



# BALASORE ALLOYS LIMITED

Regd. Office : Balgopalpur - 756020, Dist-Balasore, Odisha

## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2011

## SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Sl.	Particulars	(Rs. in lacs)					
		Quarter Ended			Nine Months Ended		
		31.12.11	30.09.11	31.12.10	31.12.11	31.12.10	31.03.11
Unaudited			Audited				
1.	a) Net Sales/Income from Operation	16,005.90	13,589.05	16,356.39	44,176.75	46,345.21	63,866.19
	b) Other Operating Income	84.80	199.05	174.86	491.71	613.21	834.18
	<b>Sub-total (a to b)</b>	<b>16,090.70</b>	<b>13,788.10</b>	<b>16,531.25</b>	<b>44,668.46</b>	<b>46,958.42</b>	<b>64,700.37</b>
2.	Expenditure						
	a) (Increase)/Decrease in Stock in Trade and Work in Progress	71.50	(126.71)	(557.89)	(292.98)	(300.05)	309.77
	b) Consumption of Raw Materials	5,407.39	5,955.99	6,262.45	17,228.41	16,276.79	22,332.74
	c) Purchase of Traded Goods	-	-	3,596.88	-	8,700.79	11,587.46
	d) Power & Fuel Cost	4,268.30	4,234.98	3,208.08	12,757.17	9,213.66	12,371.50
	e) Employees Cost	567.23	549.18	504.59	1,694.77	1,591.11	2,161.14
	f) Depreciation/Amortisation	393.40	399.87	371.75	1,183.28	1,105.38	1,545.68
	g) Other Expenditure	1,951.07	1,604.55	1,362.72	4,995.23	4,088.44	6,025.95
	<b>Sub-total (a to g)</b>	<b>12,658.89</b>	<b>12,617.86</b>	<b>14,748.58</b>	<b>37,565.88</b>	<b>40,676.12</b>	<b>56,334.24</b>
3.	Profit from Operations before Other Income, Interest, Prior Period Items & Taxes (1-2)	3,431.81	1,170.24	1,782.67	7,102.58	6,282.30	8,366.13
4.	Other Income	46.58	46.58	17.89	139.23	32.69	28.96
5.	Profit before Interest, Prior Period Items & Taxes (3-4)	3,478.39	1,216.82	1,800.56	7,241.81	6,314.99	8,395.09
6.	Interest	1,329.88	934.15	926.37	3,379.02	2,822.23	4,277.86
7.	Profit before Prior Period items & Taxes (5-6)	2,148.51	282.67	874.19	3,862.79	3,492.76	4,117.23
8.	Prior Period items (net)	-	-	-	-	-	38.44
9.	Profit from Ordinary Activities before Taxes (7-8)	2,148.51	282.67	874.19	3,862.79	3,492.76	4,078.79
10.	Tax Expenses						
	Current Tax	636.62	5.30	106.46	1,151.64	1,198.01	1,093.69
	For Prior Years	-	-	-	13.78	-	(16.93)
	Deferred Tax Charge/(Credit)	79.77	109.16	181.70	163.87	45.07	313.26
	Wealth Tax	-	-	-	-	0.23	0.23
11.	Net Profit for the Year / Period (9-10)	1,432.12	168.21	586.03	2,533.50	2,249.45	2,688.54
12.	Paid-Up Equity Share Capital (Equity Shares of Rs.5/each)	3,214.52	3,214.52	3,214.52	3,214.52	3,214.52	3,214.52
13.	Reserves excluding Revaluation Reserve as per Balance Sheet of previous Accounting Period						22,978.88
14.	Earning per Share (Not Annualised) Basic & Diluted	Rs. 2.23	0.26	0.91	3.94	3.50	*4.18
15.	Public Shareholding						
	- Number of Shares	34355225	34355225	34355385	34355225	34355385	34355225
	- Percentage of Shareholding	53.44	53.44	53.44	53.44	53.44	53.44
16.	Promoter & Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Number of Shares	14604790	14604790	14604790	14604790	14604790	14604790
	- Percentage of Shares (as a percentage of total share holding of Promoter & Promoter Group)	48.79	48.79	48.79	48.79	48.79	48.79
	- Percentage of Shares (as a percentage of total share capital of the Company)	22.72	22.72	22.72	22.72	22.72	22.72
	b) Non-Encumbered						
	- Number of Shares	15330396	15330396	15330236	15330396	15330236	15330396
	- Percentage of Shares (as a percentage of total share holding of Promoter & Promoter Group)	51.21	51.21	51.21	51.21	51.21	51.21
	- Percentage of Shares (as a percentage of total share capital of the Company)	23.84	23.84	23.84	23.84	23.84	23.84

\*Annualised

Sl.	Particulars	(Rs. in lacs)					
		Quarter Ended			Nine Months Ended		
		31.12.11	30.09.11	31.12.10	31.12.11	31.12.10	31.03.11
Unaudited			Audited				
1.	<b>Segment Revenue (Net of Excise Duty)</b>						
	a) Manufacturing Operation	16,005.90	13,589.05	12,671.05	44,176.75	37,411.19	51,813.34
	b) Trading Operation	-	-	3,685.34	-	8,934.02	12,052.85
	<b>Total</b>	<b>16,005.90</b>	<b>13,589.05</b>	<b>16,356.39</b>	<b>44,176.75</b>	<b>46,345.21</b>	<b>63,866.19</b>
	Less : Inter Segment Revenue	-	-	-	-	-	-
	<b>Net Sales / Income From Operations</b>	<b>16,005.90</b>	<b>13,589.05</b>	<b>16,356.39</b>	<b>44,176.75</b>	<b>46,345.21</b>	<b>63,866.19</b>
2.	<b>Segment Results</b>						
	a) Manufacturing Operation	3,725.68	1,451.54	1,728.75	7,815.10	6,122.37	8,719.86
	b) Trading Operation	(10.38)	(10.32)	31.40	(31.36)	105.37	305.60
	<b>Total</b>	<b>3,715.30</b>	<b>1,441.22</b>	<b>1,760.15</b>	<b>7,783.74</b>	<b>6,227.74</b>	<b>9,025.46</b>
	i) Interest (net)	(1,407.99)	(1,010.46)	(810.77)	(3,475.26)	(2,453.11)	(4,552.96)
	ii) Unallocable expenditure net of income	(158.80)	(148.09)	(75.19)	(445.69)	(281.87)	(308.71)
	<b>Total Profit before tax</b>	<b>2,148.51</b>	<b>282.67</b>	<b>874.19</b>	<b>3,862.79</b>	<b>3,492.76</b>	<b>4,078.79</b>
3.	<b>Capital Employed</b>						
	a) Manufacturing Operation	114,818.96	114,791.46	115,243.84	114,818.96	115,243.84	115,887.31
	b) Trading Operation	(6,030.93)	(6,017.50)	(3,527.54)	(6,030.93)	(3,527.54)	(3,915.74)
	c) Unallocated	(13,239.51)	(13,094.11)	(13,695.05)	(13,239.51)	(13,695.05)	(14,606.72)
	<b>Total</b>	<b>95,548.52</b>	<b>95,679.85</b>	<b>98,021.25</b>	<b>95,548.52</b>	<b>98,021.25</b>	<b>97,364.85</b>

### Notes:

- There was no Exceptional / Extraordinary items during the respective periods reported above.
- The Auditor's in their audit report on the Company's accounts for the year ended 31st March, 2011, and review report on the Company's financial results for the quarter ended 30th September, 2011 had expressed their inability to ascertain the impact, if any, on the Company's result, arising out of the following:
  - In respect of advances of Rs.500 lacs as at 31st March, 2011 (Rs.500 lacs as on 30th September, 2011), against which supply of materials is pending beyond the stipulated delivery schedule. The Company has since received the materials and the balances stands adjusted.
  - North Eastern Electricity Supply Company of Orissa Limited (NESCO) has revoked the waiver of dues granted under a settlement in an earlier year and raised claim for Rs.9,874.34 lacs up to 31st March, 2011 (Rs.10,483.67 lacs up to 30th September, 2011) (including delayed payment surcharge). The Company has made necessary representation to NESCO and also referred the matter in Court based on fresh demands from NESCO. Pending such, no provision has been made towards above demand.
- The Auditor's in their review report on the Company's financial results for the quarter ended 30th September, 2011, has expressed qualified conclusion and indicated the consequential impact on the profit for the quarter for the following matter:
 

The Company has approached its lenders to exit from Corporate Debt Restructuring (CDR) Scheme sanctioned in earlier years and have started payment of recompense amount quantified at Rs.3020 lacs for the period up to 31st March, 2007. The recompense amount for the period from 1st April, 2007 to till date has not been worked out. The management is in discussion with its lenders, and is hopeful to determine the final liability towards such recompensation for the period covered under CDR by the year end. The Company has paid Rs.252 lacs towards above and charged off the same during the quarter.
- The Auditor's in their audit report on the Company's accounts for the year ended 31st March, 2011, and review report on the Company's financial results for the quarter ended 30th September, 2011 had drawn attention to loans of Rs.962.00 lacs (Rs.962 lacs as on 30th September, 2011) and interest receivable of Rs.585.79 lacs (Rs.543.13 lacs as on 30th September, 2011) which were overdue and pending confirmation. The Company has made provision for interest receivable of Rs.42.66 lacs in respect of loans where no principal amount is outstanding in earlier quarter. The management is pursuing the matter with the parties and is hopeful to recover the above balances.
- The position of investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 31st December, 2011 is:- Opening - Nil, Received - 110, Cleared - 110, and Closing - Nil.
- The Board in its meeting held on 14th February, 2012 has decided to issue up to 66,00,000 convertible equity warrants to its promoter group companies on preferential basis as per SEBI guidelines subject to necessary statutory compliances / approvals.
- The above financial results for the quarter ended 31st December, 2011 were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14th February, 2012.
- Previous periods figures have been regrouped / rearranged wherever considered necessary to make them comparable.

Place : Kolkata

Date : 14th February, 2012

For and on behalf of the Board  
R.K. Parakh  
Director (Finance)