



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

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2008

(Rs. in Lakhs)

	Particulars	Nine Months	Quarter	Quarter	Year	Year	Consolidated Results	
		ended	ended	ended	ended	ended	Year	Year
		31.12.2007	31.03.2008	31.03.2007	31.03.2008	31.03.2007	ended	ended
		Nine Months	Nine Months	(Unaudited)			31.03.2008	31.03.2007
		(Unaudited)	(Unaudited)	(Unaudited)				
1	Gross Sales	75,485	39,370	21,546	114,855	78,200	114,855	-
	Less Excise Duty	11,218	5,770	2,913	16,988	10,217	16,988	-
	Net Sales	64,267	33,600	18,633	97,867	67,983	97,867	-
2	Other Income	975	339	171	1,314	458	1,314	-
3	Total Income (1+2)	65,242	33,939	18,804	99,181	68,441	99,181	-
4	Expenditure							
	Process	(3,011)	(907)	(294)	(3,918)	(355)	(3,918)	-
	b) Consumption of Raw / Packing Materials	8,954	3,683	2,643	12,637	8,940	12,637	-
	c) Employees Cost	1,874	676	438	2,550	1,878	2,550	-
	d) Power and Fuel	13,852	9,704	3,463	23,556	14,203	23,556	-
	e) Freight and Transport	13,713	6,903	3,945	20,616	14,697	20,616	-
	f) Other Manufacturing Expenses	2,725	1,090	537	3,815	2,442	3,815	-
	g) Other Expenditure	2,977	2,251	1,430	5,228	3,371	5,227	-
	h) Total	41,084	23,400	12,162	64,484	45,176	64,483	-
5	Operating Profit before Interest and Depreciation (3-4)	24,158	10,539	6,642	34,697	23,265	34,698	-
6	Interest	3,120	1,527	850	4,647	3,262	4,647	-
7	Exceptional Items	-	-	-	-	-	-	-
8	Gross Profit before Tax(5-6-7)	21,038	9,012	5,792	30,050	20,003	30,051	-
9	Depreciation/Amortisation	3,801	1,766	1,110	5,567	4,346	5,567	-
10	Profit from Ordinary Activities before Tax ((8-9)	17,237	7,246	4,682	24,483	15,657	24,484	-
11	Tax Expenses							
	a) Current Tax (MAT)	1,948	822	524	2,770	1,753	2,770	-
	b) MAT Credit Entitlement	-	-	-	(4,359)	-	(4,359)	-
	c) Deferred Tax	-	-	1,602	8,440	4,312	8,440	-
	d) Fringe Benefit Tax	40	11	9	51	31	51	-
12	Net Profit after Tax but before Extraordinary Items (10-11)	15,249	6,413	2,547	17,581	9,561	17,582	-
13	Extraordinary Items (Net of Tax Expense)	-	-	-	-	-	-	-
14	Net Profit after Tax but before Minority Interest (12-13)	15,249	6,413	2,547	17,581	9,561	17,582	-
15	Minority Interest	-	-	-	-	-	-	-
16	Net Profit (14-15)	15,249	6,413	2,547	17,581	9,561	17,582	-
17	Paid up Equity Share Capital (Face Value per share Rs.10/-)	20,310	20,310	20,310	20,310	20,310	20,310	-
18	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year				21,454	9,813	21,728	-
19	Earnings per Share (EPS)							
	- Basic & Diluted before Extraordinary items (not annualised)	7.51	3.16	1.25	8.66	4.71	8.66	-
	- Basic & Diluted after Extraordinary items (not annualised)	7.51	3.16	1.25	8.66	4.71	8.66	-
20	Public Shareholding							
	- Number of Shares	71,275,318	71,275,318	#####	#####	#####	#####	-
	- Percentage of Shareholding	35.09%	35.09%	35.09%	35.09%	35.09%	35.09%	-

Notes:

- The Board of Directors of the Company have recommended declaration of dividend @25% (Rupees 2.50 per Equity Share) subject to requisite approval. The Register of Members will remain closed from 18th June '08 to 23rd June '08(both days inclusive) for the purpose of payment of
- Consequent Upon installation of the company's Split Cement grinding unit at Neem Ka Thana (NKT) on 31st March 2008 the cement capacity of the company has been increased to 6.0 Million Tonne per annum.
- The first phase of the two new 22.3 MW power plants has started generating power in March 2008 which meets about 85% of the power requirement of the Cement Plant at Sirohi. After commissioning of the second phase of the power plant of 22.3 MW slated in the second quarter of the current year, the total power requirements of the plant including the split grinding facility at NKT will be met.
- 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 to start in early 2009. The supply of lignite from the mines would facilitate reduction in cost of power from CPP.

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- 5 The Company has pursued two pronged Strategy of growth by expending its operations in India as also in China and Dubai. The Company has invested in 70 % of the paidup share capital of Shangdong Binani Rong'An Cement Company Ltd., China (SBRCC) through its wholly owned subsidiarv Krishna Holdings Pte Ltd. . Sinaapore (KHL).
- In March 2008, the Company has invested in 100% of the paid up Equity Share Capital of Mukundan Holdings Ltd., (MHL) a company registered in British Virgin Islands (BVI), a special purpose vehicle which has invested in 49% of the paid up Equity Share Capital of Binani Cement Factory LLC, Dubai (BCF) which is operating 1.2 Million Tonne slag and cement grinding facility in Jebel Ali, Dubai UAE. The capacity is being increased to 2
- In March 2008, MHL has also acquired 50% of paid up Equity Share Capital of KHL, making KHL a wholly owned subsidiary of the company.
- 6 Shandong Binani Rong'an Cement Co. Ltd. (SBRCC), a subsidiary of the company has embarked on expansion of its cement production capacity to 2.50 million MTPA.
- 7 The company has consolidated the accounts of its wholly owned subsidiary, Krishna Holdings Pte Ltd., Singapore (KHL). The financial statements of KHL was drawn as per requirements of Singapore Financial Reporting Standard (SFRC). The accounting period of KHL is from January to December. The parent company has considered the consolidated annual financial statements of KHL from 21st March, 2007 to 31st December, 2007. KHL is a special purpose vehicle for investments in (SBRCC).The financial statements of KHL for the financial year ended 31st December 2007 have taken into consideration only its share of profit (70%) in SBRCC as a line item in their Profit & Loss Account, treating SBRCC as an associate company instead of treating as a subsidiary company, which requires consolidation on line by line basis as per Accounting Standard on
- 8 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.
- 9 The company has accounted for Current Tax (MAT), Defererd Tax and MAT credit entitlement at the end of the year.
- 10 The Shareholders, at the EGM held on, 15th February, 2008, have approved the resolution for raising of funds in foreign currency upto US \$ 125 Million by way of FCCBs/GDRs/ADRs and/or any other instruments to inter-alia facilitate expansion of capacities and for overseas acquisition. Due to adverse capital market conditions, the company, for the time being, has decided not to proceed with the issue of FCCBs etc.
- 11 Liability for Gratuity and Leave Encashment have been provided as per actuarial valuation as per revised Accounting Standard 15 .
- 12 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 .
- 13 There were Nil complaints pending at the beginning of the quarter and during the quarter, the Company received 52 complaints from investors, all of which have been redressed.
- 14 The above results were reviewed by the Audit Committee at its meeting held on 21st April, 2008 and were taken on record and approved by the Board of Directors at its meeting held on 21st April, 2008.
- 15 This being the first year of Consolidation of the Company, there are no figures for the previous year.
- 16 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 : 21st April, 2008