



# BALASORE ALLOYS LIMITED

Regd. Office : Balgopalpur - 756 020, Dist. Balasore, Orissa

## AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2009

(Rs.in lacs)

Sl. No.	Particulars	9 months ended	3 months ended		12 months ended	15 months ended	Consolidated Financial Results for 12 months ended 31.03.09
		31.12.2008	31.03.2009	31.03.2008	31.03.2009	31.03.2008	
		UNAUDITED	UNAUDITED		AUDITED		AUDITED
1	a) Net Sales/Income from Operations	52708.80	11164.63	14500.56	63873.43	53085.62	63873.43
	b) Other Operating Income	644.21	479.41	76.95	1123.62	1071.69	1123.63
	Sub-total (a+b)	53353.01	11644.04	14577.51	64997.05	54157.31	64997.06
2	Expenditure						
	a) (Increase) / Decrease in Stocks-in-Trade and Work-in-Progress	226.27	(966.50)	(26.57)	(740.23)	(525.73)	(740.23)
	b) Consumption of Raw Materials	23638.30	5678.57	5759.74	29316.87	20828.19	29316.87
	c) Purchase of Traded Goods	1,113.06	2428.42	-	3541.48	-	3541.48
	d) Power & Fuel Cost	7627.49	2374.24	3829.63	10001.73	12422.22	10001.73
	e) Employees Cost	1310.82	386.04	572.04	1696.86	1950.28	1696.86
	f) Depreciation	889.79	295.60	325.10	1185.39	1836.74	1185.39
	g) Loss on Foreign Exchange Fluctuation / Forward Exchange Contract (Net)	4909.67	1165.92	-	6075.59	-	6075.59
	h) Other Expenditure	7531.57	1225.71	2586.17	8757.28	9792.77	8760.97
	Sub-total	47246.97	12588.00	13046.11	59834.97	46304.47	59838.66
3	Profit / (Loss) from Operations before Other Income, Interest, Prior Period Items & Taxes (1-2)	6106.04	(943.96)	1531.40	5162.08	7852.84	5158.40
4	Other Income	-	-	-	-	114.82	-
5	Profit / (Loss) before Interest, Prior Period Items & Taxes (3-4)	6106.04	(943.96)	1531.40	5162.08	7967.66	5158.40
6	Interest	3359.91	732.19	446.11	4092.10	2789.08	4092.10
7	Profit / (Loss) before Prior Period Items & Taxes (5-6)	2746.13	(1676.15)	1085.29	1069.98	5178.58	1066.30
8	Prior Period Items (net)	-	361.83	61.75	361.83	61.75	361.83
9	Profit / (Loss) from Ordinary Activities before Taxes (7-8)	2746.13	(2037.98)	1023.54	708.15	5116.83	704.47
10	Tax Expenses						
	- Current Tax	658.71	(582.19)	225.03	76.52	540.93	76.52
	- For Prior Years	146.97	8.72	-	155.69	-	155.69
	- Mat Credit Entitlement	-	(170.93)	(625.00)	(170.93)	(625.00)	(170.93)
	- Deferred Tax	394.05	120.54	549.21	514.59	1822.79	514.59
	- Fringe Benefit Tax	37.59	1.10	18.62	38.69	49.00	38.69
11	Net Profit / (Loss) from Ordinary Activities after Tax but before share of loss of Associate	1508.81	(1415.22)	855.68	93.59	3329.11	89.91
12	Share of Loss of Associate	-	-	-	-	-	0.85
13	Net Profit/(Loss) for the year/period (11-12)	1508.81	(1415.22)	855.68	93.59	3329.11	89.06
14	Paid-Up Equity Share Capital (Equity Shares of Rs.5/- each)	3214.52	3214.52	3214.52	3214.52	3214.52	3214.52
15	Reserves excluding Revaluation Reserve as per Balance Sheet of previous Accounting Period	-	-	-	20806.03	22866.99	21081.49
16	Earning per Share (Not Annualised)						
	- Basic	Rs 2.35	(2.20)	1.34	0.15	5.36	0.15
	- Diluted	Rs 2.32	(2.20)	1.33	0.14	5.35	0.14
17	Public Shareholding						
	- Number of Shares	34473675	34473675	34525625	34473675	34525625	
	- Percentage of Shareholding	53.62	53.62	53.70	53.62	53.70	
18	Promoter & Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Number of Shares	14604790	14604790	14604790	14604790	14604790	
	- Percentage of Shares ( as a percentage of total shareholding of Promoter & Promoter Group)	48.98	48.98	49.07	48.98	49.07	
	- Percentage of Shares( as a percentage of total share capital of the Company)	22.72	22.72	22.72	22.72	22.72	
	b) Non-Encumbered						
	- Number of Share	15211946	15211946	15159996	15211946	15159996	
	- Percentage of Shares (as a percentage of total shareholding of Promoter & Promoter Group)	51.02	51.02	50.93	51.02	50.93	
	- Percentage of Shares( as a percentage of total share capital of the Company)	23.66	23.66	23.58	23.66	23.58	

### Notes :

- The Company has only one business segment "Ferro Alloys".
- Depreciation for the quarter and year ended 31st March, 2009 is net of Rs. 333.21 and Rs. 1353.12 lacs respectively being the amount of additional depreciation on revalued assets which has been appropriated from General Reserve.
- Consumption of raw materials includes Rs.1666.06 lacs (Rs. 441.86 lacs for the quarter) being the value of raw material inventory written down during the year in line with the requirement of Accounting Standard 2 'Valuation of Inventory', to consider them at the current net realisable value.
- 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, 2009 have expressed their inability to ascertain the impact, if any, on the Company's profit, arising out of the following :
  - MAT credit entitlement recognised in the accounts of Rs. 795.92 lacs (Rs. 625 lacs as on 31st March, 2008). The company, based on the future profitability projections, is certain that there would be sufficient taxable income in the future to claim the above tax credit. The matter was also referred by the Auditors in their audit report for the period ended 31st March 2008.
  - In respect of advances of Rs.735 lacs, against which supply of materials is pending beyond the stipulated delivery schedule, the management is pursuing the parties for refund/supply of materials. The matter was also referred by the Auditors in their audit report for the period ended 31st March 2008 for the advances of Rs. 1107 lacs and limited review report for the quarter ended 31st December, 2008 for Rs. 1763 lacs.
- The position of investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 31st March, 2009 is as follows:-  
Opening- nil, Received -14, Cleared -14 and Closing - nil.
- The Corporate Debt Restructuring Empowered Group has approved the loan restructuring scheme for the Company whereby the interest rates applicable to certain borrowings have been reduced effective from 30th April 2009, repayment schedule of existing term loans has been reset and irregular portion of Working Capital Facilities has been regularised by creation of new term loans. The lenders will, however, have the right to re-compensate for sacrifice made by them under the scheme.
- Balasore Alloys has received the following Awards for the year 2008-09.
  - Award for Excellence in "CONSISTENT TPM COMMITMENT"- 2008 by JIPM, Japan.
  - We have received EEPC's Award for last Seventeen consecutive years & this year we have been awarded the most prestigious Gold Trophy for being top exporter in Ferro Alloys from Eastern Region.
  - Company's Chromote mines has been awarded Seven number of prizes, highest among Metallik Ferrous mines under DGMS, Bhubaneswar, during annual mines safety week celebration in Feb' 09
- The financial results for the year have been adversely affected due to significant depreciation in the value of Indian Rupee against various foreign currencies owing to abnormal financial conditions prevailing globally. The resultant loss for the year on this account is Rs. 6075.59 lacs (including Rs. 1165.92 lacs for the quarter).
- The impact of allotment of Equity Shares against "Application Money towards Equity Warrants" on Earning per Share is anti-dilutive and hence not considered for computation of Diluted Earning per Share
- The Company has prepared its consolidated financial statement for the first time as the subsidiary company was acquired during the year.  
Hence, comparative consolidated information relating to previous year has not been furnished.
- Previous period figures have been regrouped/rearranged wherever considered necessary. The current year's figures being for twelve months are not comparable with previous periods' figures, which are for fifteen months.
- The above financial results for the quarter/year ended 31st March, 2009 were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 24th July, 2009.

For & on behalf of the Board  
R. K. Jena  
(Managing Director)

Place : Kolkata  
Dated : 24th July, 2009