



INDO ZINC LIMITED

NOTICE

Notice is hereby given that the 21st Annual General Meeting of Indo-Zinc Limited will be held as per the schedule given below:

Day & Date : Tuesday, the 30th September, 2008.

Time : 04.00 p.m.

Venue (Regd. Office) : 405, Apollo Tower,
2 M.G. Road
Indore, 452001 (M.P.)

Ordinary Business:

1. To receive, consider and adopt :
 - The Audited Balance Sheet as at 31st March, 2008;
 - The Audited Profit & Loss Account for the year ended on that date;
 - The Auditor's Report and
 - The Director's Report.
2. To appoint a Director in place of Mr. Sanjay Agrawal who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Surendra Kumar Nuwal who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Auditor in place of M/s Chaturvedi S K & Fellows, Chartered Accountants, Mumbai as Auditors of the Company in the Forthcoming Annual General Meeting who retires and being eligible offers themselves for re-appointment and to fix their remuneration.

SPECIAL BUSINESS

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

Head Office :	Telephone :	Factory :	Mumbai Office :	Telephone :
405, Apollo Tower,	(0731) 2518341-42	Plot No. 79, Sector III,	601, Ravi Building, 189/191	(022) 22642192,
2, M.G. Road,	Fax : 91-731-2528281	Pithampur Industrial Area,	Dr. D N. Road,	22692245
INDORE- 452 001	E-mail : info@indozinc.com	Pithampur, Dist. Dhar,	Near Central Camera House,	Fax : 91-22-22654949
(M.P.) INDIA		Telephone : 07292-507990	Fort, Mumbai- 400 001	

"RESOLVED THAT Col. Nitin Bhatnagar who has appointed as an Additional Director of the Company by the Board of Directors, who holds office under Section 260 of the Companies Act, 1956, up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

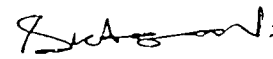
6. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution :

"RESOLVED THAT Mr. Ritesh Lunkad who was appointed as an Additional Director of the Company by the Board of Directors, who holds office under Section 260 of the Companies Act, 1956, up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By order of the Board
Indo-Zinc Limited

Date: 30.08.2008

Place: Indore


(Director)

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NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY (IES) TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF. PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY (IES) IN ORDER TO BE VALID MUST BE DEPOSITED WITH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. MEMBERS ARE REQUESTED TO SUBMIT THEIR QUERIES ON ACCOUNTS AT LEAST TWO DAYS BEFORE THE MEETING SO THAT THE COMPANY CAN GIVE PROPER EXPLANATION AND CLARIFICATION TO THEM.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE
COMPANIES ACT, 1956**

For Item No. 5 & 6 :

Col. Nitin Bhatnagar and Mr. Ritesh Lunkad was co-opted as an Additional Director of the Company with effect from 30th September, 2007, pursuant to Section 260 of the Companies Act, 1956. Col. Nitin Bhatnagar and Mr. Ritesh Lunkad holds office of Director up to the date of ensuing Annual General Meeting. The Company has received a notice in writing from a member along with required deposit, proposing the candidature of Col. Nitin Bhatnagar and Mr. Ritesh Lunkad for the office of Director under the provisions of Section 257 of the Companies Act, 1956.

Your Directors recommend the resolution as set out at item no.5 and 6 of the notice for your approval.

Col. Nitin Bhatnagar and Mr. Ritesh Lunkad shall be deemed to be interested in the above resolution to the extent of his appointment.



INDO ZINC LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 21st Annual Report along with the audited annual accounts for the year ended 31st March 2008.

Financial Review:

PARTICULARS	(In Rupees)	
	YEAR ENDED 31/03/2008	YEAR ENDED 31/03/2007
Total Income	74351022	24333987
Total Expenditure	102183015	26056558
Gross Profit/(Loss)	(27831993)	(1722571)
Less: Depreciation	1362658	1600400
Profit/(Loss) before tax and exceptional items	(29194651)	(3322971)
<i>Exceptional Items:</i>		
Interest Provision written back on settlement of liabilities	52690003	-
Profit/(Loss) before tax	23495352	(3322971)
Provision for Tax	28823	50526
Profit/Loss after tax	23466529	(3373497)
Add/(Less) balance brought forward	(338857601)	(335484104)
Transfer from debenture redemption reserve	10000000	-
Balance carried to Balance Sheet	(315391072)	(3388857601)

DIVIDEND:

As your Company is a Sick Company registered with the Board of Industrial & Financial Reconstruction of India and as there are heavy accumulated losses, therefore, your Directors are unable to recommend any dividend for the year 2007-08

OPERATIONS:

The sales and other incomes for the financial year under review were Rs.74,351,022 /- against Rs.24,333,987/- for the previous financial year. The Company also registered the

Head Office :
405, Apollo Tower, 2, M.G. Road,
INDORE - 452001
(M.P.) INDIA

Telephone :
(0731) 2518341-42
Fax : 91-731- 2528281
E-mail : info@indozinc.com

Factory :
Plot No. 79, Sector III
Pithampur Industrial Area,
Pithampur, Dist: Dhar.

Telephone :
07292-507990

Profit after tax of Rs.23,466,529/-, during the current financial year as against the loss of Rs.3,373,497/- in the previous financial year.

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.

DIRECTORS:

Shri Sanjay Agrawal and Shri Surendra Kumar Nuwal retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment.

Shri R.S. Gupta was Nominee Director of the Company but he resigned the directorship due to the nomination taken back by the Bank. Board accepted their resignation from the office of the Director with effect from 12.02.2008

Your Board wishes to place on records its appreciation for the valuable services and guidance rendered by Shri R.S. Gupta during his tenure as a Director of the Company.

AUDITORS:

M/s Chaturvedi S K & Fellows, Chartered Accountants, Mumbai hold office until the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

In compliance to the provision of the Section 217 (2AA) of the Companies Act, 1956, your Directors state that:

- i) in the preparation of the annual accounts the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors have prepared the annual accounts on a going concern basis.



CORPORATE GOVERNANCE:

The Company has in place a system of Corporate Governance. A separate Report on Corporate Governance is enclosed as a part of this annual Report of the Company. A certificate from the Auditors of the Company regarding the compliance of conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

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.

There was no foreign exchange earning and outgo during the year under review.

PARTICULARS OF EMPLOYEES:

There was no employee during the period drawing remuneration attracting the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

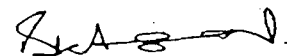
AUDIT COMMITTEE:

As per the provisions of the Companies Act, 1956 and Listing Agreement with the Stock Exchanges, the Audit Committee of the company is reconstituted and comprised of two Non-Executive independent Directors and one Executive Director viz., Mr. Nitin Bhatnagar, Mr. Ritesh Lunkad and Mr. Surendra Kumar Nuwal.

APPRECIATION:

The Board of Directors express their appreciation of the dedicated efforts put in by Executives and staff members at all levels of the company. The Board records their gratitude to the Financial Institutions, bankers & Shareholders for their assistance, co-operation and continued support, which have been a source of strength to the company. The Board of Directors also wishes to thank the central and the State Governments for their continued guidance and support.

For and on behalf of the Board



SANJAY AGRAWAL

Chairman & Managing Director

Place: Indore

Date: 30th August, 2008

CORPORATE GOVERNANCE

1. CORPORATE GOVERNANCE – THE PHILOSOPHY

The underlying principles of Corporate Governance are the values, ethics and commitment to follow best business practices. Thus, it rests upon the foundations of transparency, disclosures and fairness in dealing with its shareholders. It is interplay between Company, shareholders, creditors, capital markets, financial sectors, institutions and law. Corporate Governance is concerned with the establishment of systems whereby the Directors are entrusted with the responsibilities and duties in relation to the direction of Corporate Affairs.

Indo Zinc Ltd. is committed to the adoption of best governance practices and its adherence in the true spirit, at all times. Our governance practices stems from an inherent desire to improve and innovate and reflects the culture of trusteeship that is deeply ingrained in our value system and forms part of the strategic thought process. Our governance philosophy rests on Board accountability to the Company and shareholders, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment of all shareholders as well as superior transparency and timely disclosure.

Our Corporate structure, business and practices have been aligned to our Corporate Governance philosophy. We will continuously endeavour to take forward the best practices to enhance stakeholders' value. Your Company is compliant with its provisions. The details of compliance are as follows :

2. BOARD OF DIRECTORS

2.1 COMPOSITION

The present strength of the Board of Directors is 6, comprising of 3 executive Directors and 3 Non Executive Directors. The details of the present Board of directors along with the details of their other Directorship/Committee Membership are as under:

NAME OF THE DIRECTOR	POSITION	CATEGORY	OTHER DIRECTORSHIPS	COMMITTEE MEMBERSHIPS	COMMITTEE CHAIRMANSHIPS
Sanjay Agrawal	Chairman & MD	Executive	2	-	-
Manoj Agrawal	Jt. MD	Executive	2	-	-
Surendra Kumar Nuwal	WTD	Executive	2	-	-
B.L.Kakrecha	Director	Non-	-	-	-

Signature

R.S.Gupta	Nominee (IDBI)	Executive	-	3	-
Mr. Neeraj Jajoo	Director	Non-Executive	-	-	-
Ms. Vinita Puntambekar	Director	Non-Executive	-	-	-
Mr. Nitin Bhatnagar	Director	Non-Executive	2	-	-
Mr. Ritesh Lunkad	Director	Non-Executive	-	-	-

❖ Mr. Neeraj Jajoo and Ms. Vinita Puntambekar ceased to be the directors of the board w.e.f. 13 June, 2007. Mr. R.S. Gupta ceased to be the director of board w.e.f. 12 February, 2008.

❖ Mr. Ritesh Lunkad and Col. Nitin Bhatnagar appointed as the director of the board w.e.f. 30 September, 2007.

2.2 MEETINGS AND ATTENDANCE RECORD OF EACH DIRECTORS

Eight Meetings of the Board of Directors were held during the year ended 31st March, 2008. These were held on:

1. 30th April, 2007
2. 31th July, 2007
3. 04th September, 2007
4. 30th September, 2007
5. 31th October, 2007
6. 31st January, 2008
7. 21st February, 2008
8. 27th February, 2008

NAME OF THE DIRECTOR	ATTENDANCE AT BOARD MEETINGS	ATTENDANCE AT LAST AGM
Mr. Sanjay Agrawal	8	Yes
Mr. Manoj Agrawal	1	Yes
Mr. Surendra Kumar Nuwal	6	Yes
Mr. B.L. Kakrecha	2	Yes
Mr. R.S. Gupta	5	No
Mr. Neeraj Jajoo	1	Yes

Signature

Ms. Vinita Puntambekar	1	Yes
Mr. Nitin Bhatnagar	3	No
Mr. Ritesh Lunkad	3	No

2.3 REMUNERATION OF DIRECTORS

- (i) The details of remuneration paid to the Executive Directors of the Company are given below:

NAME OF DIRECTOR	ALL ELEMENTS OF REMUNERATION PACKAGE
Mr.Sanjay Agrawal	Rs.30000/- P.M
Mr. Manoj Agrawal	Rs.25000/- P.M
Mr Surendra Kumar Nuwal	Rs.25000/- P.M

- (ii) The remuneration paid to the Non-Executive Directors of the company is NIL.

3. AUDIT COMMITTEE

The Audit Committee comprises of three Members Two Member are Non executive and one Executive i.e. Mr. Nitin Bhatnagar, Mr Ritesh Lunkad and Mr.Surendra Kumar Nuwal. They possess adequate knowledge of accounts, audit, finance, etc. Mr. Nitin Bhatnagar is the Chairman of the Audit Committee. The audit Committee meets from time to time and presents its report to the Board of directors. The Committee met 4 times during the year (on 30/04/07, 31/07/07, 31/10/07 and 31/01/08) and the attendance of the members at the meetings was as follows:

NAME OF MEMBERS	DESIGNATION	NO. OF MEETINGS ATTENDED	REMARKS
Ms. Vinita Puntambekar	Chairman*	2	-
Mr. R.S. Gupta	Member	2	-
Mr. Neeraj Jajoo	Member	2	-
Col. Nitin Bhatnagar	Chairman	2	-
Mr Ritesh Lunkad	Member	2	-
Mr Surendra Kumar Nuwal	Member	1	-

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- ❖ Ms. Vinita Puntambekar ceased to be Director and hence Chairman w.e.f. 13 June, 2007.
- ❖ Mr. Neeraj Jajoo and Mr. R.S. Gupta ceased to be director and hence member w.e.f from dated 13 June, 2007 and 12 February, 2008 respectively.
- ❖ Col. Nitin Bhatnagar appointed as director and hence chairman w.e.f. 30 September, 2007.
- ❖ Mr. Ritesh Lunkad appointed as director and hence member w.e.f. 30 September, 2007.

The objective of the Audit Committee of the Company is to keep a close vigil and potent oversight on the management's financial reporting process with a view to ensure timely and transparent disclosure of financial statements.

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreement with the Stock Exchanges.

The company continued to derive benefit from the deliberations at the Audit Committee meetings as its members possess a deep insight into the aspects of finance, accounts, taxation, etc.

The Committee carries the functions in accordance with the terms of reference set out under Clause 49 (II) of the Listing Agreement read together with Section 292A of the Companies Act, 1956 and additional responsibilities assigned to the Committee by the Board of Directors. The Committee also reviews reports of the internal auditors and statutory auditors along with the comments and action taken.

The functions of the Audit Committee, inter alia, include the following:

- Overseeing the Company's financial reporting process and ensuring the correct, adequate and credible disclosure of financial statements.
- Reviewing with management the annual financial statements before their onward submission to the Board with a special emphasis on accounting policies and practices, internal control requirements, compliance with the accounting standards and other legal requirements concerning financial statements.
- Reviewing the adequacy of the audit and compliance function, including their policies, procedures, techniques and other regulatory requirements.
- Recommending the appointment of statutory auditors and fixation of audit fee.
- Reviewing Management discussion and analysis of financial condition and results of operations.

San