

3. In view of the losses incurred by the Company during last few years, the Company has accumulated net deferred tax assets of Rs. 379 lacs as on 31.03.2010 (Rs.415 lacs as on 31.03.2009) in terms of provisions of Accounting Standard 22 "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India. However, following prudent accounting policy and the guidelines contained in paragraphs 15 to 18 of the said Accounting Standard, the management has decided not to make the adjustment in the books of accounts for the value of the said deferred tax assets until such time that there is reasonable certainty of realisation of the said deferred tax assets against sufficient future taxable income.
4. The Company is setting up a new Cement plant at Banswara in Rajasthan. Pre-operative expenses incurred on this project are shown separately. These expenses shall be capitalised on completion of the project.
5. Related party disclosure in accordance with the Accounting Standard 18 issued by the Institute of Chartered Accountants of India.

List of Related Parties:

Name of Related Party	Relationship
The India Cements Ltd	Parent Company and Holding Company of ICL Financial Services Ltd.
ICL Financial Services Ltd	Holding Company.

Related party relationships are as identified by the Company and are relied upon by the auditors.

Transaction with related parties:

Related parties	Nature of transactions	For the year ended 31.03.2010		For the year ended 31.03.2009	
		Amount	Outstanding	Amount	Outstanding
		Rs. In lacs		Rs. In lacs	
Holding Companies	Loan received	40298	48998	8700	8700
	Interest paid	2253		208	

There was a change in management of the Company during the year. The transactions mentioned above pertain to related parties of the present management.

6. Managerial remuneration includes:

	2009-10 (Rs.)	2008-09 (Rs.)
Salary and allowances to former Managing Director	60,000	360,000

Computation of net profit in accordance with section 349 of the Companies Act, 1956 has not been given, as commission by way of percentage of profit is not payable for the year to any of the directors of the Company.

7. Payment to Auditors (excluding service tax) :

	2009-10 (Rs.)	2008-09 (Rs.)
For audit fee	200,000	125,000
For tax audit fees	40,000	25,000

8. Calculation of Earnings per Share:

	2009-10	2008-09
Profit after tax but before extra-ordinary items (Rs. in lacs)	57.44	(-) 584.00
Profit after tax and extra-ordinary items (Rs. in lacs)	57.44	(-) 518.85
No. of Equity Shares- Weighted average (in lacs)	45.00	45.00
Earnings per share- Basic and Diluted (Face value- Rs. 10 per share):-		
Before extra-ordinary items (Rs.)	1.28	(-) 12.98
After extra-ordinary items (Rs.)	1.28	(-) 11.53

INDO ZINC LIMITED

Notes on Accounts (Contd.)

9. **Segment Results:** The Company has discontinued operation in its Zinc division. The income shown for the year represents income from sale of inventories of Zinc division. Its cement project is still under implementation.
10. Classification of suppliers as Micro, Small or Medium Enterprises is done where such information is provided by the supplier. No interest is paid or payable during the year to Micro, Small or Medium Enterprises.
11. Balances of debtors, creditors and loans and advances are subject to confirmation. In the opinion of the management these accounts will fetch the amount as stated in the books of accounts on realisation in the ordinary course of business.
12. Expenses include prior period expenses (net) Rs. 69,286 (Previous year- Rs. 175,400).

13. Information pursuant to paragraph 3, 4C of Part II of Schedule VI to the Companies Act, 1956 :

(i) The company is setting up a new cement plant at Banswara in Rajasthan. The project is under execution at present. The company disposed off all plant and machinery of its zinc plant at Pithampur in Madhya Pradesh during the previous year. Consequently, the company does not have any manufacturing facility at present. No production activity was carried on during current or the previous year.				
(ii) Sales, Purchases & Finished Goods Stocks:				
Items (Non-ferrous metals and scraps)	2009-10		2008-09	
	Quantity- MT	Value- Rs	Quantity- MT	Value- Rs
Turnover	238	673,209	673	7,510,986
Purchases	*212	*929,593	624	2,311,165
Opening stock	24	56,969	73	6,669,512
Closing stock	0	0	24	56,969
* transfer from Raw Material stock.				
(iii) CIF Value of imports and remittances in foreign currency (for import of capital goods)- Rs. 1707 Lacs (Previous year- Nil).				
(iv) There were no exports or earnings in foreign currency during this or previous year.				

14. Previous year's figures have been reclassified / regrouped wherever necessary.

As per our report of even date

For CHATURVEDI SK & FELLOWS
Chartered Accountants

N. SRINIVASAN
Chairman

T.S. RAGHUPATHY

Srikant Chaturvedi
Partner
(Firm Regn. No. 112627W;
Partner's Membership No. 70019)

R. SRINIVASAN

Place : Chennai
Date : 13th August, 2010

S. SRIDHARAN
Company Secretary

V.M. MOHAN
Directors

INDO ZINC LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details		
Registration No. (CIN)	:	L99999MH1987PLC042858
State Code	:	11
Balance Sheet Date	:	31-03-2010
II. Capital raised during the year (Amount in Rs. thousands)		
Public Issue	:	Nil
Rights Issue	:	Nil
Bonus Issue	:	Nil
Private placement	:	Nil
III. Position of Mobilisation and deployment of funds (Amount in Rs. thousands)		
Total Liabilities	:	6621162
Total Assets	:	6621162
Sources of Funds		
Paid up Capital*	:	44978
Reserve and Surplus	:	57221
Secured Loans	:	1619200
Unsecured Loans	:	4899763
* Including share application money.		
Application of Funds		
Net Fixed Assets	:	6540325
Investments	:	0
Net Current Assets	:	80837
Miscellaneous Expenditure	:	0
Accumulated Losses	:	0
IV. Performance of Company (Amount in Rs. thousands)		
Turnover including other income	:	16303
Total Expenditure	:	9528
Profit/Loss Before Tax	:	6775
Profit/Loss After Tax	:	5744
Earning per Share in Rs.	:	1.28
Dividend Rate %	:	0%
V. Generic Names of three Principal Products of Company.		
Item Code No.	:	252329.01
Product Description	:	Cement

As per our report of even date

For CHATURVEDI SK & FELLOWS
Chartered Accountants

N. SRINIVASAN
Chairman

T.S. RAGHUPATHY

Srikant Chaturvedi
Partner
(Firm Regn. No. 112627W;
Partner's Membership No. 70019)
Place : Chennai
Date : 13th August, 2010

S. SRIDHARAN
Company Secretary

R. SRINIVASAN

V.M. MOHAN
Directors

INDO ZINC LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	Year ended 31.03.2010 Rs. in Lacs	Year ended 31.03.2009 Rs. in Lacs
A. Cash flow from operating activities:		
Net profit before tax and exceptional items	67.75	(580.21)
<i>Adjustments for non operating and non cash expenses:</i>		
Depreciation	7.37	11.72
Interest paid	0.00	0.01
Bad & doubtful advances written off	68.00	492.59
Loss on disposal of CWIP	0.00	2.26
Loss on sale of fixed assets	0.00	0.98
	75.37	507.56
	143.12	(72.65)
<i>Adjustment for non operating income:</i>		
Profit on sale of fixed asset	(81.52)	0.00
Provisions no more required	(68.00)	0.00
Interest received	(0.05)	(0.12)
	(149.57)	(0.12)
Operating profit before working capital changes	(6.45)	(72.77)
<i>Adjustment for changes in working capital:-</i>		
(Increase)/decrease in inventories	9.87	91.57
(Increase)/decrease in debtors	9.41	50.49
(Increase)/ decrease in other receivables	(128.04)	(623.47)
Increase/(decrease) in trade payable and other liabilities	(14.11)	150.77
	(122.87)	(330.64)
Cash generated from operation	(129.32)	(403.41)
Less: Interest paid	0.00	(0.01)
Less: Direct taxes paid	(65.61)	(0.28)
	(65.61)	(0.29)
Net cash from operating activities. (A)	(194.93)	(403.70)
B. Cash flow from investing activities		
Interest received	0.05	0.12
Sale of investments	0.00	7.20
Sales of fixed assets	87.86	40.90
Sale of CWIP	0.00	0.05
Purchase of fixed assets	(39.46)	(17.04)
Expenditure on cement project	(54457.53)	(7705.86)
	(54409.08)	(7674.63)
Net cash used in investing activities. (B)	(54409.08)	(7674.63)
C. Cash flow from financing activities:		
Term loan from banks	16192.00	0.00
Loan from The India Cements Ltd.	40297.60	8700.02
Repayment of term loan	0.00	(78.00)
Refund of share application money	0.00	(165.52)
Other unsecured loans/deposits	0.00	(328.19)
	56489.60	8128.31
Net cash from financing activities. (C)	56489.60	8128.31
D. Net increase/(decrease) in cash & cash equivalents (A + B + C)		
	1885.59	49.98
Cash and equivalents at the beginning of the year	66.90	16.92
Cash and equivalents at the end of the year	1952.49	66.90

Note : Figures in brackets represent cash outflow.

As per our report of even date

For CHATURVEDI SK & FELLOWS
Chartered Accountants

N. SRINIVASAN
Chairman

T.S. RAGHUPATHY

Srikant Chaturvedi
Partner
(Firm Regn. No. 112627W;
Partner's Membership No. 70019)

R. SRINIVASAN

Place : Chennai
Date : 13th August, 2010

S. SRIDHARAN
Company Secretary

V.M. MOHAN
Directors

INDO ZINC LIMITED

Regd. Office: No.8, 2nd Floor, Kamanwala Chambers, Opp. Bombay Stores,
Sir.P.M.Road, Fort, Mumbai 400001.

Corp. Office: 'Coromandel Towers', 93, Santhome High Road, Karpagam Avenue,
R.A.Puram, Chennai - 600 028.

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the meeting hall. Only members or their proxies are entitled to be present at the meeting.

Name and address of the Shareholder
Folio No. :
Dp id. :
Client id. :
No of Shares held :

I hereby record my presence at the Twentythird Annual General Meeting of the Company at Chembur Mahila Samaj Hall, Near Hotel Malhar, D K Sandu Marg, Chembur, Mumbai 400 071, on Thursday, the 30th September 2010 at 4.00 P.M.

Signature of the Member/Proxy

Name :

----- Please Tear Here -----

INDO ZINC LIMITED

Regd. Office: No.8, 2nd Floor, Kamanwala Chambers, Opp. Bombay Stores,
Sir.P.M.Road, Fort, Mumbai 400001.

Corp. Office: 'Coromandel Towers', 93, Santhome High Road, Karpagam Avenue,
R.A.Puram, Chennai - 600 028.

PROXY FORM

I/WE
of
Folio No. :
Dp id. :
Client id. :
No. of shares held :

being a member/members of INDO ZINC LIMITED do hereby appoint
..... of
(or failing himof) as my/our proxy
and to vote for me/us on my/our behalf at the Twentythird Annual General Meeting of the Company to be held at
4.00 P.M on Thursday, the 30th September 2010 and at any adjournment thereof.

Signed thisday of2010.

N.B.

Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member. This form duly completed should be deposited at the Registered office of the Company before 4.00 P.M on Tuesday the 28th September 2010.

Affix
15 Paise
Revenue
Stamp

BOOK POST

If undelivered please return to:

Integrated Enterprises (India) Limited

UNIT: INDO ZINC LIMITED

2nd Floor, Kences Towers

No:1, Ramakrishna Street, North Usman Road

T. Nagar, Chennai - 600 017.