

KOTHARI INDUSTRIAL CORPORATION LIMITED

CIN No.L24110TN1970PLC005865

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

Nungambakkam, Chennai - 600 034

Ph : +91 44 2833 4565 | Fax : +91 44 2833 4581

E-mail : enquiries@kotharis.in | www.kotharis.in



TO

BSE LIMITED

P.J.Towers Dalal Street

Mumbai-400001

Date: 10.08.2019

Scrip Code: 509732

Dear Sir,

Sub: Standalone and Consolidated Un-Audited Financial Results for the quarter ended 30th June, 2019

This is to inform you that a meeting of the Board of Directors of our Company was held today, 10th August, 2019 at the registered office of the Company which approved and took on record the Standalone & Consolidated Un-Audited Financial Results for the Quarter Ended 30th June, 2019.

In order to comply with the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing with this letter, Standalone & Consolidated Un-Audited Financial Results for the Quarter Ended 30th June, 2019 as per IND-AS Rules along with the "Limited Review Report" issued by the Statutory Auditors.

Start Time of the Board Meeting- 04.00 PM :

End Time of the Board Meeting - 06.00 PM

Kindly take the same on your record & oblige.

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

UNAUDITED STATEMENT OF RESULTS FOR THE QUARTER ENDED 30TH JUNE 2019

PARTICULARS	STANDALONE			
	Quarter Ended			Year Ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Income from Operations				
Gross Revenue from sale of products and services	156.96	197.78	193.09	1601.42
Other Operating revenue	10.35	61.47	56.04	232.84
REVENUE FROM OPERATIONS ((i)+(ii))	167.31	259.25	249.13	1,834.26
OTHER INCOME	19.66	25.56	19.90	92.67
1 TOTAL REVENUE	186.97	284.81	269.03	1926.93
EXPENSES				
a) Cost of Material consumed	-	-	-	-
b) Purchase of stock-in-trade	140.16	77.47	127.95	1215.29
c) Changes in inventories of finished goods, stock-in-trade, work-in-progress and Intermediates	(3.15)	79.84	20.24	90.27
d) Excise duty	-	-	-	-
e) Employee Benefits Expenses	41.12	54.52	41.91	175.54
f) Finance Costs	0.33	0.20	0.08	0.56
g) Depreciation and amortisation expense	12.00	13.18	12.00	47.18
h) Other expenses	71.97	262.57	119.52	618.49
2 TOTAL EXPENSES	262.43	487.78	321.70	2,147.33
3 PROFIT/ (LOSS) Before Exceptional and Tax (1-2)	(75.46)	(202.97)	(52.67)	(220.40)
4 Exceptional Items:-				
a) Profit on Sale of Asset	(704.54)			
b) Compensation	1,181.50			
c) Provisions and Credit balances written back		(281.51)		(281.51)
5 PROFIT/ (LOSS) Before tax (4-5)	(552.42)	78.54	(52.67)	61.11
Extraordinary Items				
PROFIT/ (LOSS) Before Tax (7-8)	(552.42)	78.54	(52.67)	61.11
a) Current Tax				-
b) Deferred Tax				-
6 TAX EXPENSE	-	-	-	-
7 PROFIT/(LOSS) FOR THE PERIOD (5-6)	(552.42)	78.54	(52.67)	61.11
8 OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss		54.76		54.76
9 TOTAL COMPREHENSIVE INCOME (7+8)	(552.42)	133.30	(52.67)	115.87
10 PAID-UP EQUITY SHARE CAPITAL (Face Value of the Share is of Rs. 5/- each)	955.54	955.54	955.54	955.54
11 EARNING PER SHARE (of Re. 5/- each) (not annualised). Basic & Diluted (Rs.)	(2.89)	0.41	(0.28)	0.32



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UNAUDITED STATEMENT OF RESULTS FOR THE QUARTER ENDED 30TH JUNE 2019

PARTICULARS	CONSOLIDATION		
	Quarter ended 30.06.2019 (Unaudited)	Quarter ended 31.03.2019 (Audited)	Year ended 31.03.2019 (Audited)
	Income from Operations		
Gross Revenue from sale of products and services	156.96	197.78	1601.42
Other Operating revenue	10.35	61.47	232.84
REVENUE FROM OPERATIONS ((i)+(ii))	167.31	259.25	1,834.26
OTHER INCOME	19.66	25.56	92.67
1 TOTAL REVENUE	186.97	284.81	1926.93
EXPENSES			
a) Cost of Material consumed	-	-	9.37
b) Purchase of stock-in-trade	140.16	77.47	1215.29
c) Changes in inventories of finished goods, stock-in-trade, work-in-progress and Intermediates	(3.15)	79.84	78.05
d) Excise duty	-	-	-
e) Employee Benefits Expenses	41.12	54.52	175.54
f) Finance Costs	0.33	0.20	0.56
g) Depreciation and amortisation expense	12.00	13.18	47.19
h) Other expenses	71.97	262.57	621.33
2 TOTAL EXPENSES	262.43	487.78	2,147.33
3 PROFIT/ (LOSS) Before Exceptional and Tax (1-2)	(75.46)	(202.97)	(220.40)
4 Exceptional Items:-			
a) Profit on Sale of Asset	(704.54)		
b) Compensation	1,181.50		
c) Provisions and Credit balances written back		(281.51)	(281.51)
5 PROFIT/ (LOSS) Before tax (4-5)	(552.42)	78.54	61.11
Extraordinary Items			
PROFIT/ (LOSS) Before Tax (7-8)	(552.42)	78.54	61.11
a) Current Tax			
b) Deferred Tax			
6 TAX EXPENSE	-	-	-
7 PROFIT/(LOSS) FOR THE PERIOD (5-6)	(552.42)	78.54	61.11
8 OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss		54.76	54.76
(ii) Income tax relating to items that will not be reclassified to Profit or loss		54.76	
B (i) Items that will be reclassified to profit or loss		-	
(ii) Income tax relating to items that will be reclassified to Profit or loss		-	
9 TOTAL COMPREHENSIVE INCOME (7+8)	(552.42)	133.30	115.87
10 PAID-UP EQUITY SHARE CAPITAL (Face Value of the Share is of Rs 5/- each)	955.54	955.54	955.54
RESERVE EXCLUDING REVALUATION RESERVES			
11 EARNING PER SHARE (of Re. 5/- each) (not annualised):			
Basic & Diluted (Rs.)	(2.89)	0.41	0.32



Segment-wise Revenue, Results, Assets and Liabilities for the Quarter 30TH JUNE 2019

Sl. No.	PARTICULARS	STANDALONE			
		Quarter Ended			Year Ended
		30.06.2019 (Unaudited)	31.03.2019 (Audited)	30.06.2018 (Unaudited)	31.03.2019 (Audited)
1	Segment Revenue (Net Sales/Income from Operations)				
	a. Fertilizer	156.96	197.78	193.09	1,601.42
	b. Rental from Property	10.35	61.47	56.04	232.84
	c. Others				
	Total	167.31	259.25	249.13	1,834.26
	Less: Inter Segment revenue				
	Net Sales / Income from Operations	167.31	259.25	249.13	1,834.26
2	Segment Results (Profit before Tax and Interest)				
	a. Fertilizer	(103.56)	2.22	(126.95)	(253.33)
	b. Rental from Property	8.77	50.96	54.46	222.33
	c. Others				
	Total Segment results	(94.79)	53.18	(72.49)	(31.00)
	Less:				
	(i) Unallocated Interest and finance charges	0.33	0.20	0.08	0.56
	(ii) Other unallocable expenditure net of unallocable Income	(457.30)	25.56	19.90	92.67
	Profit before tax	(552.42)	78.54	(52.67)	61.11
3	Segment Assets				
	a. Fertilizer	615.98	580.48	746.14	580.48
	b. Rental from Property	129.27	113.08	71.95	113.08
	c. others				
	Unallocated	5,796.43	7,461.24	7,400.00	7,461.24
	Total Segment Assets	6,541.68	8,154.80	8,218.09	8,154.80
4	Segment Liability				
	a. Fertilizer	1,499.42	1,996.31	1,931.29	1,996.31
	b. Rental from Property	193.60	152.60	137.52	152.60
	c. others				
	Unallocated	4,091.38	4,696.19	5,008.13	4,696.19
	Total Segment Liabilities	5,784.40	6,845.10	7,076.94	6,845.10
5	Capital Employed (3-4) (Total Equity)	757.28	1309.70	1141.15	1309.70



Segment-wise Revenue, Results, Assets and Liabilities for the Quarter 30TH JUNE 2019

CONSOLIDATION				
Sl. No.	PARTICULARS	Quarter ended		Year ended
		30.06.2019	31.03.2019	31.03.2019
		(Unaudited)	(Audited)	(Audited)
1	Segment Revenue (Net Sales/Income from Operations)			
	a. Fertilizer	156.96	197.78	1,601.42
	b. Rental from Property	10.35	61.47	232.84
	c. Others		-	
	Total	167.31	259.25	1,834.26
	Less: Inter Segment revenue			
	Net Sales / Income from Operations	167.31	259.25	1,834.26
2	Segment Results (Profit before Tax and Interest)			
	a. Fertilizer	(103.56)	2.22	(253.33)
	b. Rental from Property	8.77	50.96	222.33
	c. Others			
	Total Segment results	(94.79)	53.18	(31.00)
	Less:			
	(i) Unallocated Interest and finance charges	0.33	0.20	0.56
	(ii) Other unallocable expenditure net of unallocable Income	(457.30)	25.56	92.67
	Profit before tax	(552.42)	78.54	61.11
		-	-	-0.00
3	Segment Assets			
	a. Fertilizer	615.98	580.48	580.48
	b. Rental from Property	129.27	113.08	113.08
	c. others		-	
	Unallocated	5,798.91	7,473.62	7,473.62
	Total Segment Assets	6,544.16	8,167.18	8,167.18
4	Segment Liability			
	a. Fertilizer	1,499.42	1,996.31	1,996.31
	b. Rental from Property	193.60	152.60	152.60
	c. others			
	Unallocated	4,093.86	4,708.57	4,708.57
	Total Segment Liabilities	4,786.88	6,857.48	6,857.48
5	Capital Employed (3-4) (Total Equity)	757.28	1309.70	1309.70



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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 10.08.2019.
2. The Company has two reportable segments of Fertilizer manufacture, sale, Trade & Mixtures and Rental from Property.
3. Subsidiary Company namely M/s. Kothari Marine International Limited was incorporated on 13th July 2019. Hence, comparative consolidated figures for the previous quarter not applicable.
4. Exceptional Item Comprise of
 - a) Profit on sale of part of Kothari land and Building for Rs. 704.54 Lakhs related to the sale of 2 floors of Kothari Properties.
 - b) Compensation for the surrender of right over two floors in kothari Building Rs.1181.50 Lakhs based on Arbitration Award.
5. 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.
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.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

Place: Chennai 600034

Date: 10.08.2019

For Kothari Industrial Corporation Limited



Pradip D. Kothari
Chairman



Arockiasamy & Raj

Chartered Accountants

New No. 8/2, Old No. 19,
First Floor, 2nd Cross Street,
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Ekkatuthangal, Chennai – 600 032
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E-mail : anaga_in@yahoo.co.uk
auditqueries@gmail.com

UDIN: 19020680AAAAGG4847

Auditor's Report On Financial Results and Year to Date Results of the Company
Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015

To

Board of Directors of Kothari Industrial Corporation Limited.

We have audited the financial results of Kothari Industrial Corporation Ltd for the year ended 30th June 2019, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

These financial results are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Financial Reporting, mandated under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder (Ind AS) and other accounting principles generally accepted in India. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.





Arockiasamy & Raj

Chartered Accountants

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auditqueries@gmail.com

In our opinion and to the best of our information and according to the explanations given to us these financial results as well as the year to date results:

- (i) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and Total Comprehensive income and other financial information for the quarter ending 30th June 2019.

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

1. The financial statement has been presented on principles applicable to a going concern despite accumulated losses and consequent erosion in net worth, on the fact that significant amount of moneys being made available from time to time by associate companies of the Managing Director for working funds and settlement of old creditors and would continue to do so .Further, the business plan envisaged by management provides for large scale expansion with injection of finance.
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. 5).
3. Arbitration Award against the Company regarding additional electricity dues of erstwhile Caustic Soda plant which is challenged by the Company before Madras High Court and pending Adjudication.(Refer Note No.6).

Place: Chennai
Date:10- August-2019



For AROCKIASAMY & RAJ
CHARTERED ACCOUNTANTS


A.NAGARAJAN
PARTNER
M No: 20680



Arockiasamy & Raj
Chartered Accountants

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UDIN: 19020680AAAAGG4847

Auditor's Report On Financial Results and Year to Date Results of the Company
Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015

To
Board of Directors of Kothari Industrial Corporation Limited.

We have audited the consolidated financial results of Kothari Industrial Corporation Ltd for the quarter ended 30th June 2019, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

These financial results are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Financial Reporting, mandated under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder (Ind AS) and other accounting principles generally accepted in India. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.





Arockiasamy & Raj

Chartered Accountants

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auditqueries@gmail.com

In our opinion and to the best of our information and according to the explanations given to us these financial results as well as the year to date results:

- (i) Include the financial results and year to date of the subsidiary i.e., M/s.Kothari Marine International Limited;
- (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (iii) give true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and Total Comprehensive income and other financial information for the quarter ending 30th June 2019 .

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

1. The financial statement has been presented on principles applicable to a going concern despite accumulated losses and consequent erosion in net worth, on the fact that significant amount of moneys being made available from time to time by associate companies of the Managing Director for working funds and settlement of old creditors and would continue to do so .Further, the business plan envisaged by management provides for large scale expansion with injection of finance.
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.5).
3. Arbitration Award against the Company regarding additional electricity dues of erstwhile Caustic Soda plant which is challenged by the Company before Madras High Court and pending Adjudication.(Refer Note No.6).

Place: Chennai
Date: 10- August-2019



For AROCKIASAMY & RAJ
CHARTERED ACCOUNTANTS


A. NAGARAJAN
PARTNER
M.No: 20680