

**BINANI INDUSTRIES 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 (PROVISIONAL) FOR THE QUARTER & NINE MONTHS ENDED 31ST DECEMBER, 2006**

Rs. Lakhs

Particulars	Quarter ended	Quarter ended	Nine Months ended	Nine Months ended	Year ended	Consolidated Results	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005	31.03.2006 (Audited)	Nine Months ended 31.12.2006	Year ended 31.03.2006 (Audited)
1 Gross Sales	-	5	22	26	47	111,826	86,072
Less Excise Duty on sales	-	-	5	1	5	14,138	12,878
Net Sales	-	5	17	25	42	97,688	73,194
2 Dividend and Interest Income	3	-	1014	2	2	422	79
3 Other Income	1	17	207	23	117	649	735
4 Expenditure							
a) (Increase)/decrease in stock in trade	-	92	-	95	95	(2,312)	(146)
b) Consumption of raw materials etc.	-	-	-	17	19	41,250	20,920
c) Staff Cost	18	6	52	18	31	2,923	3,343
d) Other manufacturing expenses	-	1	-	9	12	19,995	22,230
e) Other expenditure	49	33	136	119	136	14,796	12,689
Total Expenditure	67	132	188	258	293	76652	59036
5 Operating Profit/(Loss) before Interest and Depreciation (1+2+3-4)	(63)	(110)	1050	(208)	(132)	22107	14972
6 Interest & Financial charges	170	377	884	1,302	1847	4335	5,505
7 Gross Profit/(Loss) after interest but before Depreciation & Taxation (5-6)	(233)	(487)	166	(1510)	(1979)	17772	9467
8 Depreciation	12	26	55	80	106	4419	5,779
9 Profit / (Loss) before extra ordinary items & tax(7-8)	(245)	(513)	111	(1590)	(2085)	13353	3688
10 Extra Ordinary Items							
a) Loan / Interest for earlier years written back	-	-	1,222	827	1,107	2,088	1,107
b) Profit on sale of Investment in Equity shares in Subsidiary	-	3,510	11,043	3,510	3,510	11,043	3,510
c) Assets Written off on Impairment	-	(389)	-	(389)	(389)	-	(1,506)
d) Advances to subsidiary written off	-	-	-	-	(276)	-	-
e) Investment in Subsidiaries written off	-	(320)	(8,432)	(320)	(320)	(8,432)	-
f) Power charges of earlier years	-	-	-	-	-	(970)	-
11 Net Profit / (Loss) after extra ordinary items but before tax (9+10)	(245)	2,288	3,944	2,038	1,547	17,082	6,799
12 Provision for Taxation							
a) Current Tax (MAT)	442	-	442	-	61	1,953	562
b) Deferred Tax (net)	-	-	-	-	-	3,512	49
c) Fringe Benefit Tax	1	-	2	1	1	36	44
13 Net Profit / (Loss) after tax but before Minority Interest (11-12)	(688)	2288	3500	2037	1485	11581	6144
14 Minority Interest	-	-	-	-	-	2,595	1,043
15 Net Profit / (Loss) (13-14)	(688)	2288	3500	2037	1485	8986	5101
16 Paid up Equity Share Capital (Face Value per share Rs.10/-)	2962	2962	2962	2962	2,962	2,962	2,962
17 Reserves (excluding Revaluation Reserves)	-	-	-	-	19,660	-	19685
18 Earnings per share							
-Basic (not annualised)(Rs.)	(2.33)	7.73	11.83	6.88	5.02	30.36	17.24
-Diluted (not annualised)(Rs.)	(2.33)	7.73	11.83	6.88	5.02	30.36	17.24

**Notes:**

- The Company is holding company having subsidiaries which are in manufacturing activities. The company's main source of revenue is dividend from its subsidiaries.
- Unaudited Financial Results of the subsidiaries for the nine months ended 31st December,2006 are as follows :-

Profit before Tax (Rs.Lakhs)

i) Binani Cement Ltd. (BCL)	10975
ii) Binani Zinc Ltd (BZL)	2379
iii) Goa Glass Fibre Ltd. (GGFL)	73
iv) B T Composites Ltd. (BTCL) (after extra-ordinary income of Rs.866 lakhs)	704
v) Ess Vee Alloys Pvt. Ltd.	28

- The expansion project of BCL with captive power plant, increasing the production capacity from 2.25 Million Tonne per annum to 5.30 Million Tonne per annum will be commissioned in March, 07.
- During the current quarter, the Kerala State Pollution Control Board ordered the closure of plant of BZL on the ground of alleged pollution which was subsequently withdrawn. Alloy manufacturing plant of Binani Mazak Pvt. Ltd., a wholly owned subsidiary of BZL is scheduled to be installed in February, 2007. RBG Minerals Industries Limited, a wholly owned subsidiary of BZL is in an advanced stage of receiving mining leases.
- GGFL has achieved more than 100% utilisation of its expanded capacity during the current period.
- The name of Binani Lead Limited, a wholly owned subsidiary of the company, has been changed to Wada Industrial Estate Limited (WISL) with effect from 29th January,2007.

- 7 The Company has an investment of Rs. 979 lakhs in the Equity Shares and Preference Shares in and has given advances of Rs. 1393 lakhs to BTCL, a wholly owned subsidiary of the Company, which has accumulated losses of Rs. 1619 lakhs as on 31st December, 2006. BTCL is registered with BIFR as a sick company and IDBI Bank, Delhi was engaged to prepare the rehabilitation scheme for submission before the BIFR. BTCL is currently exploring possibilities of inducting strategic partner to bring in new technologies to have wider product range and better marketability, so as to ensure future viability.
- 8 In view of the Company's appeals pending before the Hon'ble High Court at Calcutta, against the demand of Rs. 135 lakhs being interest under section 234B & 234C of the Income Tax Act, 1961 on Minimum Alternate Tax, no provision has been made in the books of accounts.
- 9 Mr. Sushil Bhatnagar, Wholetime Director & Group CEO has been proposed to be appointed as Managing Director of the Company for a period of three years, with effect from 1st April, 2007.
- 10 The debit balance in Profit & Loss Account of Rs. 7828 lakhs (of the company) and Rs. 5287 lakhs (Consolidated) as on 31st March, 2006 have not been considered for adjustment against the Reserves of Rs. 19660 lakhs (of the company) and Rs. 19685 lakhs (Consolidated) as on that date since the same are not free reserves.
- 11 Since the Company is holding company and has insignificant manufacturing operations (upto 17th September, 2006). Segmental disclosure as per AS-17 of the Institute of Chartered Accountants of India is not applicable.
- 12 Draft Red Herring Prospectus was filed by BCL with Securities and Exchange Board of India (SEBI), Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) for the proposed offer for sale of 20,500,000 equity shares of Rs. 10/- each through 100% Book Building Process by JP Morgan Special Situations (Mauritius) Limited (formerly Silver Peak Investments (Mauritius) Limited), a shareholder of BCL.  
BSE and NSE have given in principle approval for listing of the equity shares of BCL after the issue. Approval of SEBI is awaited.
- 13 The Hon'ble High Court at Calcutta has approved the scheme of arrangement for swap of the equity shares of the company held by its shareholders with the equity shares of BCL and BZL held by the company. Formal order of the Hon'ble High Court is awaited. However, in view of the proposed offer for sale of shares of BCL, the swap scheme would be considered for implementation only after the lock-in period of one year as per SEBI Guidelines.
- 14 There were 32 investor complaints pending at the beginning of the quarter and during the quarter, the Company received 316 complaints from investors, out of which 344 complaints were disposed off, leaving 4 complaints unresolved at the end of the quarter.
- 15 The above results have been reviewed by the Audit Committee at their meeting held on 30th January, 2007 and were taken on record and approved by the Board of Directors at its meeting held on 31st January, 2007.
- 16 The statutory auditors have conducted limited review of the above results of the company as required by clause 41 of the listing agreement.
- 17 Figures of the previous period have been regrouped/recast as necessary.

By order of the Board  
For **BINANI INDUSTRIES LIMITED**

**BRAJ BINANI  
CHAIRMAN**

Place : Mumbai  
Date : 31st January, 2007