



KANORIA CHEMICALS & INDUSTRIES LIMITED

Registered Office : Park Plaza
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Kolkata-700 016

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Fax : +91-33-4031-3220

CIN : L24110WB1960PLC024910

E-mail : calall@kanoriachem.com

Website : www.kanoriachem.com

KC-13/

12th February, 2018

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,
1st 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 nine months ended 31st December, 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 nine months ended 31st December, 2017, approved by the Board of Directors of the Company at its Meeting held today, the 12th February, 2018. The Meeting commenced at 2.30 P.M. and concluded at **5'15** 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

Jitendra K Agarwal & Associates

Chartered Accountants

5-A, NANDALAL JEW ROAD, KOLKATA-700 026 • Phone : +91 33 2476 5068 • 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 nine months ended December 31, 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 and nine months period ended December 31, 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 the three months and nine months period ended December 31, 2016 dated February 9, 2017 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: 12th day of February, 2018

BRANCHES AT NEW DELHI & MUMBAI



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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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2017

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Income						
Revenue from operations	8,834	8,441	7,580	25,375	22,690	32,737
Other income	372	912	293	1,799	1,491	2,267
Total Income	9,206	9,353	7,873	27,174	24,181	35,004
Expenses						
Cost of materials consumed	6,262	5,127	4,607	16,961	13,027	19,041
Purchase of stock-in-trade	-	94	-	94	171	294
Change in inventories of finished goods and work-in-progress	56	602	(505)	199	(659)	(565)
Excise duty on sale of goods	-	-	715	806	2,183	3,171
Employee benefits expense	554	594	518	1,727	1,524	2,059
Finance costs	180	193	129	506	387	327
Depreciation and amortisation expense	600	525	519	1,625	1,539	2,043
Other expenses	1,490	1,495	1,444	4,531	4,235	5,882
Total expenses	9,142	8,630	7,427	26,449	22,407	32,252
Profit/(loss) before exceptional items and tax	64	723	446	725	1,774	2,752
Exceptional items	-	-	-	-	-	1,842
Profit/(loss) before tax	64	723	446	725	1,774	910
Tax expense:						
Current tax	8	137	97	145	370	150
Deferred tax	(4)	84	20	24	127	(1,112)
Profit/(loss) for the period	60	502	329	556	1,277	1,872
Other comprehensive income (OCI)						
A (i) Items that will not be reclassified to profit or loss	(12)	(12)	(18)	(35)	(43)	(52)
(ii) Income-tax relating to items that will not be reclassified to profit or loss	6	5	5	17	16	23
B (i) Items that will be reclassified to profit or loss	-	(293)	(50)	(270)	46	50
(ii) Income-tax relating to items that will be reclassified to profit or loss	-	34	6	31	(5)	(6)
Other comprehensive income, net of tax	(6)	(266)	(57)	(257)	14	15
Total comprehensive income	54	236	272	299	1,291	1,887
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	0.13	1.15	0.75	1.27	2.92	4.28

SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment Revenue						
Alco Chemicals	8,746	8,337	7,290	25,062	21,712	31,468
Solar Power	88	104	290	313	978	1,269
Revenue from operations	8,834	8,441	7,580	25,375	22,690	32,737
Segment Results						
(Profit/(loss) before Tax and Finance Costs)						
Alco Chemicals	284	393	541	561	1,230	1,652
Solar Power	(48)	(34)	141	(105)	530	684
Total	236	359	682	456	1,760	2,336
Less :						
i) Finance Costs	180	193	129	506	387	327
ii) Exceptional Items	-	-	-	-	-	1,842
iii) Other un-allocable expenditure net off un-allocable income	(8)	(557)	107	(775)	(401)	(743)
Profit/(loss) before Tax	64	723	446	725	1,774	910
Segment Assets						
Alco Chemicals	46,877	46,955	41,968	46,877	41,968	44,615
Solar Power	3,416	3,532	5,602	3,416	5,602	3,762
Un-allocated	33,445	33,207	35,895	33,445	35,895	34,558
Total Assets	83,738	83,694	83,465	83,738	83,465	82,935
Segment Liabilities						
Alco Chemicals	6,971	6,774	6,152	6,971	6,152	7,590
Solar Power	80	67	65	80	65	51
Un-allocated	15,741	15,960	14,652	15,741	14,652	13,857
Total Liabilities	22,792	22,801	20,869	22,792	20,869	21,498

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Notes :

- These results have been approved by the Board of Directors at its meeting held on 12th February, 2018 after review by the Audit Committee at its meeting held on 12th February, 2018. Limited Review of these results has been carried out by the Statutory Auditors of the Company.
- The Central Electricity Regulatory Commission vide its order dated 30th March 2017 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, the impact of which has been adjusted as exceptional item in the quarter & year ended 31st March 2017. The above REC policy change has an adverse impact of Rs. 169 lakhs in the quarter and Rs. 593 lakhs in the nine months ended 31st December 2017 on Revenue from operations, Profit before exceptional items and tax, Segment Revenue and Result of Solar Power Segment.
- 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/nine months ended on 31st December, 2017 are not comparable with the previous periods

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
(INR in Lakhs)						
A. In the Statement of Unaudited Financial Results						
Revenue from operations (A)	8,834	8,441	7,580	25,375	22,690	32,737
Excise duty (B)	-	-	715	806	2,183	3,171
Revenue from operations excluding excise duty (A-B)	8,834	8,441	6,865	24,569	20,507	29,566
B. In the Segment Reporting						
Segment Revenue - Alco Chemicals (C)	8,746	8,337	7,290	25,062	21,712	31,468
Excise duty (D)	-	-	715	806	2,183	3,171
Segment Revenue - Alco Chemicals excluding excise duty (C-D)	8,746	8,337	6,575	24,256	19,529	28,297

- 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 31.12.2016		Nine months ended 31.12.2016	
	Reported	Recasted	Reported	Recasted
(INR in Lakhs)				
A. In the Statement of Unaudited Financial Results				
Other income	288	293	1,466	1,491
Depreciation and amortisation expense	474	519	1,436	1,539
Deferred tax	34	20	154	127
Profit/(loss) for the period	355	329	1,328	1,277
Total comprehensive income	298	272	1,342	1,291
B. In the Segment Reporting				
Segment Results				
Alco Chemicals	626	541	1,435	1,230
Solar Power	87	141	366	530
Other un-allocable expenditure net off un-allocable income	98	107	(438)	(401)
Segment Assets				
Alco Chemicals	27,775	41,968	27,775	41,968
Solar Power	6,815	5,602	6,815	5,602
Un-allocated	34,642	35,895	34,642	35,895

- Previous year figures have been regrouped/rearranged, wherever necessary.

For and on behalf of the Board,

Place : New Delhi
Date : 12th February, 2018


R.V. Kanoria
Chairman & Managing Director