

# KANANI INDUSTRIES LIMITED

R.O. : G-6, PRASAD CHAMBERS, TATA ROAD NO.2, OPERA HOUSE, MUMBAI- 400 004.

STATEMENT OF STANDALONE/CONSOLIDATED AUDITED FINANCIAL RESULT FOR THE QUARTER/YEAR ENDED 31 ST MARCH, 2013

(₹ in lacs)

| Particulars  | Standalone Result<br>Quarter Ended |                         |                       | Standalone Result<br>Year Ended |                       | Consolidated Result<br>Year Ended |                       |
|--|------------------------------------|-------------------------|-----------------------|---------------------------------|-----------------------|-----------------------------------|-----------------------|
|  | 31.03.2013<br>Audited              | 31.12.2012<br>Unaudited | 31.03.2012<br>Audited | 31.03.2013<br>Audited           | 31.03.2012<br>Audited | 31.03.2013<br>Audited             | 31.03.2012<br>Audited |
|  | <b>1. Income</b>                   |                         |                       |                                 |                       |                                   |                       |
| a. Sales/ Income from Operation  | 2,468.55                           | 1,600.68                | 3,173.50              | 7,763.04                        | 14,026.89             | 29,205.62                         | 16,555.09             |
| b. Other Operating Income  | -                                  | -                       | -                     | -                               | -                     | -                                 | -                     |
| <b>Total Income</b>  | <b>2,468.55</b>                    | <b>1,600.68</b>         | <b>3,173.50</b>       | <b>7,763.04</b>                 | <b>14,026.89</b>      | <b>29,205.62</b>                  | <b>16,555.09</b>      |
| <b>2. Expenditure</b>  |                                    |                         |                       |                                 |                       |                                   |                       |
| a. Cost of Raw Material Consumed   | 2,688.28                           | 1,136.69                | 2,830.41              | 7,882.37                        | 13,243.29             | 7,882.37                          | 13,243.29             |
| b. Purchase of Stock-in-trade  | -                                  | -                       | -                     | -                               | -                     | 21,786.65                         | 3,095.66              |
| c. Changes in inventories of finished goods, Work-in progress and stock-in trade               | (241.67)                           | 439.74                  | 101.44                | (241.67)                        | 378.21                | (681.07)                          | (247.20)              |
| d. Employees Cost  | 9.54                               | 8.68                    | 9.69                  | 36.06                           | 49.95                 | 36.06                             | 48.70                 |
| e. Depreciation  | 2.76                               | 2.76                    | 3.05                  | 11.03                           | 12.19                 | 11.03                             | 12.19                 |
| f. Other Expenses  | 4.55                               | 6.46                    | 13.92                 | 23.69                           | 30.58                 | 32.90                             | 45.18                 |
| <b>Total Expenses</b>  | <b>2,463.45</b>                    | <b>1,594.32</b>         | <b>2,958.50</b>       | <b>7,711.48</b>                 | <b>13,714.22</b>      | <b>29,067.94</b>                  | <b>16,197.82</b>      |
| <b>3. Profit from operations before Other Income, finance cost and Exceptional Items (1-2)</b> | <b>5.09</b>                        | <b>6.35</b>             | <b>215.00</b>         | <b>51.56</b>                    | <b>312.67</b>         | <b>137.68</b>                     | <b>357.26</b>         |
| 4. Other Income  | (10.39)                            | 29.05                   | (262.39)              | 119.18                          | (50.77)               | 119.18                            | (50.77)               |
| <b>5. Profit from ordinary activities before finance cost (3-4)</b>                            | <b>(5.30)</b>                      | <b>35.40</b>            | <b>(47.39)</b>        | <b>170.74</b>                   | <b>261.90</b>         | <b>256.86</b>                     | <b>306.51</b>         |
| 6. Finance Cost (Net)  | 15.47                              | 13.78                   | 105.30                | 152.69                          | 237.42                | 152.69                            | 231.88                |
| <b>7. Profit from ordinary activities after finance cost (5-6)</b>                             | <b>(20.77)</b>                     | <b>21.62</b>            | <b>(152.69)</b>       | <b>18.05</b>                    | <b>24.48</b>          | <b>104.17</b>                     | <b>74.63</b>          |
| 8. Exceptional Items (Net)   | -                                  | -                       | -                     | -                               | -                     | -                                 | -                     |
| <b>9. Profit from Ordinary Activities before tax (7-8)</b>                                     | <b>(20.77)</b>                     | <b>21.62</b>            | <b>(152.69)</b>       | <b>18.05</b>                    | <b>24.48</b>          | <b>104.17</b>                     | <b>74.63</b>          |
| 10. Tax Expenses   |                                    |                         |                       |                                 |                       |                                   |                       |
| - Current Tax  | 3.60                               | -                       | -                     | 3.60                            | 4.75                  | 8.26                              | 6.55                  |
| - Tax for earlier years  | -                                  | -                       | -                     | -                               | 0.00                  | -                                 | 0.00                  |
| <b>11. Net profit from ordinary activities after tax (9-10)</b>                                | <b>(24.37)</b>                     | <b>21.62</b>            | <b>(152.69)</b>       | <b>14.45</b>                    | <b>19.73</b>          | <b>95.90</b>                      | <b>68.08</b>          |
| 12. Paid up Equity Share Capital (Face Value of Rs.₹ 1/- each; Previous Year: ₹.5/-)           | 989.34                             | 899.40                  | 899.40                | 989.34                          | 899.40                | 989.34                            | 899.40                |
| <b>13. Reserve excluding Revaluation Reserves</b>  |                                    |                         |                       | <b>3,023.77</b>                 | <b>3,099.26</b>       | <b>3,167.90</b>                   | <b>3,081.51</b>       |
| <b>14. Earning per share (Basic &amp; Diluted) (Face Value of ₹ 1/- per Share)</b>             | <b>(0.02)</b>                      | <b>0.02</b>             | <b>(0.17)</b>         | <b>0.01</b>                     | <b>0.02</b>           | <b>0.10</b>                       | <b>0.08</b>           |
| <b>A. Particulars of share holding</b>   |                                    |                         |                       |                                 |                       |                                   |                       |
| <b>(I) Public Shareholding</b>   |                                    |                         |                       |                                 |                       |                                   |                       |
| - Number of Shares   | 2,48,99,160                        | 2,26,35,600             | 45,27,120             | 2,48,99,160                     | 45,27,120             | 2,48,99,160                       | 45,27,120             |
| - Percentage of Shareholding   | 25.17                              | 25.17                   | 25.17                 | 25.17                           | 25.17                 | 25.17                             | 25.17                 |
| <b>(II) Promoters and promoter group shareholding</b>  |                                    |                         |                       |                                 |                       |                                   |                       |
| <b>a. Pledged / Encumbered</b>   |                                    |                         |                       |                                 |                       |                                   |                       |
| - Number of shares   | -                                  | -                       | -                     | -                               | -                     | -                                 | -                     |
| - Percentage of shares (as a % of total shareholding of Promoter and promoters group)          | -                                  | -                       | -                     | -                               | -                     | -                                 | -                     |
| - Percentage of shares (as a % of total Share Capital of the company)                          | -                                  | -                       | -                     | -                               | -                     | -                                 | -                     |
| <b>b. Non-Encumbered</b>   |                                    |                         |                       |                                 |                       |                                   |                       |
| - Number of shares   | 7,40,34,840                        | 6,73,04,400             | 1,34,60,880           | 7,40,34,840                     | 1,34,60,880           | 7,40,34,840                       | 1,34,60,880           |
| - Percentage of shares (as a % of total shareholding of Promoter and promoters group)          | 100.00                             | 100.00                  | 100.00                | 100.00                          | 100.00                | 100.00                            | 100.00                |
| - Percentage of shares (as a % of total Share Capital of the company)                          | 74.83                              | 74.83                   | 74.83                 | 74.83                           | 74.83                 | 74.83                             | 74.83                 |

## Standalone/Consolidated Statement of Assets and Liabilities

(₹ in lacs)

NOTES:

| Particulars                                | Standalone As at |                  | Consolidated As at |                  |
|--|------------------|------------------|--------------------|------------------|
|  | 31.03.2013       | 31.03.2012       | 31.03.2013         | 31.03.2012       |
| <b>A. EQUITY AND LIABILITIES</b>           |                  |                  |                    |                  |
| <b>1 SHAREHOLDERS' FUNDS:</b>              |                  |                  |                    |                  |
| (a) Share Capital                          | 989.34           | 899.40           | 989.34             | 899.40           |
| (b) Reserves & Surplus                     | 3,023.77         | 3,099.26         | 3,167.90           | 3,081.51         |
| <b>Sub total - Shareholders' fund</b>      | <b>4,013.11</b>  | <b>3,998.66</b>  | <b>4,157.24</b>    | <b>3,980.91</b>  |
| <b>2 Minority Interest</b>                 | -                | -                | -                  | -                |
| <b>3 Non-current liabilities</b>           |                  |                  |                    |                  |
| (a) Long-term borrowings                   | -                | -                | -                  | -                |
| (b) Deferred tax liabilities (net)         | -                | -                | -                  | -                |
| (c) Other Long term liabilities            | -                | -                | -                  | -                |
| (d) Long term provision                    | -                | -                | -                  | -                |
| <b>Sub total - Non Current liabilities</b> | <b>-</b>         | <b>-</b>         | <b>-</b>           | <b>-</b>         |
| <b>4 Current liabilities</b>               |                  |                  |                    |                  |
| (a) Short term borrowings                  | 1,488.21         | 4,807.11         | 1,488.21           | 4,807.87         |
| (b) Trade payables                         | 2,140.98         | 2,585.56         | 8,640.90           | 2,850.39         |
| (c) Other current liabilities              | 7.85             | 8.03             | 8.90               | 10.06            |
| (d) Short term provision                   | 0.76             | 1.13             | 7.34               | 2.92             |
| <b>Sub total - Current liabilities</b>     | <b>3,637.80</b>  | <b>7,401.83</b>  | <b>10,145.35</b>   | <b>7,671.25</b>  |
| <b>TOTAL - EQUITY AND LIABILITIES</b>      | <b>7,650.91</b>  | <b>11,400.49</b> | <b>14,302.60</b>   | <b>11,652.15</b> |
| <b>B. ASSETS</b>                           |                  |                  |                    |                  |
| <b>1 Non-current assets</b>                |                  |                  |                    |                  |
| (a) Fixed Assets                           | 91.05            | 102.08           | 91.05              | 102.08           |
| (b) Goodwill on consolidation              | -                | -                | -                  | -                |
| (c) Non-current investments                | 2,006.33         | 2,006.33         | -                  | -                |
| (d) Long term loans & advances             | 0.33             | 0.33             | 0.33               | 0.33             |
| (e) other non-current assets               | -                | -                | -                  | -                |
| <b>Sub total - Non Current assets</b>      | <b>2,097.71</b>  | <b>2,108.74</b>  | <b>91.38</b>       | <b>102.41</b>    |
| <b>2 Current assets</b>                    |                  |                  |                    |                  |
| (a) Inventories                            | 1,104.26         | 536.39           | 2,169.08           | 1,161.80         |
| (b) Trade receivables                      | 4,178.90         | 7,989.23         | 11,722.33          | 9,584.89         |
| (c) Cash and Bank balances                 | 255.97           | 679.61           | 306.42             | 716.53           |
| (d) Short term loans & advances            | 10.27            | 82.00            | 9.59               | 82.00            |
| (e) other current assets                   | 3.80             | 4.52             | 3.80               | 4.52             |
| <b>Sub total - Current assets</b>          | <b>5,553.20</b>  | <b>9,291.75</b>  | <b>14,211.22</b>   | <b>11,549.74</b> |
| <b>TOTAL - ASSETS</b>                      | <b>7,650.91</b>  | <b>11,400.49</b> | <b>14,302.60</b>   | <b>11,652.15</b> |

1. Previous period figures have been regrouped/rearranged wherever necessary.

2. The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and published year to date figures upto the third quarter of the financial year.

3. The above statement of audited financial results were taken on record at the meeting of the Board of Directors held on 30th May, 2013.

4. The Company has only one segment i.e. Studied Diamond Jewellery.

5. The Company has not received any investor's complaints during the period under review.

6. The Company has issued 899400 equity shares of ₹ 1/- each as bonus shares in the ratio of one equity share for ten equity share held in the company pursuant to resolution passed on 24th January, 2013.

7. The equity shares of Company were subdivided from denomination of ₹.5/- per share to ₹.1/- per share as per resolution passed in the Annual General Meeting held on September 25, 2012. Consequently, number of shares were increased from 1,79,88,000 equity shares of ₹.5/- each to 3,99,40,000 equity shares of ₹.1/- each.

For & On Behalf of Board of Directors

Mr. Harshil P. Kanani  
Managing Director  
Place : Mumbai  
Date : 30/05/2013





# Ravi & Dev

Chartered Accountants

## Auditor's Report On Consolidated Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement

To  
Board of Directors of Kanani Industries Limited

1. We have audited the consolidated year to date financial results of **Kanani Industries Limited** for the period from 1st April 2012 to 31st March 2013 attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These consolidated year to date financial results have been prepared from consolidated interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211 (3C) of the Companies Act, 1956 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of one subsidiary included in the consolidated year to date results, whose consolidated interim financial statements reflect total assets of Rs. 8658.70 lacs as at 31st March 2013 as well as the total revenue of Rs. 21442.58 lacs as at 31st March 2013. These interim financial statements and other financial information have been audited by other auditors whose report have been furnished to us, and our opinion on the year to date results, to the extent they have been derived from such interim financial statements is based solely on the report of such other auditors.
4. In our opinion and to the best of our information and according to the explanations given to us these consolidated year to date financial results as well as the consolidated year to date results;

include the year to date financial results of KIL International Limited;



Head Office : 6th Floor, 'A' Wing, Aarus Chambers, S.S. Amrutwar Marg, Behind Mahindra Towers, Worli, Mumbai - 400 013. Ph : + 91 22 6134 3900, Fax : 6134 3902  
Jaipur Office : C-68, Lal Kothi Scheme, Jaipur - 302 015. Telefax : + 91 141 2742718 / 2742073 / 2741517  
Ahmedabad Office : 201, Arth, Behind A.K. Patel House, Mithakhali Six Roads, Ahmedabad - 380 009. Telefax : + 91 79 2640 3963 / 2646 3963

E-mail : [ravindev@rediffmail.com](mailto:ravindev@rediffmail.com) Website : [www.ravianddev.com](http://www.ravianddev.com)

# Ravi & Dev

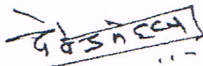
Chartered Accountants

- (ii) have been presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (iii) give a true and fair view of the consolidated net profit and other financial information for the year to date results for the period from 1st April 2012 to 31st March 2013.
5. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the consolidated number of shares as well as percentage of shareholdings in respect of aggregate amount of consolidated public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For **RAVI & DEV**

Chartered Accountants

F.R. No: 108752W



**(DEVENDRA A. MEHTA)**

Partner

M. No: 82325



Mumbai,

May 30, 2013

**Head Office :** 6th Floor, 'A' Wing, Aurus Chambers, S.S. Amrutwar Marg, Behind Mahindra Towers, Worli, Mumbai - 400 013. Ph : + 91 22 6134 3900, Fax : 6134 3902

**Jaipur Office :** C-68, Lal Kothi Scheme, Jaipur - 302 015. Telefax : + 91 141 2742718 / 2742073 / 2741517

**Ahmedabad Office :** 201, Arth, Behind A.K. Patel House, Mithakhali Six Roads, Ahmedabad - 380 009. Telefax : + 91 79 2640 3963 / 2646 3963

**E-mail :** ravindev@rediffmail.com **Website :** www.ravianddev.com



# Ravi & Dev

Chartered Accountants

**Auditor's Report On Quarterly and Year to Date Financial Results of the Company Pursuant to the Clause 41 of the Listing Agreement.**

To,  
Board of Directors of Kanani Industries Limited  
Mumbai.

1. We have audited the quarterly financial results of **Kanani Industries Limited** for the quarter ended 31st March 2013 and the year to date results for the period from April 1,2012 to March 31,2013 attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter group Shareholding' which have been traced from disclosures made by management and have not been audited by us. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards(AS) 25, Interim financial reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 or by the institute of Chartered Accountants of India and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan & perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of information and according to the explanation given to us, these year to date financial results :
  - i. are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard and
  - ii. give a true and fair view of the net profit and other financial information for the quarter ended 31st March 2013 as well as the year to date results for the period from April 1,2012 to March 31,2013.



Head Office : 6th Floor, 'A' Wing, Aarus Chambers, S.S. Amrutwar Marg, Behind Mahindra Towers, Worli, Mumbai - 400 013. Ph : + 91 22 6134 3900, Fax : 6134 3902  
Jaipur Office : C-68, Lal Kothi Scheme, Jaipur - 302 015. Telefax : + 91 141 2742718 / 2742073 / 2741517  
Ahmedabad Office : 201, Arth, Behind A.K. Patel House, Mithakhali Six Roads, Ahmedabad - 380 009. Telefax : + 91 79 2640 3963 / 2646 3963

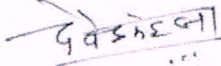
E-mail : ravindev@rediffmail.com Website : www.ravianddev.com

# Ravi & Dev

Chartered Accountants

4. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For **Ravi & Dev**  
Chartered Accountants  
(F.R.N. 108752W)



**(Devendra A. Mehta)**

Partner  
M.N. 82325



**Mumbai**  
**May 30, 2013**

**Head Office :** 6th Floor, 'A' Wing, Aarus Chambers, S.S. Amrutwar Marg, Behind Mahindra Towers, Worli, Mumbai - 400 013. Ph : + 91 22 6134 3900, Fax : 6134 3902

**Jaipur Office :** C-68, Lal Kothi Scheme, Jaipur - 302 015. Telefax : + 91 141 2742718 / 2742073 / 2741517

**Ahmedabad Office :** 201, Arth, Behind A.K. Patel House, Mithakhali Six Roads, Ahmedabad - 380 009. Telefax : + 91 79 2640 3963 / 2646 3963

**E-mail :** ravianddev@rediffmail.com **Website :** www.ravianddev.com