



BRAJ BINANI GROUP

**BINANI CEMENT LIMITED**

Registered Office: 706, Om Tower, 32, Chowringhee Road, Kolkata 700 071  
Corporate Office: Mercantile Chambers, 12 J.N.Heredia Marg, Ballard Estate, Mumbai 400 001

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2008**

(Rs. in Lakhs)

Particulars	Quarter ended 30.06.2008	Quarter ended 30.06.2007	Year ended 31.03.2008 (Audited)
1 Gross Sales	38,455	23,199	114,855
Less Excise Duty	5,856	3,637	16,988
Net Sales	32,599	19,562	97,867
2 Other Income	179	179	1,314
3 <b>Total Income (1+2)</b>	<b>32,778</b>	<b>19,741</b>	<b>99,181</b>
4 Expenditure			
a) (Increase)/Decrease in Stock in Trade and Work in Process	(3,059)	(426)	(3,918)
b) Consumption of Raw / Packing Materials	3,822	2,383	12,637
c) Employees Cost	667	578	2,550
d) Power and Fuel	11,520	3,960	23,556
e) Freight and Transport	6,421	4,461	20,616
f) Other Manufacturing Expenses	1,748	438	3,815
h) Other Expenditure	2,103	758	5,228
i) Total	23,222	12,152	64,484
5 <b>Operating Profit before Interest and Depreciation (3-4)</b>	<b>9,556</b>	<b>7,589</b>	<b>34,697</b>
6 Interest and Financial Charges	1,659	755	4,647
7 Exceptional Items	-	-	-
8 <b>Gross Profit before tax (5-6-7)</b>	<b>7,897</b>	<b>6,834</b>	<b>30,050</b>
9 Depreciation	1,873	1,110	5,567
10 <b>Profit from Ordinary Activities before Tax (8-9)</b>	<b>6,024</b>	<b>5,724</b>	<b>24,483</b>
11 Tax Expenses			
a) Current Tax (MAT)	681	647	2,770
b) MAT Credit Entitlement	-	-	(4,359)
c) Deferred Tax	-	-	8,440
d) Fringe Benefit Tax	13	10	51
12 <b>Net Profit after Tax from Ordinary Activities after Tax (10-11)</b>	<b>5,330</b>	<b>5,067</b>	<b>17,581</b>
13 Extraordinary Items (Net of Tax Expense)	-	-	-
14 <b>Net Profit for the period (12 - 13)</b>	<b>5,330</b>	<b>5,067</b>	<b>17,581</b>
15 Paid up Equity Share Capital (Face Value per share Rs.10/-)	20,310	20,310	20,310
16 Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year			21,454
17 Earnings per Share (EPS)			
- Basic & Diluted before Extraordinary items (not annualised) (Rs)	2.62	2.49	8.66
- Basic & Diluted after Extraordinary items (not annualised) (Rs.)	2.62	2.49	8.66
18 Public Shareholding			
- Number of Shares	71,275,318	71,275,318	71,275,318
- Percentage of Shareholding	35.09%	35.09%	35.09%

**Notes:**

1 Unaudited Financial Results of the subsidiaries/ associates for the half year ended 30th June,2008 as per applicable GAAP of their respective countries of residence are as follows :-

	<u>Holding (%)</u>	<u>(Rs. In Lakhs)</u> <u>Profit before Tax</u>
i) Mukundan Holdings Limited (MHL) *	100%	386.48
ii) Binani Cement Factory LLC (BCF)	49%	2427.26
iii) Krishna Holdings Pte Ltd. (KHL)	100%	-
iv) Shandong Binani Rong'An Cement Co. Ltd. (SBRCC)	70%	1.65

\* 5th February,2008 to 30th June,2008.

The expansion of the capacity of the grinding unit of BCF LLC from 1.2 Million MT to 2.0 Million MT is under implementation.

BCF LLC has declared an interim dividend @70% based on its results for the half year ended 30th June,08.

The plans are underway for expansion of cement manufacturing capacity of SBRCC from 0.50 Million MT to 2.50 Million MT.

- 2 During the current quarter, the profitability of the company has been affected significantly due to steep increase in the costs of imported coal. The split grinding unit at Neem Ka Thana is under stabilisation. The installation of the second phase of the 2 x 22.3 MW power plants will be completed by September '08.  
Orders for the main Plant and Machinery for the 2.5 Million MT greenfield cement manufacturing project in Gujarat have been placed. Financing for the project has also been tied up based on 1:1 debt equity norms. The land and mine clearances are underway.
- 3 Development work has been initiated in respect of the lignite mine allotted to the company in the State of Rajasthan. Production from the mines is expected in end 2009. The supply of lignite from the mines would facilitate reduction in cost of power from CPP. Evaluation to set up the Power Plant at the pit head to further reduce the cost of generation is in process.
- 4 Reduction in interest of Rs.1361 Lakhs for the period 1st October, 2004 to 31st March, 2005, converted to Zero Coupon Loan (ZCL) as per the Restructuring Package (RP) of the Industrial Development Bank of India Limited (IDBI) was not accounted as negotiations were going on with IDBI for waiver of the same. As decided by IDBI the Company is required to pay the said ZCL (carrying nil interest) in four annual instalments commencing from 31st March, 2010 and ending on 31st March, 2013. The same will be accounted for on actual payment basis.
- 5 Deferred Tax will be provided at the end of the year.
- 6 The Company operates in a single segment i.e. "Production and sales of Cement and Clinker in India". The Company's entire Cement/Clinker sales are in India. Hence no additional disclosure under Accounting Standard-17, "Segment Reporting" is required .
- 7 There were Nil complaints pending at the beginning of the quarter and during the quarter, the Company received 22 complaints from investors, all of which have been redressed.
- 8 The above results were reviewed by the Audit Committee at its meeting held on 28th July, 2008 and were taken on record and approved by the Board of Directors at its meeting held on 28th July, 2008.
- 9 The Statutory Auditors have conducted limited review of the above results of the Company as required by clause 41 of the listing agreement.
- 10 The Company has opted to publish quarterly stand alone results.
- 11 Previous period/year figures have been regrouped / recast, wherever necessary.

By Order of the Board  
For **Binani Cement Ltd.**

**Braj Binani**  
**Chairman**

Place : Mumbai  
Dated : 28th July, 2008