

**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 CONSOLIDATED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER AND PERIOD (NINE MONTHS) ENDED 31ST DECEMBER, 2007**

Rs. Lakhs						
S.No.	Particulars	Quarter ended 31.12.2007	Quarter ended 31.12.2006	Period ended 31.12.2007	Period ended 31.12.2006	Year ended 31.03.2007 ( Audited )
1	Gross Sales	41,380	37,118	122,838	111,160	151,968
	Less Excise Duty	5,775	4,711	17,138	14,037	18,634
	Net Sales	35,605	32,407	105,700	97,123	133,334
2	Profit on Sale of Investment in Equity Shares in Subsidiary	-	-	-	11,043	11,043
3	Other Income	676	264	7,610	1,071	2,130
4	<b>Total Income (1+2+3)</b>	<b>36,281</b>	<b>32,671</b>	<b>113,310</b>	<b>109,237</b>	<b>146,507</b>
5	<b>Expenditure</b>					
	a) (Increase)/Decrease in Stock in Trade and Work in Progress	(2,332)	(2,431)	(3,160)	(2,847)	(306)
	b) Consumption of Raw Materials etc.	11,240	15,818	40,106	41,208	55,410
	c) Employees Cost	1,274	964	3,619	2,924	4,028
	d) Power and Fuel	7,885	5,306	19,473	16,094	21,418
	e) Other Manufacturing Expenses	2,044	1,890	5,195	3,901	5,237
	f) Freight and Transport	4,836	3,203	14,443	11,138	15,226
	g) Other Expenditure	1,434	1,302	4,405	3,657	5,700
	h) Total	26,381	26,052	84,081	76,075	106,713
6	<b>Operating Profit (+)/ Loss (-) before Interest and Depreciation (4-5)</b>	<b>9900</b>	<b>6619</b>	<b>29229</b>	<b>33162</b>	<b>39794</b>
7	Interest	1,963	1,396	4,797	4,336	6,050
8	<b>Profit (+)/ Loss (-) before Depreciation and Tax (6-7)</b>	<b>7,937</b>	<b>5,223</b>	<b>24,432</b>	<b>28,826</b>	<b>33,744</b>
9	Depreciation	1,956	1,473	4,988	4,419	5,925
10	<b>Profit (+)/ Loss (-) From Ordinary Activities Before Tax (8-9)</b>	<b>5981</b>	<b>3750</b>	<b>19444</b>	<b>24407</b>	<b>27819</b>
11	Tax Expenses					
	a) Current Tax (MAT)	720	427	2,007	2,733	3,118
	b) Deferred Tax (Net)	-	1,394	-	3,510	4,797
	c) Fringe Benefit Tax	23	14	56	36	52
12	<b>Profit (+)/ Loss (-) From Ordinary Activities After Tax (10-11)</b>	<b>5238</b>	<b>1915</b>	<b>17381</b>	<b>18128</b>	<b>19852</b>
13	Extra Ordinary Items (net of tax expenses)					
	a) Loan / Interest for earlier years written back	-	-	-	2,088	2,088
	b) Assets Written off on Impairment	-	-	-	-	(17)
	c) Power Charges of earlier years	-	-	-	(970)	(970)
	d) Tax Impact of extraordinary items	-	-	-	918	1,086
14	<b>Net Profit (+)/ Loss (-) before Minority Interest (12+13)</b>	<b>5,238</b>	<b>1,915</b>	<b>17,381</b>	<b>20,164</b>	<b>22,039</b>
15	Minority Interest	1,897	660	5,364	2,595	1,767
16	<b>Net Profit (+)/ Loss (-) for the period (14-15)</b>	<b>3,341</b>	<b>1,255</b>	<b>12,017</b>	<b>17,569</b>	<b>20,272</b>
17	Paid up Equity Share Capital (Face Value per share Rs.10/-)	2,962	2,962	2,962	2,962	2,962
18	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	23,185
19	<b>Earnings Per Share (EPS) (not annualised) (Rs.)</b>					
	-Basic and Diluted EPS before extraordinary items	11.29	4.24	40.60	52.19	60.81
	-Basic and Diluted EPS after extraordinary items	11.29	4.24	40.60	59.36	68.49
20	Public Shareholding					
	Number of Shares	15883538	17393546	15883538	17393546	17275585
	Percentage of Shareholding	53.67%	58.77%	53.67%	58.77%	58.37%

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## Report on Consolidated Segment revenue, Results and Capital Employed

Rs. Lakhs

S.No.	Particulars	Quarter ended 31.12.2007	Quarter ended 31.12.2006	Period ended 31.12.2007	Period ended 31.12.2006	Year ended 31.03.2007 ( Audited )
1)	<u>Segment Revenue (net of Excise Duty)</u>					
a)	Cement	23,535	16,625	65,176	49,542	68,332
b)	Zinc and By Products	10,434	13,957	38,740	42,050	58,018
c)	Glass Fibre	2,264	1,945	6,259	5,970	8,322
d)	Unallocated	48	144	3,135	11,675	11,835
	<b>Net Segment Revenue</b>	<b>36,281</b>	<b>32,671</b>	<b>113,310</b>	<b>109,237</b>	<b>146,507</b>
2)	<u>Segment Result (Profit before interest and tax)</u>					
a)	Cement	7,487	4,013	20,291	13,292	18,810
b)	Zinc and By Products	377	1,118	914	3,023	2,854
c)	Glass Fibre	178	(59)	312	877	859
	<b>Total</b>	<b>8,042</b>	<b>5,072</b>	<b>21,517</b>	<b>17,192</b>	<b>22,523</b>
	Less : (i) Interest	1,963	1,395	4,797	4,336	6,050
	Add: (i) Other un-allocable Income net of unallocable expenses	(98)	73	2,724	12,669	12,447
	<b>Total Profit Before Tax</b>	<b>5,981</b>	<b>3,750</b>	<b>19,444</b>	<b>25,525</b>	<b>28,920</b>
3)	<u>Capital Employed (Segment Assets - Segment Liabilities)</u>					
a)	Cement	115,391	94,989	115,391	94,989	101,582
b)	Zinc and By Products	8,921	10,216	8,921	10,216	9,179
c)	Glass Fibre	8,959	9,411	8,959	9,411	9,251
d)	Unallocated	(2,157)	(1,606)	(2,157)	(1,606)	(6,150)
	<b>Total</b>	<b>131,114</b>	<b>113,010</b>	<b>131,114</b>	<b>113,010</b>	<b>113,862</b>

## Notes:

- Consolidated Financial Results include results of subsidiaries viz., Binani Cement Limited (BCL), Binani Zinc Limited (BZL), Goa Glass Fibre Limited, B T Composites Limited, Wada Industrial Estate Limited, and wholly owned subsidiaries of Binani Zinc Limited. viz., ESS VEE Alloys Private Limited, R.B.G. Minerals Industries Limited and Binani Mazak Private Limited.
- The Board of Directors at its Meeting held on 19th January, 2008 has approved the proposal for issuance of 50,00,000 Warrants to the promoters and associates on a preferential basis, convertible into equal number of Equity Shares within a period of 18 months at a price not less than Rs.253.15 per share, under SEBI Guidelines for preferential issue subject to approvals.
- The Kiln and the Cement grinding unit of the expansion project at Binanigram commenced commercial production from 2nd October, 2007 and 6th December, 2007 respectively. Consequent to this the cement capacity of the BCL has been increased from 2.25 Million Tonne per annum to 4.50 Million Tonne per annum.  
The Spilt Cement grinding unit for the expansion project which is under installation at Neem ka Thana located in North Rajasthan is scheduled to be completed in the current quarter which will further increase the cement capacity to 6 Million Tonne per annum.
- Development work has been initiated in respect of the lignite mine allotted to the BCL 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.
- The Board of Directors of BCL, at its meeting held on 19th January, 2008, has approved raising of funds in foreign currency up to 125 million US Dollars by way of FCCBs/GDRs/ADRs and/or any other instruments to inter-alia facilitate expansion of capacities and for overseas acquisitions subject to all the necessary approvals.
- The financial results of BZL have been affected due to wide fluctuations in LME prices of Zinc and stronger rupee.
- 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 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 by BCL as negotiations were going on with IDBI for waiver of the same. As decided by IDBI, BCL is required to pay the said ZCL (carrying nil interest) in four annual instalments commencing from March 31, 2010 and ending on March 31, 2013. The same will be accounted for on actual payment basis.
- 9 Minimum Alternate Tax (MAT) credit entitlement in respect of MAT provided/ paid upto December, 2007 will be recognised and accounted at the end of the year alongwith provision for deferred tax.
- 10 Liability for Gratuity and Leave Encashment as on 1st April, 2007 as per actuarial valuation have been fully provided for as per revised Accounting Standard 15 .  
For Interim account, gratuity liability has been taken on estimated basis and leave encashment liability on actual basis.
- 11 The debit balance in Profit & Loss Account of Rs.3,099 lakhs as on 31st March, 07 as per Audited Accounts have not been considered for adjustment against the Reserves of Rs.23,185 lakhs as on that date since the same are not free reserves.
- 12 The above results have been reviewed by the Audit Committee at their meeting held on 30th January, 2008 and were taken on record and approved by the Board of Directors at its meeting held on 30th January, 2008.
- 13 The statutory auditors have conducted limited review of standalone results of the Company as required by clause 41 of the listing agreement .
- 14 Pursuant to the recent amendments to the Clause 41 of the Listing Agreement, the Company opted to publish only the consolidated results of the Company. Investors can view the standalone results of the Company on the Company's website [www.binani.com](http://www.binani.com) or on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)) or NSE ([www.nseindia.com](http://www.nseindia.com))
- 15 There were 4 complaints pending at the beginning of the quarter and during the quarter, the Company received 94 complaints from investors, out of which 93 complaints were disposed off, leaving 5 complaints unresolved at the end of the quarter.
- 16 Figures of the previous period have been regrouped/recast as necessary.

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

**BRAJ BINANI**  
**CHAIRMAN**

Place : Binanigram, Dist: Sirohi, Rajasthan  
Date : 30th January, 2008