

**Limited Review Report**

To  
**The Board of Directors**  
**Binani Industries Limited**

1. We have reviewed the accompanying statement of unaudited financial results ("the statement") of **BINANI INDUSTRIES LIMITED ("the Company")** for the quarter ended December 31, 2013 except for the disclosures regarding 'Public Shareholding', 'Promoters and Promoters Group Shareholding' and investor complaints which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Engagements to Review Financial Information performed by Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. *The Company has deferred certain expenditure amounting to Rs.1,733.66 lakhs during quarter ended December 31, 2013 (Rs.11,874.17 lakhs till December 31, 2013, which includes Rs. 6544.51 lakhs of earlier year) classified as unamortized expenses incurred for holding current investment, which constitutes a departure from the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.*
4. Based on our review conducted as above, *subject to our observation in para 3 above*, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Kanu Doshi Associates**  
Chartered Accountants  
Firm Registration No: 104746W



**Manoj Kumar Pati**  
**Partner**  
Membership No.: 504536



Place : Mumbai  
Date : January 28, 2014

# Binani

BRAJ BINANI GROUP

BINANI INDUSTRIES LIMITED

Registered Office: 601, Axis Mall, 6th Floor, Block - C, Action Area - I, New Town, Rajarhat, Kolkata - 700 156, India

Corporate Office: Mercantile Chambers, 12 J.N.Heredia Marg, Ballard Estate, Mumbai 400 001

Statement of Unaudited Financial Results for the Quarter and Nine Months ended 31.12.2013

Rs. Lakhs

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2013	30.09.2013	31.12.2012	31.12.2013	31.12.2012	31.03.2013
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1 Income from Operations</b>						
(a) Fees for management services rendered	1,174	1,341	1,295	3,834	3,991	5,251
(b) Royalty income	1,939	1,914	2,003	5,751	6,055	12,677
<b>Total income from operations</b>	<b>3,113</b>	<b>3,255</b>	<b>3,298</b>	<b>9,585</b>	<b>10,046</b>	<b>17,928</b>
<b>2 Expenses</b>						
(a) Employee benefits expenses	699	818	749	2,370	2,196	2,889
(b) Advertisement and brand building expenses	1,711	1,407	1,417	4,065	3,466	4,853
(c) Royalty expenses	194	191	200	575	605	1,268
(d) Depreciation and amortisation expenses	29	28	34	84	86	119
(e) Other expenses	1,448	1,230	556	3,420	1,834	2,840
<b>Total Expenses</b>	<b>4,081</b>	<b>3,674</b>	<b>2,956</b>	<b>10,514</b>	<b>8,187</b>	<b>11,969</b>
<b>3 Profit/(Loss) from operations before other income, finance costs, exceptional and extraordinary items (1-2)</b>	<b>(968)</b>	<b>(419)</b>	<b>342</b>	<b>(929)</b>	<b>1,859</b>	<b>5,959</b>
<b>4 Other Income</b>	<b>331</b>	<b>314</b>	<b>229</b>	<b>887</b>	<b>534</b>	<b>806</b>
<b>5 Profit/(Loss) from ordinary activities before finance costs, exceptional and extraordinary items (3+4)</b>	<b>(637)</b>	<b>(105)</b>	<b>571</b>	<b>(42)</b>	<b>2,393</b>	<b>6,765</b>
<b>6 Finance costs (Refer Note No 2)</b>	<b>3,475</b>	<b>3,258</b>	<b>4,200</b>	<b>9,504</b>	<b>11,494</b>	<b>9,384</b>
<b>7 Profit/(Loss) from ordinary activities before exceptional and extraordinary items (5-6)</b>	<b>(4,112)</b>	<b>(3,363)</b>	<b>(3,629)</b>	<b>(9,546)</b>	<b>(9,101)</b>	<b>(2,619)</b>
<b>8 Exceptional Items (Net)</b>	<b>-</b>	<b>-</b>	<b>4,112</b>	<b>-</b>	<b>4,112</b>	<b>4,112</b>
<b>9 Profit/(Loss) from ordinary activities before tax and extraordinary items (7+8)</b>	<b>(4,112)</b>	<b>(3,363)</b>	<b>483</b>	<b>(9,546)</b>	<b>(4,989)</b>	<b>1,493</b>
<b>10 Tax Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>255</b>
<b>11 Net Profit/(Loss) from ordinary activities after tax but before extraordinary items (9-10)</b>	<b>(4,112)</b>	<b>(3,363)</b>	<b>483</b>	<b>(9,546)</b>	<b>(4,989)</b>	<b>1,238</b>
<b>12 Extraordinary Items (net of tax expenses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13 Net Profit/(Loss) for the period (11+12)</b>	<b>(4,112)</b>	<b>(3,363)</b>	<b>483</b>	<b>(9,546)</b>	<b>(4,989)</b>	<b>1,238</b>
<b>14 Paid up equity share capital (Face Value Rs.10 per share)</b>	<b>2,962</b>	<b>2,962</b>	<b>2,962</b>	<b>2,962</b>	<b>2,962</b>	<b>2,962</b>
<b>15 Reserves excluding Revaluation Reserves as per Balance Sheet at the year ended</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,857</b>
<b>16.i Earnings Per Share (of Rs. 10 each) (before extraordinary items) (Not Annualised):</b>						
(a) Basic	(13.89)	(11.36)	1.63	(32.25)	(16.86)	4.18
(b) Diluted	(13.89)	(11.36)	1.63	(32.25)	(16.86)	4.18
<b>16.ii Earnings Per Share (of Rs. 10 each) (after extraordinary items) (Not Annualised):</b>						
(a) Basic	(13.89)	(11.36)	1.63	(32.25)	(16.86)	4.18
(b) Diluted	(13.89)	(11.36)	1.63	(32.25)	(16.86)	4.18
<b>A PARTICULARS OF SHAREHOLDING</b>						
<b>1 Public Shareholding</b>						
- Number of Shares	14420621	14420621	14420621	14420621	14420621	14420621
- Percentage of Shareholding	48.73	48.73	48.73	48.73	48.73	48.73
<b>2 Promoters and Promoter Group Shareholding</b>						
a. Pledged/Encumbered	-	-	-	-	-	-
- Number of Shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
b. Non-encumbered						
- Number of Shares	15175804	15175804	15175804	15175804	15175804	15175804
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100	100	100
- Percentage of shares (as a % of the total share capital of the company)	51.27	51.27	51.27	51.27	51.27	51.27

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Particulars		Quarter ended 31.12.2013
B	<b>INVESTOR COMPLAINTS</b>	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	28
	Disposed off during the quarter	28
	Remaining unresolved at the end of the quarter	Nil

**Segment Reporting**

Particulars		Rs. Lakhs					
		Quarter ended			Nine Months ended		Year ended
		31.12.2013 (Unaudited)	30.09.2013 (Unaudited)	31.12.2012 (Unaudited)	31.12.2013 (Unaudited)	31.12.2012 (Unaudited)	31.03.2013 (Audited)
1)	<b>Segment Revenue</b>						
a)	Fees for Management Services rendered	1,174	1,341	1,295	3,834	3,991	5,251
b)	Royalty	1,939	1,914	2,003	5,751	6,055	12,677
c)	Interest income	327	310	226	876	524	791
d)	Unallocated	4	4	4,115	11	4,122	4,127
	<b>Total</b>	<b>3,444</b>	<b>3,569</b>	<b>7,639</b>	<b>10,472</b>	<b>14,692</b>	<b>22,846</b>
	Less : Inter Segment Revenue	-	-	-	-	-	-
	<b>Net Segment Revenue</b>	<b>3,444</b>	<b>3,569</b>	<b>7,639</b>	<b>10,472</b>	<b>14,692</b>	<b>22,846</b>
2)	<b>Segment Result</b>						
	Profit before tax, extraordinary and exceptional items	(4,112)	(3,363)	(3,629)	(9,546)	(9,101)	(2,619)
3)	<b>Capital Employed</b> (Segment Assets - Segment Liabilities)	<b>1,76,042</b>	<b>1,73,341</b>	<b>1,52,124</b>	<b>1,76,042</b>	<b>1,52,124</b>	<b>1,59,473</b>

**Notes:**

- The Company is a holding company having subsidiaries which are mainly in manufacturing activities. The company provides corporate support services and brand building promotion activities to its subsidiaries, from which company earns royalty and management fees.
- Finance Cost for the Nine Months ended 31st December 2013 and year ended 31st March 2013 exclude interest of Rs.5,329 Lakhs and Rs. 6,545 Lakhs respectively on borrowings for holding the current portion of Company's investment in its subsidiary Binani Cement Limited which have been included under other current assets. The Auditors in their limited review report have qualified the treatment of Rs.11,874 Lakhs upto December 2013 on this account, as being a departure from the Accounting Standards. The Company has classified the interest as unamortized expenditure and grouped under other current assets, since the economic benefits there from shall flow during the current financial year on divestment.
- BT Composites Ltd. (BTCL), a wholly owned subsidiary of the company, has discontinued its business operations from December 2013 in view of its continuing losses and accordingly, BTCL is in the process of disposing off its assets.
- The above results have been reviewed by the Audit Committee on 27th January, 2014, and were taken on record and approved by the Board of Directors at their meeting held on 28th January, 2014.
- The Statutory Auditors have conducted limited review of the standalone results of the Company for the Quarter ended 31st December, 2013 as required by clause 41 of the listing agreement.
- Investors can view the Financial Results of the Company at the Company's website [www.binani.com](http://www.binani.com) or at the websites of BSE ([www.bseindia.com](http://www.bseindia.com)) or NSE ([www.nseindia.com](http://www.nseindia.com)) or CSE ([www.cse-india.com](http://www.cse-india.com))
- Figures of the previous period/year have been regrouped / recast as necessary.

By order of the Board  
For BINANI INDUSTRIES LIMITED

  
BRAJ BINANI  
CHAIRMAN

Place : Mumbai  
Date : 28th January, 2014