

REVIEW-REPORT

To,
**The Board of Directors,
Kanoria Chemical & Industries Ltd
Park Plaza, 7th floor
71, Park Street
Kolkata-700016**

We have reviewed the accompanying statement of unaudited financial results of M/s. **Kanoria Chemicals & Industries Limited** ("the Company") for the quarter and half year ended 30th September 2012 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 financial 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 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 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 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 above, nothing has come to our attention that causes us to believe that the accompanying statement of un-audited financial results prepared in accordance with applicable Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material mis-statement.

**For Singhi & Co.
Chartered Accountants
Firm Registration No.302049E**



(N. K. SURANA)

Partner

Membership No. 53816



1B, Old Post Office Street,
Kolkata – 700001
Dated, the 9th day of November, 2012



KANORIA CHEMICALS & INDUSTRIES LIMITED
 "Park Plaza", 71, Park Street, Kolkata-700 018
 Website : www.kanoriachem.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012

(Rs. in lakh)

Particulars	Quarter ended (unaudited)			Half year ended (unaudited)		Year ended (Audited)
	30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012
PART I- STATEMENT OF FINANCIAL RESULTS						
1. Income from operations						
a) Net Sales from operations (Net of excise duty)	5,191	5,641	5,574	12,032	16,506	28,782
b) Other operating income	126	47	58	173	164	268
Total Income from operations (net)	5,317	5,688	5,632	12,205	16,670	29,050
2. Income from Investments (refer note 3)	499	907	449	1,406	822	2,060
3. Net sales/Income from Operations and Investments	5,816	6,595	6,081	13,611	17,492	31,110
4. Expenses						
a) Cost of materials consumed	3,816	4,019	3,648	7,835	8,792	17,302
b) Changes in inventories of finished goods, work-in-progress and Stock-in-trade	441	(161)	(88)	280	99	(167)
c) Employee benefits expense	392	419	410	811	1,100	1,942
d) Power & Fuel	737	744	726	1,481	2,533	4,107
e) Depreciation & Amortisation	317	273	280	590	1,012	1,570
f) Other Expenses	668	1,057	843	1,725	2,341	3,779
Total Expenses	6,371	6,361	5,819	12,722	15,967	28,533
5. Profit from operations & Investments before other Income, Finance costs and Exceptional items	445	444	262	689	1,525	2,577
6. Other Income	(34)	64	15	30	100	128
7. Profit from ordinary activities before Finance Costs and Exceptional items	411	508	277	919	1,625	2,705
8. Finance Costs	131	203	185	334	949	1,360
9. Profit from Ordinary Activities after Finance Costs but before Exceptional items & Tax	280	305	92	585	676	1,345
10. Exceptional item	-	-	-	-	35,704	35,704
11. Profit from Ordinary Activities before Tax	280	305	92	585	36,380	37,049
12. Tax Expenses	49	48	(7)	97	7,065	8,487
13. Net Profit from Ordinary Activities after tax	231	257	99	488	29,315	30,562
14. Extraordinary items (net of tax expense)	-	-	-	-	-	-
15. Net Profit for the period	231	257	99	488	29,315	30,562
16. Paid up Equity Share Capital (Rs.5/- per Share)	2,805	2,815	2,815	2,805	2,815	2,815
17. Reserves (excluding Revaluation Reserve)	-	-	-	-	-	48,680
18. Earnings per Share (Rs.) - Basic & Diluted	0.41	0.46	0.17	0.87	52.07	54.29
PART II-SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012						
A) PARTICULARS OF SHAREHOLDING						
1. Public Shareholding						
Number of Shares	23979351	24178269	24178269	23979351	24178269	24178269
Percentage of Shareholding	42.75%	42.95%	42.95%	42.75%	42.95%	42.95%
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 promoters & 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	32118231	32118231	32118231	32118231	32118231	32118231
Percentage of Shares (as a % of the total Shareholding of promoters and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Percentage of Shares (as a % of the total Share Capital of the Company)	57.25%	57.05%	57.05%	57.25%	57.05%	57.05%
B) INVESTOR COMPLAINTS						
Pending at the beginning of the quarter	NIL					
Received during the quarter	2					
Disposed of during the quarter	2					
Remaining unresolved at the end of the quarter	NIL					

STATEMENT OF ASSETS AND LIABILITIES		
Particulars	(Rs. in lakh)	
	As at 30.09.2012 Unaudited	As at 31.03.2012 Audited
A) EQUITY AND LIABILITIES		
1. Shareholders' Fund		
(a) Capital	2,805	2,815
(b) Reserves & Surplus	48,106	48,680
	51,911	51,495
2. Non current liabilities		
(a) Long Term borrowing	7,283	6,414
(b) Deferred Tax liabilities (Net)	1,708	1,699
(c) Other long term liabilities	15	15
(d) Long Term provisions	374	360
	9,380	8,488
3. Current liabilities		
(a) Short term borrowings	5,193	5,405
(b) Trade payables	1,738	1,521
(c) Other current liabilities	2,965	1,913
(d) Short term provisions	35	1,010
	9,931	9,849
Total Equity and liabilities	71,222	69,832
B) ASSETS		
1. Non current assets		
(a) Fixed assets	24,778	24,340
(b) Non current investments	24,911	20,526
(c) Long term loans and advances	1,184	327
	50,873	45,193
2. Current Assets		
(a) Current investments	10,470	14,221
(b) Inventories	2,169	1,964
(c) Trade receivables	3,171	2,898
(d) Cash and cash equivalents	544	1,695
(e) Short term Loans & Advances	3,191	3,164
(f) Other current assets	604	698
	20,349	24,638
Total Assets	71,222	69,832
Notes :		
1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on 9th November, 2012. The above results have been reviewed by the Statutory Auditors of the Company as per clause 41 of the listing agreement.		
2. The Company operates in a single primary business segment viz. Alco Chemicals and hence no segment disclosure has been made.		
3. Income from Investments represent the income earned on the temporary investments made out of proceeds from sale of Chloro Chemicals Division. These temporary investments have been made due to surplus funds available in the interim and shall be deployed in businesses in due course.		
4. Managerial Remuneration of Rs. 60 lakhs related to FY 2011-12 and Rs. 54 lakhs related to half year ended September, 2012 is subject to approval of the Central Government.		
5. Under the offer for Buy-back of equity shares of the Company from the open market through stock exchanges, the Company has bought back 198,918 shares upto 30th September, 2012. All these shares are extinguished.		
6. Previous year figures have been regrouped/rearranged, wherever necessary.		
Place : New Delhi		
Date : 9th November, 2012		
		 R.V. Kanoria Chairman & Managing Director