

B S R & Co. LLP
Chartered Accountants
Godrej Waterside, Unit No. 603 & 604
6th Floor, Tower 1
Plot No. 5, Block DP, Sector V
Salt Lake City, Kolkata - 700 091.

S. JAYKISHAN
Chartered Accountants
Suite # 2D, 2E & 2F
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Kolkata - 700 071.

Review Report


To The Board of Directors of Himadri Chemicals & Industries Limited

We have reviewed the accompanying statement of unaudited financial results of **Himadri Chemicals & Industries Limited** ("the Company") for the quarter and six months ended 30 September 2014 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. 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 these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the 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.

Based on our review conducted as 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 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 29 of the Listing Agreement for debt securities and Clause 41 of the Listing Agreement including the manner in which it is to be disclosed or that it contains any material misstatement.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022



Jayanta Mukhopadhyay
Partner
Membership No: 055757



Place: Kolkata
Date: 13 November 2014

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013.
Registered Office: 1st Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalakshmi, Mumbai - 400011.

For **S. JAYKISHAN**
Chartered Accountants
Firm's Registration No. 309005E


Vivek Newatia
Partner
Membership No: 062636



Place: Kolkata
Date: 13 November 2014

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For Himadri Chemicals & Industries Ltd.


Company Secretary

HIMADRI CHEMICALS & INDUSTRIES LIMITED

Registered Office : 8 India Exchange Place.

2nd Floor, Kolkata - 700 001.

Phone : (033)2230-9953, Fax : (033)2230-9051

Email : info@himadri.com, Website : www.himadri.com, CIN : L27106WB1987PLC042756

PART I

(Rs. in Crores)

Statement of Standalone Unaudited Financial Results for the Quarter and Six Months Ended September 30, 2014						
Particulars	Three months ended 30.09.2014	Preceding Three months ended 30.06.2014	Corresponding Three months ended 30.09.2013 in the previous year	Year to date figures for the current period ended 30.09.2014	Year to date figures for the previous period ended 30.09.2013	Year ended 31.03.2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from Operations						
(a) Net Sales/Income from Operations (Net of excise duty)	356.98	351.47	346.57	708.45	656.09	1,362.90
(b) Other Operating Income	0.24	-	-	0.24	-	0.37
Total Income from Operations (net)	357.22	351.47	346.57	708.69	656.09	1,363.27
2 Expenses						
(a) Cost of materials consumed	292.84	269.55	313.14	562.39	572.75	1,092.28
(b) Changes in inventories of finished goods and work-in-progress	(14.87)	(1.75)	(50.18)	(16.62)	(65.18)	(52.65)
(c) Employee benefits expense	7.54	6.56	6.30	14.10	11.65	24.34
(d) Depreciation	14.25	13.84	13.64	28.09	26.88	54.52
(e) Other expenses	29.81	31.69	36.66	61.50	63.37	127.23
Total expenses	329.57	319.89	319.56	649.46	609.47	1,245.72
3 Profit from operations before other income, finance costs and exceptional items (1-2)	27.65	31.58	27.01	59.23	46.62	117.55
4 Other Income:						
Miscellaneous Income	1.64	10.45	9.26	12.09	10.48	14.09
Foreign exchange gain/(loss)	(5.25)	0.88	(42.71)	(4.37)	(106.87)	(78.02)
Total	(3.61)	11.33	(33.45)	7.72	(96.39)	(63.93)
5 Profit/(Loss) from ordinary activities before finance costs and exceptional items(3+4)	24.04	42.91	(6.44)	66.95	(49.77)	53.62
6 Finance costs	29.36	25.59	29.63	54.95	57.76	116.51
7 Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(5.32)	17.32	(36.07)	12.00	(107.53)	(62.89)
8 Exceptional items (Refer Note 2)	-	-	-	-	7.05	7.05
9 Profit/(Loss) from ordinary activities before tax (7+8)	(5.32)	17.32	(36.07)	12.00	(100.48)	(55.84)
10 Tax expense	(1.97)	2.96	(7.36)	0.99	(19.92)	(16.75)
11 Net Profit/(Loss) from ordinary activities after tax (9-10)	(3.35)	14.36	(28.71)	11.01	(80.56)	(39.09)
12 Extraordinary items (net of tax expense Rs. Nil)	-	-	-	-	-	-
13 Net Profit/(Loss) for the period (11-12)	(3.35)	14.36	(28.71)	11.01	(80.56)	(39.09)
14 Paid-up equity share capital (Face Value Re 1 per share)	38.57	38.57	38.57	38.57	38.57	38.57
15 Reserves excluding Revaluation Reserves as per Balance Sheet as at March 31	-	-	-	-	-	795.65
16 Earnings per share (before and after extraordinary items) (of Re 1 per share) (not annualised) :						
a) Basic	(0.09)	0.37	(0.74)	0.28	(2.09)	(1.01)
b) Diluted	(0.09)	0.37	(0.74)	0.28	(2.09)	(1.01)
17 Debenture Redemption Reserve				45.93	33.45	41.77
18 Paid-up Debt Capital				1,089.57	1,419.36	1,325.51
19 Debt Equity Ratio				1.28	1.81	1.59
20 Debt Service Coverage Ratio				1.19	*	0.54
21 Interest Service Coverage Ratio				1.90	*	0.87

* Negative ratio



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For Himadri Chemicals & Industries Ltd.

Company Secretary

PART II

Select Information for the Quarter and Six Months Ended September 30, 2014

Particulars	Three months ended 30.09.2014	Preceding Three months ended 30.06.2014	Corresponding Three months ended 30.09.2013 in the previous year	Year to date figures for the current period ended 30.09.2014	Year to date figures for the previous period ended 30.09.2013	Year ended 31.03.2014
A PARTICULARS OF SHAREHOLDING						
1 Public shareholding						
- Number of shares	213,592,660	213,592,660	213,592,660	213,592,660	213,592,660	213,592,660
- Percentage of shareholding	55.37	55.37	55.37	55.37	55.37	55.37
2 Promoters and Promoter Group Shareholding						
(a) Pledged/Encumbered						
- Number of Shares	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil	Nil
(b) Non-encumbered						
- Number of Shares	172,139,910	172,139,910	172,139,910	172,139,910	172,139,910	172,139,910
- 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)	44.63	44.63	44.63	44.63	44.63	44.63

Particulars	Three months ended 30.09.2014
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	1
Received during the quarter	10
Disposed of during the quarter	8
Remaining unresolved at the end of the quarter	3

Segment wise Revenue, Results and Capital Employed under Clause 41 of the Listing agreement

(Rs in Crores)

Particulars	Three months ended 30.09.2014	Preceding Three months ended 30.06.2014	Corresponding Three months ended 30.09.2013 in the previous year	Year to date figures for the current period ended 30.09.2014	Year to date figures for the previous period ended 30.09.2013	Year ended 31.03.2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment revenue						
a. Carbon materials and chemicals	355.99	350.00	344.69	705.99	651.67	1,355.43
b. Power	2.92	4.71	5.29	7.63	11.41	20.74
Total	358.91	354.71	349.98	713.62	663.08	1,376.17
Less: Inter segment revenue	1.69	3.24	3.41	4.93	6.99	12.90
Total income from operations (net)	357.22	351.47	346.57	708.69	656.09	1,363.27
2. Segment results						
a. Carbon materials and chemicals	25.64	28.37	30.93	54.01	46.21	111.58
b. Power	1.58	3.40	3.75	4.98	8.27	13.41
Total	27.22	31.77	34.68	58.99	54.48	124.99
Less: i) Interest expenses	29.36	25.59	29.63	54.95	57.76	116.51
ii) Unallocable expenditure (net of unallocable income)	3.18	(11.14)	41.12	(7.96)	97.20	64.32
Profit before tax	(5.32)	17.32	(36.07)	12.00	(100.48)	(55.84)
3. Capital employed						
(Segment assets- Segment liabilities)						
a. Carbon materials and chemicals	1,862.56	1,953.04	1,976.58	1,862.56	1,976.58	1,956.96
b. Power	58.09	55.74	59.34	58.09	59.34	56.32
c Unallocable	(1,072.16)	(1,155.45)	(1,253.18)	(1,072.16)	(1,253.18)	(1,179.06)
Total Capital employed	848.49	853.33	782.74	848.49	782.74	834.22



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For Himadri Chemicals & Industries Ltd.

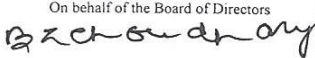
Company Secretary

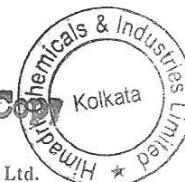
STANDALONE STATEMENT OF ASSETS AND LIABILITIES		(Rs. in Crores)	
		As at current half year ended 30.09.2014	As at previous year ended 31.03.2014
		(Unaudited)	(Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	38.57	38.57
	(b) Reserves & surplus	809.92	795.65
	Sub total : Shareholders' funds	848.49	834.22
2	Non-current liabilities		
	(a) Long-term borrowings	548.52	570.58
	(b) Deferred tax liabilities	65.81	66.06
	(c) Other long term liabilities	112.21	109.70
	(d) Long term provisions	0.91	0.91
	Sub total : Non - current liabilities	727.45	747.25
3	Current liabilities		
	(a) Short-term borrowings	483.92	577.86
	(b) Trade payables	110.55	84.03
	(c) Other current liabilities	86.38	208.10
	(d) Short term provisions	3.19	4.70
	Sub total : Current liabilities	684.04	874.69
	TOTAL - EQUITY AND LIABILITIES	2,259.98	2,456.16
B	ASSETS		
1	Non-Current Assets		
	(a) Fixed assets	1,170.51	1,195.41
	(b) Non- current investments	81.98	81.98
	(c) Long-term loans & advances	115.17	96.84
	(d) Other non-current assets	9.06	8.94
	Sub total : Non - current assets	1,376.72	1,383.17
2	Current Assets		
	(a) Current investments	21.00	166.13
	(b) Inventories	406.26	372.04
	(c) Trade receivables	284.32	353.22
	(d) Cash and cash equivalents	42.19	41.08
	(e) Short- term loans & advances	126.86	135.75
	(f) Other current assets	2.63	4.77
	Sub total : Current assets	883.26	1,072.99
	TOTAL - ASSETS	2,259.98	2,456.16

NOTES :-

- The above results have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors of the Company held on November 13, 2014.
- Exceptional item in previous period represents profit of Rs.7.05 Crores on account of sale of shares of a wholly owned subsidiary of the Company.
- Pursuant to the Companies Act, 2013 ("the Act") being effective from 1 April 2014, the Company has revised depreciation rates on fixed assets as per the useful life specified in Part "C" of Schedule II of the Act. As a result, depreciation expense for current quarter is lower by Rs 3.23 crores (previous quarter Rs. 3.45 crores). In respect of the fixed assets whose useful life is already exhausted as on 1 April 2014, depreciation of Rs 2.39 crores (net of deferred tax) has been adjusted in Reserves and Surplus in accordance with the requirements of Schedule II of the Act.
- Information as required under clause 29 of the Listing Agreement for Debt Securities is computed as under :
 Paid up Debt Capital = Long-term and Short term borrowings including Current maturities of Long term Borrowings
 Debt Equity Ratio = Paid up Debt Capital / Equity; (Equity: Equity Share Capital + Reserves and Surplus)
 Debt Service Coverage Ratio (DSCR) = Earnings before interest, depreciation and tax / [Interest (gross of interest capitalised) + principal repayment]
 Interest Service Coverage Ratio (ISCR) = Earnings before interest, depreciation and tax / interest (gross of interest capitalised) Repayment of loans amounting to Rs. 122.10 Crores taken against pledge of investments have not been considered for the purpose of calculation of DSCR.
- Tax expense is net of MAT credit entitlement and deferred tax.
- The limited review of the unaudited results have been carried out by the Joint Statutory Auditors of the Company.
- The figures of the previous period/ year have been regrouped/ reclassified, wherever necessary to conform to the classification for the quarter and six months ended September 30, 2014.


Place: Kolkata
Date: 13 November 2014

On behalf of the Board of Directors

 Bankey Lal Choudhary
 Managing Director



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For Himadri Chemicals & Industries Ltd.


Company Secretary