

KOTHARI INDUSTRIAL CORPORATION LIMITED

CIN No.L24110TN1970PLC005865

"Kothari Buildings" No.114/117, Mahatma Gandhi Salai

Nungambakkam, Chennai - 600 034

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Date: 14.11.2018

TO
BSE LIMITED
P.J.Towers, Dalal Street
Mumbai-400001

Scrip Code: 509732

Dear Sir,

Sub: Standalone Unaudited Financial Results for the quarter and half-year ended
30th September, 2018

This is to inform you that at the meeting of the Board of Directors of our Company held today, i.e, on 14th November, 2018 at the Registered office of the Company, as recommended by the Audit committee, the Board approved and took on record the Unaudited Financial Results for the Quarter and half- year ended 30th September, 2018. In order to comply with the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the Unaudited Financial Results as set out in compliance with the Ind AS for the quarter and half-year ended 30th September, 2018, along with the "Limited Review Report" issued by the Statutory Auditors.

Start Time of the Board Meeting- 04.30 PM

End Time of the Board Meeting - 06.00 PM

Kindly take the same on your record and acknowledge.

Thanking You,

Yours Faithfully,

For Kothari Industrial Corporation Limited

Anil Kumar Padhiali
Anil Kumar Padhiali

Company Secretary cum Compliance Officer



**KOTHARI INDUSTRIAL CORPORATION LIMITED**

Regd. Office: Kothari Buildings, 114, Mahatma Gandhi Salai, Nungambakkam, Chennai - 600034

CIN No. L24110TN1970PLC005865

email Id: enquiries@kotharis.in

(Rs. in lakhs)

UNAUDITED STATEMENT OF RESULTS FOR THE QUARTER AND YEAR ENDED 30TH SEPTEMBER 2018

PARTICULARS	Quarter Ended				Year Ended	
	30.09.2018 (Unaudited)	30.06.2018 (Unaudited)	30.09.2017 (Unaudited)	30.9.2018 (Unaudited)		30.9.2017 (Unaudited)
Income from Operations						
Gross Revenue from sale of products and services	515.16	193.09	123.66	708.25	272.53	1444.82
Other Operating revenue	57.67	56.04	44.01	113.71	88.05	205.44
REVENUE FROM OPERATIONS ((i)+(iii))	572.83	249.13	167.67	821.96	360.58	1,650.26
OTHER INCOME	27.90	19.90	16.00	47.80	32.39	195.49
1 TOTAL REVENUE	600.73	269.03	183.67	869.76	392.97	1,845.75
EXPENSES						
a) Cost of Material consumed	-	-	11.17	-	18.29	19.54
b) Purchase of stock-in-trade	493.41	127.95	77.70	621.36	212.81	1254.86
c) Changes in inventories of finished goods, stock-in-trade, work-in-progress and intermediates	(47.51)	20.24	7.38	(27.27)	(10.58)	(55.36)
d) Excise duty	-	-	-	-	0.07	0.07
e) Employee Benefits Expenses	39.48	41.91	33.88	81.39	66.23	171.26
f) Finance Costs	2.08	0.08	0.12	2.16	6.35	6.53
g) Depreciation and amortisation expense	12.00	12.00	102.50	24.00	205.00	48.20
h) Other expenses	120.35	119.52	89.95	239.87	165.44	543.26
2 TOTAL EXPENSES	619.81	321.70	322.70	941.51	663.61	1,988.36
3 PROFIT/(LOSS) Before Exceptional and Tax (1-2)	(19.08)	(52.67)	(139.03)	(71.75)	(270.64)	(142.61)
4 Exceptional Items	-	-	-	-	-	110.85
5 PROFIT/(LOSS) Before tax (4-5)	(19.08)	(52.67)	(139.03)	(71.75)	(270.64)	(253.46)
6 TAX EXPENSE	-	-	-	-	-	-
7 PROFIT/(LOSS) FOR THE PERIOD (5-6)	(19.08)	(52.67)	(139.03)	(71.75)	(270.64)	(253.46)
8 OTHER COMPREHENSIVE INCOME	-	-	-	-	-	0.83
Items that will not be reclassified to profit or loss	-	-	-	-	-	-
9 TOTAL COMPREHENSIVE INCOME (7+8)	(19.08)	(52.67)	(139.03)	(71.75)	(270.64)	(252.63)
10 PAID-UP EQUITY SHARE CAPITAL	955.54	955.54	955.54	955.54	955.54	955.54
(Face Value of the Share is of Rs. 5/- each)						
11 EARNING PER SHARE (of Re. 5/- each) (not annualised):						
Basic & Diluted (Rs.)	(0.10)	(0.28)	(0.73)	(0.38)	(1.42)	(1.32)

* Revenue for the half year ended September 30, 2018 excludes Goods and Service Tax (GST). However, revenue for the comparative six months ended September 30, 2017 include excise duty upto 30th June 2017.

GST is not included in the turnover and is treated as collection and payment to Government.



Segment-wise Revenue, Results, Assets and Liabilities for the Quarter 30TH SEPTEMBER 2018

(Rs.in lakhs)

Sl. No.	PARTICULARS	Quarter Ended			Six Months Ended		Year Ended
		30.09.2018 (Unaudited)	30.6.2018 (Unaudited)	30.09.2017 (Unaudited)	30.9.2018 (Unaudited)	30.9.2017 (Unaudited)	31.03.2018 (Audited)
1	Segment Revenue (Net Sales/Income from Operations)						
	a. Fertilizer	515.16	193.09	123.66	708.25	272.53	1,444.82
	b. Rental from Property	57.67	56.04	44.01	113.71	88.05	205.44
	Total	572.83	249.13	167.67	821.96	360.58	1,650.26
	Less: Inter Segment revenue						
	Net Sales / Income from Operations	572.83	249.13	167.67	821.96	360.58	1,650.26
2	Segment Results (Profit before Tax and Interest)						
	a. Fertilizer	(99.73)	(126.95)	(164.34)	(226.68)	(315.25)	(247.44)
	b. Rental from Property	54.83	54.46	41.43	109.29	83.35	196.00
	Total Segment results	(44.90)	(72.49)	(122.91)	(117.39)	(231.90)	(51.44)
	Less:						
	(i) Finance Costs	2.08	0.08	0.12	2.16	6.35	6.53
	(ii) Other Income	27.90	19.90	16.00	47.80	32.39	195.49
	Profit before tax	(19.08)	(52.67)	(139.03)	(71.75)	(270.64)	(253.46)
3	Segment Assets						
	a. Fertilizer	900.83	746.14	707.65	900.83	707.65	702.03
	b. Rental from Property	114.38	71.95	71.86	114.38	71.86	64.55
	Unallocated	7,255.92	7,400.00	3,992.48	7,255.92	3,992.48	7,322.75
	Total Segment Assets	8,271.13	8,218.09	4,771.99	8,271.13	4,771.99	8,089.33
4	Segment Liability						
	a. Fertilizer	2,181.27	1,931.29	1,089.36	2,181.27	1,089.36	1,914.57
	b. Rental from Property	152.60	137.52	137.52	152.60	137.52	137.52
	Unallocated	4,815.19	5,008.13	5,531.29	4,815.19	5,531.29	4,843.42
	Total Segment Liabilities	7,149.06	7,076.94	6,758.17	7,149.06	6,758.17	6,895.51
5	Capital Employed (3-4) (Total Equity)	1,122.07	1,141.15	(1,986.18)	1,122.07	(1,986.18)	1,193.82



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		Rs in Lakhs	
Balance Sheet			
	Particulars	30.09.2018	31.03.2018
		(Unaudited)	(Audited)
A	ASSETS		
	NON-CURRENT ASSETS		
1	(a) Property, Plant and Equipment	5,903.19	5,909.61
	(b) Capital work-in-progress		
	(c) Intangible assets	1.81	1.81
	(d) Deferred tax assets (net)	778.03	778.03
	(e) Financial Assets		
	(i) Investments	-	-
	(ii) Loans	313.63	313.35
	(iii) Others	-	-
	(f) Other non-current assets	-	-
	Non-Current Assets	6996.66	7002.8
2	CURRENT ASSETS		
	(a) Inventories	278.49	256.21
	(b) Financial Assets	-	-
	(i) Investments	-	-
	(ii) Trade receivables	724.91	496.21
	(iii) Cash and cash equivalents	11.81	14.16
	(iv) Other Bank Balances	30.61	46.87
	(v) Other financial assets	228.65	273.08
	(vi) Other	-	-
	(c) Other current assets	-	-
	Current Assets	1274.47	1,086.53
	TOTAL ASSETS	8,271.13	8,089.33
B	EQUITY AND LIABILITIES		
	EQUITY		
	(a) Equity Share Capital	955.54	955.54
	(b) Other Equity	166.53	238.28
	Equity	1,122.07	1,193.82
	LIABILITIES		
1	NON-CURRENT LIABILITIES		
	(a) Financial Liabilities		
	(i) Borrowings	1,210.07	1,189.32
	(ii) Other Financial liabilities	-	-
	(b) Provisions	144.99	144.99
	(c) Deferred tax Liabilities (Net)	-	-
	(d) Other non-current liabilities	420.82	420.82
	Non Current Liabilities	1775.88	1755.13
2	CURRENT LIABILITIES		
	(a) Financial Liabilities		
	(i) Borrowings	-	7.15
	(ii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,548.06	1,285.25
	(iii) Other Financial liabilities	3,825.12	3,847.98
	(b) Other Current liabilities	-	-
	(c) Provisions	-	-
	(d) Current Tax Liabilities (Net)	-	-
	Current Liabilities	5373.18	5140.38
	TOTAL EQUITY AND LIABILITIES	8,271.13	8089.33



Note:

1. The above unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 14.11.2018.
 2. The Company has two reportable segments of Fertilizer manufacture, sale, Trade & Mixtures and Rental from Property.
 3. The company has accepted its liability of Rs.3.45 crores to HDFC Bank which has charge on the property of the company. The High Court had determined a sum of Rs.7.09 crores as amount payable by the company to HDFC Bank which has not been accepted by the Bank and the matter is under reference before the Supreme Court of India which is contested by the company. Pending adjudication, the potential liability is presently not quantifiable and hence not provided for in the accounts.
 4. The proceedings initiated by the Collector of Nilgiris for repossession of certain plots of land in Coonoor earmarked for public use has been challenged by the company on a Writ Petition filed before Madras High Court and the matter is pending adjudication.
 5. Trade Receivables include Rs.59.40 lakhs from erstwhile dealers in Andhra Pradesh and Karnataka, where the company has temporarily suspended trading operations. The company is reasonably confident of recovering all the above dues in the near future when the company's operation in the two states are resumed.
 6. Pursuant to an arbitration award dated 30.9.2017 relating to additional electricity dues of Caustic Soda plant sold by the Company in the year 1986 is amounting to Rs. 2.31 Crores together with interest at 6% p.a. The Company has challenged the award before the Madras High Court which is pending adjudication.
- In view of the above Note No.3,4,5 and 6 the Statutory Auditors have drawn attention in the above matters without qualifying their Limited Review report.
7. The figures of the previous periods have been regrouped reclassified wherever necessary.
 8. The financial results are available on the website of BSE Limited and on the company's website www.kotharis.in

For and on behalf of the Board



For Kothari Industrial Corporation Limited


Pradip D. Kothari
Chairman

Place: Chennai 600034

Date : 14.11.2018



Arockiasamy & Raj
Chartered Accountants

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Limited Review Report

To
The Board of Directors of Kothari Industrial Corporation Limited

We have reviewed the accompanying statement of unaudited financial results of **Kothari Industrial Corporation Limited** for the quarter ended 30th September 2018 being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (SEBI Regulations).

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) 2400, *Engagements to Review Financial Statements* 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.

Without modifying opinion on the financial results, we bring attention to the following Facts:

1. For the restated HDFC loan of Rs. 3.45 crores, no provision of interest and other charges have been made pending decision of the Supreme Court of India. (Refer Note No.3).
2. No provision has been created in the books against loss that may arise due to the claim raised by the Government against the Coonoor property. (Refer Note No. 4).





Arockiasamy & Raj

Chartered Accountants

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3. No Provision has been made against the Sundry debtors of Rs. 59.40 lacs relating to the sales discontinued areas. (Refer Note No.5)
4. Arbitration Award against the Company regarding additional electricity dues of erstwhile Costic Soda plant which is challenged by the Company before Madras High Court and pending Adjudication.(Refer Note No.6).

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 i.e., Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5th July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Chennai

Date:- 14.11.2018



**For AROCKIASAMY & RAJ
CHARTERED ACCOUNTANTS
FRN : 006850S**


**A. NAGARAJAN
Partner
M.No: 020680**