



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 AND NINE MONTHS ENDED ON 31ST DECEMBER, 2008

		Rs. in Lakhs				
	Particulars	Quarter ended	Quarter ended	Nine month ended	Nine month ended	Year ended
		31.12.2008	31.12.2007	31.12.2008	31.12.2007	31.03.2008 (Audited)
1 (a)	Gross Sales / Income from Operations	41,638	27,233	116,041	75,485	114,855
	Less Excise Duty	5,635	3,902	16,805	11,218	16,988
	Net Sales / Income from Operations	36,003	23,331	99,236	64,267	97,867
(b)	Other Operating Income	234	111	688	571	1,043
2	Expenditure					
a)	(Increase)/decrease in stock in trade and stock in process	(3,037)	(2,695)	(8,248)	(3,011)	(3,918)
b)	Raw / Packing Materials & Goods Consumption	4,293	3,773	12,680	8,954	12,637
c)	Employees Cost	725	687	2,086	1,874	2,550
d)	Power & Fuel	16,649	6,035	39,764	13,852	23,556
e)	Freight and Transport	8,039	4,564	21,064	13,713	20,616
f)	Freight on Inter-unit Clinker Transfer	923	-	1,612	-	-
g)	Other Manufacturing Expenses	1,566	1,130	4,265	2,725	3,815
h)	Depreciation	2,049	1,556	5,870	3,801	5,567
i)	Other Expenditure	2,359	998	5,924	2,977	5,228
	Total Expenditure	33,566	16,048	85,017	44,885	70,051
3	Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	2,671	7,394	14,907	19,953	28,859
4	Other Income	14	89	214	404	271
5	Profit before Interest & Exceptional Items (3+4)	2,685	7,483	15,121	20,357	29,130
6	Interest and Financial charges	1,715	1,382	5,097	3,120	4,647
7	Profit after Interest but before Exceptional Items (5-6)	970	6,101	10,024	17,237	24,483
8	Exceptional Items	-	0	-	-	-
9	Profit from Ordinary Activities before Tax (7+8)	970	6,101	10,024	17,237	24,483
10	Tax Expenses					
a)	Current Tax (MAT)	108	689	1,127	1,948	2,770
b)	MAT Credit Entitlement	-	-	-	-	(4,359)
c)	Deferred Tax	-	-	-	-	8,440
d)	Fringe Benefit Tax	13	17	37	40	51
11	Net Profit from Ordinary Activities after Tax (9-10)	849	5,395	8,860	15,249	17,581
12	Extraordinary Items (net of tax expenses)	-	-	-	-	-
13	Net Profit for the period (11-12)	849	5,395	8,860	15,249	17,581
14	Paid up Equity Share Capital (Face Value per share Rs.10/-)	20,310	20,310	20,310	20,310	20,310
15	Reserves (excluding Revaluation Reserves as per Balance Sheet of previous accounting year)	-	-	-	-	21,454
16	Earnings per Share (EPS) - Basic & Diluted (not annualised) (Rs.)	0.42	2.66	4.36	7.51	8.66
17	Public Shareholding					
	- Number of Shares	71,275,318	71,275,318	71,275,318	71,275,318	71,275,318
	- Percentage of Shareholding	35.09%	35.09%	35.09%	35.09%	35.09%

Notes:-

- 1 Unaudited Financial Results of the subsidiaries/ associates for the year/period ended 31st December,2008 as per applicable GAAP of their respective countries of residence are as follows :-

	(Rs. In Lakhs)	
	Holding (%)	Profit / (Loss) before Tax
i) Mukundan Holdings Limited (MHL) *	100%	760
ii) Binani Cement Factory LLC (BCF)	49%	5501
iii) Krishna Holdings Pte Ltd. (KHL)	100%	(42)

The expansion of the capacity of the grinding unit of BCF from 1.2 Million MT to 2.0 Million MT is expected to be completed by June '09.

BCF has incorporated three wholly owned subsidiaries viz.i) Riddhi Siddhi Trading (South Africa) (Proprietary) Ltd. ii) BC Trading (Mauritius) Ltd. iii) BC Tradelink Ltd., Tanzania, to explore possibilities of seed marketing of cement and setting up of cement grinding units.

For expansion of cement manufacturing capacity of SBRCC from 0.50 Million MT to 3.00 Million MT, the land acquisition and project design and engineering works are in progress.

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- 2 During the current period, the profitability of the Company has been affected primarily due to doubling of the cost of imported coal- a major cost component.

However, in the recent past, there has been a substantial reduction in the international prices of coal, which will have favourable impact on financial performance in the last quarter of 2008-09.
- 3 The installation of the second phase of 2x 22.3 MW power plants is slated to be completed by June 2009, as a result of which, the company will be self sufficient for its power requirements.
- 4 The company is in the process of adding one more cement grinding and packing plant at Binanigram at a cost of Rs.45 Crores to be completed by end of 2009, for achieving optimum product mix.
- 5 The company has signed an MOU with the Government of Gujarat for facilitation of approvals, allocation of limestone mines etc. for the greenfield project in Gujarat having 2.5 Million Tonne Clinker/Cement production capacity, for which financial closure has already been done. The project is expected to be completed by mid 2011.
- 6 Land acquisition and development work has been initiated for the lignite project at Nimbri Chandawatan, Rajasthan at a total project cost of Rs.100 Crores. Production from the mines is expected by end of 2009. The company has also decided to instal additional 25 MW power plant at the pit head to further reduce the cost of generation of power.
- 7 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) approved during the Financial Year 2004-05 is payable 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.
- 8 Major shutdown repairs, expenditure on brand building etc. aggregating to Rs.1210 lakhs have been deferred and further changes in these expenses if any, shall be expensed out evenly during the remaining period of the current year.
- 9 Other expenses include foreign exchange fluctuation loss of Rs.235.14 Lacs in the current quarter (previous quarter's gain Rs.46.58) and a loss of Rs.1173.46 Lacs in the current nine months period (previous period gain Rs.262.92). However, as per Company's policy, 50% of the foreign exchange exposure is hedged to avoid speculative gain or loss.
- 10 Deferred Tax will be provided at the end of the year.
- 11 For Interim account, gratuity liability has been taken on estimated basis and leave encashment liability on actual basis. The liability as per Actuarial valuation shall be provided at the year end.
- 12 The Company operates in a single segment i.e. "Production and sales of Cement and Clinker in India". During the period, the Company has exported Clinker amounting to Rs.1786 Lakhs which is less than 10% of the total revenue of the Company, hence does not constitute a separate geographical reportable segment. Except this, the Company's entire Cement/Clinker sales are in India. Hence no additional disclosure under Accounting Standard-17,"Segment Reporting" is required.
- 13 During the quarter, Murari Holdings Limited (an SPV) was incorporated in British Virgin Islands, as a wholly owned subsidiary of the Company for acquiring 51% of the beneficial interest in BCF in phases.
- 14 KHL has further invested RMB 90.07 million in SBRCC, resulting in increase in its shareholding from 70% to 81.26% of the paid up share capital of SBRCC, pending contribution by the local joint venture partner.
- 15 There were Nil complaints pending at the beginning of the quarter and during the quarter, the Company received 15 complaints from investors, all of which have been redressed.
- 16 The above results were reviewed by the Audit Committee at its meeting held on 29th January, 2009 and were taken on record and approved by the Board of Directors at its meeting held on 29th January, 2009.
- 17 The Statutory Auditors have conducted limited review of the above results of the Company as required by clause 41 of the listing agreement.
- 18 The Company has opted to publish quarterly stand alone results.
- 19 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 : 29th January 2009