

BALMER LAWRIE & CO. LTD.

[A Government of India Enterprise]

Regd. Office : 21, Netaji Subhas Road, Kolkata - 700001

Audited Financial Results for the Three Months Ended 31st March, 2010

Rs. in Crores

| | Unaudited | | Audited | |
|---|------------------------------------|------------------------------------|--|--|
| | Quarter ended <u>31.03.2010</u> | Quarter ended <u>31.03.2009</u> | Twelve months ended <u>31.03.2010</u> | Twelve months ended <u>31.03.2009</u> |
| 1. Net Sales/Income from Operations | 434.05 | 377.89 | 1638.02 | 1656.96 |
| 2. <u>Expenditure</u> | | | | |
| (a) (Increase)/Decrease in Stock in and Work-in-Progress | (0.78) | 1.80 | (5.30) | (0.02) |
| (b) Consumption of Raw Materials | 328.17 | 273.37 | 1254.88 | 1305.44 |
| (c) Purchase of Traded Goods | 1.50 | - | 1.50 | 1.52 |
| (d) Employees Cost | 35.12 | 38.37 | 118.00 | 101.24 |
| (e) Depreciation | 3.03 | 2.45 | 11.61 | 10.52 |
| (f) Other Expenditure | 43.32 | 36.85 | 136.37 | 121.13 |
| (g) Total | 410.36 | 352.84 | 1517.06 | 1539.83 |
| 3. Profit from Operations before Other Interest & Exceptional Items (1-2) | 23.69 | 25.05 | 120.96 | 117.13 |
| 4. Other Income | 6.99 | 17.60 | 34.57 | 39.61 |
| 5. Profit before Interest & Exceptional Items (3+4) | 30.68 | 42.65 | 155.53 | 156.74 |
| 6. Interest | 0.88 | 2.02 | 2.55 | 5.18 |
| 7. Profit after Interest but before Exceptional Items (5-6) | 29.80 | 40.63 | 152.98 | 151.56 |
| 8. Exceptional Items | - | - | - | - |
| 9. Profit(+)/Loss(-) from ordinary activities before Tax (7-8) | 29.80 | 40.63 | 152.98 | 151.56 |
| 10 Tax Expense | (5.56) | 12.65 | 35.69 | 49.95 |
| 11 Net Profit(+)/Loss(-) from Ordinary Activities after Tax [9-10] | 35.36 | 27.98 | 117.29 | 101.61 |
| 12 Extraordinary Items (net of Tax exp | - | - | - | - |

| | | | | |
|--|-------------|-------------|-------------|-------------|
| 13 Net Profit(+)/Loss(-) for the period | 35.36 | 27.98 | 117.29 | 101.61 |
| 14 Paid-up Equity Share Capital (Face Value per share - Rs. 10/-) | 16.29 | 16.29 | 16.29 | 16.29 |
| 15 Reserves excluding Revaluation Reserves | | | 445.67 | 372.06 |
| 16 Earnings per Share (Rs.) [Not annualised] | | | | |
| (a) Basic & Diluted EPS before Extr | 21.71 | 17.18 | 72.02 | 62.39 |
| (b) Basic & Diluted EPS after Extra | 21.71 | 17.18 | 72.02 | 62.39 |
| 17 Public Shareholding (*) | | | | |
| - Number of Shares | 62,21,381 | 62,21,381 | 62,21,381 | 62,21,381 |
| - Percentage of Shareholding | 38.20% | 38.20% | 38.20% | 38.20% |
| 18 Promoters and Promoter Group Shareholding (\$) | | | | |
| a) Pledged/Encumbered | | | | |
| - Number of Shares | - | - | - | - |
| - Percentage of Shares (as a % shareholding of Promoter and Promoter Group) | - | - | - | - |
| - Percentage of Shares (as a % total share capital of the Company) | - | - | - | - |
| b) Non-encumbered | | | | |
| - Number of Shares | 1,00,64,700 | 1,00,64,700 | 1,00,64,700 | 1,00,64,700 |
| - Percentage of Shares (as a % shareholding of Promoter and Promoter Group) | 100% | 100% | 100% | 100% |
| - Percentage of Shares (as a % total share capital of the Company) | 61.80% | 61.80% | 61.80% | 61.80% |

(*) Excludes 61.8% shares held by Balmer Lawrie Investments Ltd. (BLIL) which is a Government Company.

(\$) In respect of shares held by BLIL.

Notes :

(i) Previous period / year's figures have been re-grouped / re-arranged wherever necessary.

(ii) Net Sales/Income from Operations excludes Excise Duty.

(ii) The above results including Segment Reporting and Consolidated Financial Results have been approved by the Board of Directors at its meeting held on 29 July, 2010.

(iv) The statement of Assets and Liabilities as required under clause-41(V)(h) of the Listing Agreement is as under :

Rs./Crores

| Audited | |
|------------|------------|
| As at | As at |
| 31.03.2010 | 31.03.2009 |

| | | |
|--|------------|------------|
| Shareholders' Funds | | |
| (a) Capital | 16 | 16 |
| (b) Reserves and Surplus | 446 | 372 |
| Loan Funds | - | - |
| Deferred Tax | 11 | 6 |
| Total | 473 | 394 |
| Fixed Assets | 197 | 173 |
| Investments | 44 | 50 |
| Current Assets, Loans and Advances | | |
| (a) Inventories | 92 | 79 |
| (b) Sundry Debtors | 245 | 234 |
| (c) Cash and Bank Balances | 267 | 249 |
| (d) Loans and Advances | 90 | 68 |
| Less : Current Liabilities and Provisions | | |
| (a) Liabilities | 374 | 344 |
| (b) Provisions | 88 | 115 |
| Total | 473 | 394 |

(v) The audited accounts are subject to review by the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956.

(vi) The statutory auditors have opined that the present internal audit system as conducted in a phased manner is generally commensurate with the size and nature of the Company's business, but the same needs to be further strengthened with regard to widening the coverage of various areas like investments made and its follow-up and sale against verbal orders.

Management Reply :

Scope of Internal Audit was strengthened during the year and was considered to be fairly adequate. However, the Company, as a routine practice, reviews its Internal Audit Programme on a yearly basis and effects modifications/improvements as deemed fit. The observations of the statutory auditors will be duly considered during such review.

(The statutory auditor has opined that during the course of their audit, they had not come across any instance of fraud on or by the Company. However, an instance of accounting fraud/manipulation committed on a Joint Venture Company was detected during 2009-10 which has resulted in provision of Rs.11.65 crores been made in the Accounts of the Company.

Management Reply :

The Joint Venture Company has taken necessary corrective and administrative actions and relevant adjustments have been effected in the financial results of the Company in terms of Accounting Standard - 13.

(vi) The Board of Directors has recommended a dividend @ Rs.23/- per equity share for the financial year ended 31 March, 2010.

(vi) The un-audited financial results for this quarter after limited review by the Statutory Auditors was submitted to the Stock Exchange on 14th May, 2010. Variations between such un-audited results and the audited results is within the prescribed range.