

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

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2005

Rs. Lakhs

Consolidated Results

Particulars	Nine Months ended 31.12.2004	Quarter ended 31.03.2005	Quarter ended 31.03.2004	Year ended 31.03.2005	Year ended 31.03.2004	Consolidated Results	
						Year ended 31.03.2005	Year ended 31.03.2004
1 Gross Sales	1,244	7	841	1,251	2,294	79,926	71,514
Less Excise Duty on sales	3	0	2	3	4	12,444	11,939
Net Sales	1,241	7	839	1,248	2,290	67,482	59,575
2 Other Income	5	20	245	25	261	801	1,606
3 Expenditure							
a) (Increase)/decrease in stock in trade	38	(34)	3	4	(16)	130	(130)
b) Consumption of raw materials	1,058	3	673	1,061	1,991	18,385	15,587
c) Staff Cost	50	(17)	21	33	51	3,011	3,219
d) Other manufacturing expenses	15	(1)	9	14	25	22,022	18,959
e) Other expenditure	307	57	130	364	385	12,992	12,006
Total Expenditure	1,468	8	836	1,476	2,436	56,540	49,641
4 Operating Profit before Interest and Depreciation (1+2-3)	(222)	19	248	(203)	115	11,743	11,540
5 Interest & Financial charges (Net)	3,418	(114)	1,142	3,304	4,170	8,794	10,194
6 Gross (Loss)/Profit after interest but before Depreciation & Taxation (4-5)	(3,640)	133	(894)	(3,507)	(4,055)	2,949	1,346
7 Depreciation	(87)	(29)	(12)	(116)	(51)	(5,864)	(5,685)
8 Loss before extra ordinary item & Tax (6+7)	(3,727)	104	(906)	(3,623)	(4,106)	(2,915)	(4,339)
9 Advances to subsidiary written off	-	(866)	-	(866)	-	(866)	-
10 Loss after extra ordinary item but before Tax (8+9)	(3,727)	(762)	(906)	(4,489)	(4,106)	(3,781)	(4,339)
9 Provision for Taxation							
a) Current Tax	-	-	-	-	-	(74)	(53)
b) Deferred Tax (net)	-	-	-	-	-	(39)	(96)
c) Tax of earlier year written back	-	2	-	2	-	2	-
10 Net Loss after Tax (8+9)	(3,727)	(760)	(906)	(4,487)	(4,106)	(3,892)	(4,488)
11 Paid up Equity Share Capital (Face Value per share Rs.10/-)	2,962	2,962	2,962	2,962	2,962	2,962	2,962
12 Reserves (excluding Revaluation Reserves)				20535	20535	20860	20860
13 Earnings per share - Basic (not annualised)(Rs)	(12.59)	(2.57)	(3.06)	(15.16)	(13.87)	(13.15)	(15.16)
14 Earnings per share - Diluted (not annualised)(Rs)	(12.59)	(2.57)	(3.06)	(15.16)	(13.87)	(13.15)	(15.16)
15 Aggregate of non-promoters shareholding							
Number of shares				18839837	18934212		
Percentage of shareholding				63.66%	63.98%		

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- 5 The Board of Directors of BCL has approved hiving off of its investment division through a scheme of arrangement.
- 6 Binani Zinc Limited as part of its long-term strategy, plans to install a 25 MW captive Thermal Power Plant as well as enter into exploration of zinc ore in Gujarat / Rajasthan through its subsidiary RBG Minerals Industries Limited: details are under finalisation.
- 7 The Company has an investment of Rs. 978.85 lakhs in the Equity Shares and Preference Shares in and has given advances of Rs. 791.67 lakhs to BT Composites Limited (BTCL), a wholly owned subsidiary of the Company, which has accumulated losses of Rs. 1532.82 lakhs as on 31.03.2005. BTCL is registered with BIFR as a sick company and a rehabilitation scheme is under preparation for submission with BIFR. Further, BTCL has been negotiating with the lender for granting substantial relief by way of one time settlement of its outstanding dues. BTCL is also expected to improve its performance due to an anticipated increase in demand for its products in domestic and international markets and cost cutting measures under implementation.
In view of the above factors and having regard to the long term nature of the investment, management is of the view that there is no diminution in value other than temporary in the value of same.
- 8 During the year, Binani Lead Limited (BLL) has abandoned the Lead project as being unviable due to restrictions by the Government of India on import of Battery scrap coupled with reduction in customs duty on lead metal. Under the circumstances, advances of Rs. 866.17 lakhs given by the company to BLL has been written off as a measure of prudence.
The company's investment of Rs. 590.01 Lakhs in the equity share capital of BLL is largely covered by the value of other assets held by BLL and hence no provision is required to be made.
- 9 Against the Income Tax demand relating to past several years amounting to Rs. 6984.54 lakhs (Previous year Rs. 6984.54 lakhs) the company has received a favourable order from the CIT (A) allowing the appeal except for certain disallowance resulting in a demand of Rs. 126.28 lakhs only against which appeal has been filed before ITAT. Income Tax Liability of Rs.135 lakhs on account of interest u/s 234B & 234C on MAT liability has not been provided, since appeal is filed before the Hon'ble High Court at Calcutta.
- 10 The debit balance of Profit & Loss Account of Rs. 9681 lakhs as on 31.03.2005 has not been considered for adjustment against the Reserves of Rs. 20535 lakhs as on that date since they are not free reserves.
- 11 There were no investor complaints pending at the beginning of the quarter or lying unresolved at the end of the quarter. During the quarter, the Company received 65 complaints from investors which were disposed off except one complaint.
- 12 Consolidated Financial Results include results of subsidiaries viz., Binani Cement Ltd., Binani Zinc Ltd, Goa Glass Fibre Ltd. B.T. Composites Ltd., Binani Lead Ltd., and wholly owned subsidiaries of Binani Zinc Ltd. viz., ESS VEE Alloys Pvt. Ltd., and R.B.G. Minerals Industries Ltd.
- 13 The above results have been reviewed by the Audit Committee at their meeting and were taken on record and approved at the meeting of the Board of Directors held on 28th April 2005..
- 14 Figures of the previous quarter/ half year have been regrouped/ recast as necessary.

By order of the Board
For BINANI INDUSTRIES LIMITED

BRAJ BINANI
CHAIRMAN

Place : Mumbai
Date : 28th April 2005.