

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 FOR THE QUARTER ENDED 30TH JUNE, 2008

Rs. Lakhs

| Particulars | Quarter ended 30.06.2008 | Quarter ended 30.06.2007 | Year ended 31.03.2008 (Audited) |
|---|-----------------------------|-----------------------------|---|
| 1 Dividend and Interest Income | 3,313 | 2,637 | 2676 |
| 2 Fees for Management Services rendered | 281 | - | - |
| 3 Other Income | 1 | 115 | 117 |
| 4 Total Income (1+2+3) | 3595 | 2752 | 2793 |
| 5 Expenditure | | | |
| a) Employees Cost | 163 | 33 | 196 |
| b) Professional Fees | 206 | 26 | 72 |
| c) Administration Expenses | 185 | 55 | 282 |
| Total Expenditure | 554 | 114 | 550 |
| 6 Operating Profit (+)/ Loss (-) before Interest and Depreciation (4-5) | 3041 | 2638 | 2243 |
| 7 Interest | 189 | 173 | 707 |
| 8 Exceptional Items | - | - | - |
| 9 Profit (+)/ Loss (-) before Depreciation and Tax (6-7-8) | 2,852 | 2,465 | 1,536 |
| 10 Depreciation | 7 | 10 | 41 |
| 11 Profit (+)/ Loss (-) From Ordinary Activities Before Tax (9-10) | 2845 | 2455 | 1495 |
| 12 Tax Expenses | | | |
| a) Current Tax (MAT) | - | - | - |
| b) Fringe Benefit Tax | 3 | 1 | 2 |
| 13 Profit (+)/ Loss (-) From Ordinary Activities After Tax (11-12) | 2842 | 2454 | 1493 |
| 14 Extra Ordinary Items (net of tax expenses) | - | - | - |
| 15 Net Profit (+)/ Loss (-) for the period (13-14) | 2,842 | 2,454 | 1,493 |
| 16 Paid up Equity Share Capital (Face Value per share Rs.10/-) | 2,962 | 2,962 | 2,962 |
| 17 Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year | | | 19,660 |
| 18 Earnings Per Share (EPS) | | | |
| -Basic and Diluted EPS before extraordinary items (not annualised) (Rs.) | 9.60 | 8.29 | 5.04 |
| -Basic and Diluted EPS after extraordinary items (not annualised) (Rs.) | 9.60 | 8.29 | 5.04 |
| 19 Public Shareholding | | | |
| Number of Shares | 15758538 | 17275585 | 15883538 |
| Percentage of Shareholding | 53.24% | 58.37% | 53.67% |

Notes:

1 Unaudited Financial Results of the subsidiaries for the quarter ended 30th June, 2008 are as follows :

(Rs. In lakhs)

| | <u>Holding (%)</u> | <u>Profit/ (Loss) before Tax</u> |
|----------------------------------|--------------------|----------------------------------|
| i) Binani Cement Ltd. (BCL) | 64.91% | 6024 |
| ii) Binani Zinc Ltd (BZL) | 89.90% | 483 |
| iii) Goa Glass Fibre Ltd. (GGFL) | 100% | 87 |
| iv) B T Composites Ltd. (BTCL) | 100% | (13) |

Contd....2...

- 2 The Company is holding company having subsidiaries which are in manufacturing activities. With effect from April, 08 the company has started providing corporate support services to its subsidiaries.
- 3 During the current quarter, the profitability of BCL has been affected significantly due to steep increase in the costs of imported coal. The split grinding unit of BCL 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. In BCL, orders for the main Plant and Machinery for the 2.50 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.
- 4 The financial results of BZL are subject to wide fluctuations in LME prices of Zinc.
- 5 GGFL has finalised plans to increase its capacity from 10300 MTPA to 16000 MTPA which is expected to be completed by June, 2009.
- 6 Development work has been initiated in respect of the lignite mine allotted to BCL in the State of Rajasthan. Production from the mines is expected by 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.
- 7 In view of the Company's appeals pending before the Hon'ble High Court at Calcutta against interest charged on Minimum Alternate Tax under section 234B and 234C of the Income-tax Act, 1961 in the assessment for certain assessment years, no provision has been made in the books of accounts for an amount of Rs.139 lakhs (including interest of Rs.4 lakhs charged u/s 220(2) of the Income-tax Act, 1961).
- 8 The debit balance in Profit & Loss Account of Rs.6,464 lakhs as on 31st March, 08 as per Audited Accounts, which is subject to profit of the current quarter, have not been considered for adjustment against the Reserves of Rs.19,660 lakhs of the company as on that date since the same are not free reserves
- 9 The Company has sought the approval of the shareholders through postal ballot for enhancing the existing guarantee limit, for the loans availed of by the subsidiaries, from Rs. 2400 crores to Rs. 4000 crores.
- 10 There were 2 investor complaints pending at the beginning of the quarter and during the quarter, the Company received 79 complaints from investors and all the complaints were disposed off. There was no complaint unresolved at the end of the quarter.
- 11 The above results have been 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.
- 12 The Statutory Auditors have conducted limited review of the above results of the Company as required by clause 41 of the listing agreement.
- 13 The Company has opted to publish quarterly stand alone results.
- 14 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 : 28th July, 2008