



# KANORIA CHEMICALS & INDUSTRIES LIMITED

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71, Park Street, 7th Floor  
Kolkata-700 016

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CIN : L24110WB1960PLC024910

E-mail : calall@kanoriachem.com

Website : www.kanoriachem.com

KC-13/

14<sup>th</sup> November, 2017

The Manager  
Listing Department  
National Stock Exchange of India Limited,  
"Exchange Plaza",  
Plot No. C/1, "G" Block,  
Bandra-Kurla Complex, Bandra (E),  
**Mumbai - 400 051**

**Symbol: KANORICHEM**

DCS-CRD  
BSE Limited,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street, Fort,  
**Mumbai - 400 001**

**Code No. 50 6525**

Dear Sir,

**Sub : Unaudited Financial Results for the Quarter and half year ended 30<sup>th</sup> September, 2017.**

In terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of Unaudited Financial Results and Segment Report for the quarter and half year ended 30<sup>th</sup> September, 2017 and Unaudited Statement of Assets and Liabilities as at 30<sup>th</sup> September, 2017, approved by the Board of Directors of the Company at its Meeting held today, the 14<sup>th</sup> November, 2017. The Meeting commenced at 12.15 P.M. and concluded at 3.30 P.M.

A Copy of the Limited Review Report of the Auditors of the Company in respect of the said Results is also enclosed.

Thanking you,

Yours sincerely,  
For Kanoria Chemicals & Industries Limited

  
N K Sethia  
Company Secretary

Encl : as above



**KANORIA CHEMICALS & INDUSTRIES LIMITED**  
 "Park Plaza", 71, Park Street, Kolkata-700 016  
 Phone No. +91 33 4031 3200, Fax No. +91 33 4031 3220  
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 CIN : L24110WB1960PLC024910

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2017**

Particulars	(INR in Lakhs)					
	Quarter ended			Half year ended		Year ended
	30.09.2017 (Unaudited)	30.06.2017 (Unaudited)	30.09.2016 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	31.03.2017 (Audited)
<b>Income</b>						
Revenue from operations	8,441	8,100	7,425	16,541	15,110	32,737
Other income	912	515	552	1,427	1,198	2,267
<b>Total Income</b>	<b>9,353</b>	<b>8,615</b>	<b>7,977</b>	<b>17,968</b>	<b>16,308</b>	<b>35,004</b>
<b>Expenses</b>						
Cost of materials consumed	5,127	5,572	4,236	10,699	8,420	19,041
Purchase of stock-in-trade	94	-	171	94	171	294
Change in inventories of finished goods and work-in-progress	602	(459)	(179)	143	(154)	(565)
Excise duty on sale of goods	-	806	710	806	1,468	3,171
Employee benefits expense	594	579	515	1,173	1,006	2,059
Finance costs	193	133	54	326	258	327
Depreciation and amortisation expense	525	500	513	1,025	1,020	2,043
Other expenses	1,495	1,546	1,450	3,041	2,791	5,882
<b>Total expenses</b>	<b>8,630</b>	<b>8,677</b>	<b>7,470</b>	<b>17,307</b>	<b>14,980</b>	<b>32,252</b>
<b>Profit/(loss) before exceptional items and tax</b>	<b>723</b>	<b>(62)</b>	<b>507</b>	<b>661</b>	<b>1,328</b>	<b>2,752</b>
Exceptional items	-	-	-	-	-	1,842
<b>Profit/(loss) before tax</b>	<b>723</b>	<b>(62)</b>	<b>507</b>	<b>661</b>	<b>1,328</b>	<b>910</b>
Tax expense:						
Current tax	137	-	126	137	273	150
Deferred tax	84	(56)	46	28	107	(1,112)
<b>Profit/(loss) for the period</b>	<b>502</b>	<b>(6)</b>	<b>335</b>	<b>496</b>	<b>948</b>	<b>1,872</b>
<b>Other comprehensive income (OCI)</b>						
A (i) Items that will not be reclassified to profit or loss	(12)	(11)	(12)	(23)	(25)	(52)
(ii) Income-tax relating to items that will not be reclassified to profit or loss	5	6	5	11	11	23
B (i) Items that will be reclassified to profit or loss	(293)	23	48	(270)	96	50
(ii) Income-tax relating to items that will be reclassified to profit or loss	34	(3)	(5)	31	(11)	(6)
<b>Other comprehensive income, net of tax</b>	<b>(266)</b>	<b>15</b>	<b>36</b>	<b>(251)</b>	<b>71</b>	<b>15</b>
<b>Total comprehensive income</b>	<b>236</b>	<b>9</b>	<b>371</b>	<b>245</b>	<b>1,019</b>	<b>1,887</b>
Paid up Equity Share Capital (INR 5/- per Share)	2,185	2,185	2,185	2,185	2,185	2,185
Other Equity	-	-	-	-	-	59,252
Earnings per Share (INR) - Basic & Diluted	1.15	(0.01)	0.77	1.14	2.17	4.28

**SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES**

Particulars	(INR in Lakhs)					
	Quarter ended			Half year ended		Year ended
	30.09.2017 (Unaudited)	30.06.2017 (Unaudited)	30.09.2016 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	31.03.2017 (Audited)
<b>Segment Revenue</b>						
Alco Chemicals	8,337	7,979	7,090	16,316	14,422	31,468
Solar Power	104	121	335	225	688	1,269
<b>Revenue from operations</b>	<b>8,441</b>	<b>8,100</b>	<b>7,425</b>	<b>16,541</b>	<b>15,110</b>	<b>32,737</b>
<b>Segment Results</b>						
[Profit/(loss) before Tax and Finance Costs]						
Alco Chemicals	393	(116)	216	277	689	1,652
Solar Power	(34)	(23)	163	(57)	389	684
<b>Total</b>	<b>359</b>	<b>(139)</b>	<b>379</b>	<b>220</b>	<b>1,078</b>	<b>2,336</b>
Less :						
i) Finance Costs	193	133	54	326	258	327
ii) Exceptional items	-	-	-	-	-	1,842
iii) Other un-allocable expenditure net off un-allocable income	(557)	(210)	(182)	(767)	(508)	(743)
<b>Profit/(loss) before Tax</b>	<b>723</b>	<b>(62)</b>	<b>507</b>	<b>661</b>	<b>1,328</b>	<b>910</b>
<b>Segment Assets</b>						
Alco Chemicals	46,955	46,440	40,244	46,955	40,244	44,615
Solar Power	3,532	3,622	5,646	3,532	5,646	3,762
Un-allocated	33,207	35,198	36,106	33,207	36,106	34,558
<b>Total Assets</b>	<b>83,694</b>	<b>85,260</b>	<b>81,996</b>	<b>83,694</b>	<b>81,996</b>	<b>82,935</b>
<b>Segment Liabilities</b>						
Alco Chemicals	6,774	8,781	6,662	6,774	6,662	7,590
Solar Power	67	66	66	67	66	51
Un-allocated	15,960	14,967	14,718	15,960	14,718	13,857
<b>Total Liabilities</b>	<b>22,801</b>	<b>23,814</b>	<b>21,446</b>	<b>22,801</b>	<b>21,446</b>	<b>21,498</b>

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STATEMENT OF ASSETS AND LIABILITIES		
Particulars	(INR in Lakhs)	
	As at	As at
	30.09.2017 (Unaudited)	31.03.2017 (Audited)
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
(a) Property, Plant and Equipment	40,562	36,158
(b) Capital Work-in-Progress	131	2,652
(c) Other Intangible Assets	29	40
(d) Financial Assets		
(i) Investments	15,133	18,077
(ii) Loans	7,971	6,928
(iii) Others	163	165
(e) Other Non-Current Assets	61	383
<b>Total Non-Current Assets</b>	<b>64,050</b>	<b>64,403</b>
<b>Current Assets</b>		
(a) Inventories	3,174	3,226
(b) Financial Assets		
(i) Investments	170	308
(ii) Trade Receivables	5,814	5,519
(iii) Cash and Cash Equivalents	35	59
(iv) Bank Balances other than above	3,663	3,755
(v) Loans	925	440
(vi) Others	1,108	743
(c) Current Tax Assets (Net)	2,096	2,142
(d) Other Current Assets	2,659	2,340
<b>Total Current Assets</b>	<b>19,644</b>	<b>18,532</b>
<b>Total Assets</b>	<b>83,694</b>	<b>82,935</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share Capital	2,185	2,185
Other Equity	58,708	59,252
<b>Total Equity</b>	<b>60,893</b>	<b>61,437</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	2,531	2,894
(ii) Other financial liabilities	120	148
(b) Provisions	639	577
(c) Deferred Tax Liabilities (Net)	5,206	5,220
<b>Total Non-Current Liabilities</b>	<b>8,496</b>	<b>8,839</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	8,573	7,225
(ii) Trade Payables	3,320	2,537
(iii) Other financial liabilities	2,069	2,552
(b) Other Current Liabilities	86	84
(c) Provisions	257	261
<b>Total Current Liabilities</b>	<b>14,305</b>	<b>12,659</b>
<b>Total Liabilities</b>	<b>22,801</b>	<b>21,498</b>
<b>Total Equity and Liabilities</b>	<b>83,694</b>	<b>82,935</b>
<b>Notes :</b>		
1. These results have been approved by the Board of Directors at its meeting held on 14th November, 2017 after review by the Audit Committee at its meeting held on 14th November, 2017. Limited Review of these results has been carried out by the Statutory Auditors of the Company.		
2. The Central Electricity Regulatory Commission vide its order has reduced the floor price of Solar Renewable Energy Certificates (REC) from Rs. 3,500/- to Rs. 1,000/- without allowing a vintage multiplier for commensurate adjustment in number of RECs. This had an adverse impact of Rs. 192 lacs in the quarter and Rs. 424 lacs in the half year ended 30th September 2017 on Revenue from operations, Profit before exceptional items and tax, Segment Revenue and Result of Solar Power Segment. The Company has already written down the value of RECs in its possession as on 31st March, 2017 to the proposed floor price and charged the same to the profitability as Exceptional Item for the quarter and year ended 31st March, 2017.		

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3. Consequent to the introduction of Goods and Service Tax (GST) with effect from 1st July 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Indian Accounting Standard - 18 on Revenue and Schedule III of the Companies Act, 2013, unlike Excise duties, levies like GST, VAT etc. are not part of Revenue. Accordingly, the figures of Revenue from operation and Segment Revenue of Alco Chemicals for the quarter/half year ended on 30th September, 2017 are not comparable with the previous periods.

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
(INR In Lakhs)						
<b>A. In the Statement of Unaudited Financial Results</b>						
Revenue from operations (A)	8,441	8,100	7,425	16,541	15,110	32,737
Excise duty (B)	-	806	710	806	1,468	3,171
Revenue from operations excluding excise duty (A-B)	8,441	7,294	6,715	15,735	13,642	29,566
<b>B. In the Segment Reporting</b>						
Segment Revenue - Alco Chemicals (C)	8,337	7,979	7,090	16,316	14,422	31,468
Excise duty (D)	-	806	710	806	1,468	3,171
Segment Revenue - Alco Chemicals excluding excise duty (C-D))	8,337	7,173	6,380	15,510	12,954	28,297

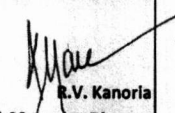
4. The Company while preparing its first Ind-AS compliant financial statements for the Financial Year 2016-17 has opted to measure all items of Property, plant and equipment and investment in one of its subsidiary at fair value with retrospective application from the date of transition to Ind-AS. The impact of this option was taken in the financial statements for the quarter/year ended as at 31st March, 2017. The Company has now recasted its previously reported numbers to include the impact of these options and provide below a comparative statement of reported and recasted numbers :

Particulars	Quarter ended 30.09.2016			
	Reported	Recasted	Reported	Recasted
(INR In Lakhs)				
<b>A. In the Statement of Unaudited Financial Results</b>				
Other income	547	552	1,178	1,198
Depreciation and amortisation expense	490	513	962	1,020
Deferred tax	52	46	120	107
Profit/(loss) for the period	347	335	973	948
Total comprehensive income	383	371	1,044	1,019
<b>B. In the Segment Reporting</b>				
<b>Segment Results</b>				
Alco Chemicals	265	216	809	689
Solar Power	108	163	279	389
Other un-allocable expenditure net off un-allocable income	(206)	(182)	(536)	(508)
<b>Segment Assets</b>				
Alco Chemicals	25,984	40,244	25,984	40,244
Solar Power	6,914	5,646	6,914	5,646
Un-allocated	36,599	36,106	36,599	36,106

5. The Shareholders of the Company have approved a dividend @ 30% (Rs. 1.50 per share) for the year ended 31st March, 2017 in the Annual General Meeting held on 4th September, 2017. Accordingly, the Company paid dividend of Rs. 788.82 lakh (including dividend distribution tax of Rs. 133.42 lakh) during the quarter ended 30th September, 2017.
6. Previous year figures have been regrouped/rearranged, wherever necessary.

For and on behalf of the Board,

Place : New Delhi  
Date : 14th November, 2017

  
R.V. Kanoria  
Chairman & Managing Director

# Jitendra K Agarwal & Associates

Chartered Accountants

110/F, NETAJI SUBHASH CHANDRA BOSE ROAD, KOLKATA-700 040 • Phone : +91 33 2248 4573 • E-mail : kolkata@jkagarwal.com

**Limited Review Report on Quarterly Financial Results of Kanoria Chemicals & Industries Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**The Board of Director  
Kanoria Chemicals & Industries Limited**

We have reviewed the accompanying statement of unaudited financial results ("the Statement") of **M/s Kanoria Chemicals & Industries Limited** (the "Company"), for the quarter and six months ended September 30, 2017, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133, of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement 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 Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

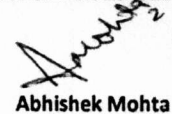
Based on our review conducted as stated above nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the applicable Indian Accounting Standards as prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material mis-statement.

The comparative financial information of the Company for the three months ended June 30, 2017; for the three months and six months period ended September 30, 2016 and for the year ended March 31, 2017 prepared in accordance with Ind AS included in this statement have been reviewed/ audited by the predecessor auditor. The report of the predecessor auditor on comparative financial information for three months ended June 30, 2017 dated August 8, 2017, for the three months and six months period ended September 30, 2016 dated November 29, 2016 and for the year ended March 31, 2017 dated May 30, 2017 expressed an unmodified conclusion/ opinion.

Our conclusion is not modified in respect of above matter.

**For JITENDRA K AGARWAL & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.308186E



  
**Abhishek Mohta**

Partner  
Membership No.066653

Place: Kolkata  
Dated: 14<sup>th</sup> November, 2017