KCI KANORIA CHEMICALS & INDUSTRIES LIMITED

Registered Office : Park Plaza
71, Park Street, 7th Floor
Kolkata-700 016
Tel : +91-33-4031-3200
Fax : +91-33-4031-3220
CIN : L24110WB1960PLC024910
E-mail : calall@kanoriachem.com
Website : www.kanoriachem.com

KC-13/

18th May, 2018

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

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: Outcome of the Board Meeting

This is to inform that the Board of Directors of the Company at its Meeting held today, the 18th May, 2018, inter alia, transacted the following business:-

Financial Results

Considered and approved the Audited Financial Results (including Consolidated Results) of the Company for the quarter and year ended 31st March, 2018.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), read with SEBI Circular CIR/CFD/CMD/56/2016 dated 27th May, 2016 on "Disclosure of the Impact of Audit Qualifications by the Listed Entities", we would like to confirm that M/s Jitendra K Agarwal & Associates, Statutory Auditors of the Company, have issued Audit Reports with unmodified opinion on the above financial results.

58th Annual General Meeting and Dividend

Convened the 58th Annual General Meeting of the Company on Thursday, the 13th September, 2018.

Recommended dividend @ 30 % (Rs 1.50) on Equity Shares of Rs. 5 each for the year ended on 31st March, 2018, subject to the approval of the shareholders at the Annual General Meeting.

The dividend, if declared at the above Annual General Meeting, will be paid on or after 20th September, 2018 to those Members entitled thereto.

Book Closure

Approved closure of the Register of Members of the Company from 7th September, 2018 to 13th September, 2018, both days inclusive, for the purpose of payment of dividend.

The Audited Financial Results (including Consolidated Results) of the Company for the quarter and year ended 31st March, 2018, alongwith the Audit Reports are attached herewith.

The Meeting commenced at 12.00 noon and concluded at 4.45 P.M.

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

Independent Auditor's Report on Quarterly Standalone Financial Results and Standalone Year to Date Results of Kanoria Chemicals & Industries Limited Pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors
Kanoria Chemicals & Industries Limited

1. We have audited the accompanying annual standalone financial results ('the Statement') of Kanoria Chemical & Industries Limited for the quarter and for the year ended March 31, 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Attention is drawn to the fact that the figures for the quarter ended March 31, 2018 and the corresponding quarter ended in the previous year as reported in the Statement are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

2. The Statement has been prepared on the basis of audited annual standalone Ind AS financial statements and reviewed quarterly standalone financial results upto the end of third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on the Statement based on our audit of annual standalone Ind AS financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with rules issued thereunder, other accounting principles generally accepted in India and in compliance with requirement of Regulation 33 of the Listing Regulations.

3. 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 Statement is free of material misstatements. An audit includes examining, on a test basis, evidence supporting amounts disclosed in the statement. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. The Company had prepared the standalone Ind AS financial results and standalone Ind AS financial statements for the year ended March 31, 2017 in accordance with the Accounting Standards prescribed under Section 133 of the Act read with the rules issued thereunder, which were our predecessor auditor who vide their report dated May 30, 2017 issued unmodified opinion on those standalone Ind AS financial results and standalone Ind AS financial statements. Our opinion is not modified in respect of the above matter.

5. In our opinion and to the best of our information and according to the explanations given to us the Statement:
   (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations and SEBI circular dated July 5, 2016 in this regard; and
   (ii) give a true and fair view of the financial performance including other comprehensive income and other financial information for the quarter ended and year ended March 31, 2018.

For JITENDRA K AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No. 318086E

Jitendra K Agarwal & Associates Chartered Accountants Kolkata

(ABHISHEK MOHTA)
Partner
Membership No. 066653

Place: New Delhi
Dated 18th day of May, 2018

Jitendra K Agarwal & Associates

Chartered Accountants

5-A, NANDALAL JEW ROAD, KOLKATA-700 026 • Phone : +91 33 2476 5068 • E-mail : kolkata@jkagarwal.com

Independent Auditor's Report on Quarterly and Year to Date Consolidated Financial Results of Kanoria Chemicals & Industries Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors
Kanoria Chemicals & Industries Limited

1. We have audited the accompanying annual statement of consolidated Ind AS financial results ('the Statement') of Kanoria Chemicals & Industries Limited ('the Company'), its subsidiaries (collectively referred to as 'the Group') for the year ended March 31, 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

2. The Statement has been prepared on the basis of the annual consolidated Ind AS financial statements which are the responsibility of the Company's management. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated Ind AS financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS) under Section 133 of the Companies Act, 2013 ('the Act') read with rules issued thereunder and other accounting principles generally accepted in India and in compliance with requirement of Regulation 33 of the Listing Regulations.

3. 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 Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as consolidated financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion.

4. The Holding Company had prepared the consolidated financial results and consolidated financial statements for the year ended March 31, 2017 in accordance with the Indian Accounting Standards under section 133 of the Act read with rules thereunder, which were audited by our predecessor auditor, who vide their report dated May 30, 2017 issued unmodified opinion on those consolidated Ind AS financial results and consolidated Ind AS financial statements. Our opinion is not modified in respect of the above matter.

5. (i) We did not audit the financial statements of Pipri Ltd., an Indian subsidiary, whose financial statements reflect total assets of Rs. 1,457.20 lakhs as at March 31, 2018, total revenues of Rs. 93.56 lakhs and net cash flows of Rs. 4.34 lakhs for the year ended on that date, as considered in the statements. The financial statement have been audited by other auditor whose report has been furnished to us by the management, and have been converted by the Management of the Holding Company so as to comply with the Ind AS compliant financial statement. Our opinion on the consolidated financial statements, insofar as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

   (ii) We did not audit the consolidated financial statement of APAG Holding AG and financial Statement of Kanoria Africa Textiles PLC, the foreign subsidiaries whose financial statements reflect total assets of Rs. 59,702.43 lakhs as at March 31, 2018, total revenues of Rs. 52,392.49 lakhs and net cash outflow of Rs. 638.25 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These consolidated financial statement/financial statements/financial information are audited as per the local law of the respective countries and have been converted by the Management of the Holding Company so as to comply with the Ind AS compliant financial statement, and our opinion on the consolidated financial statements in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on such consolidated financial statement /financial information which have been converted into Ind AS financial statement by the management and have been reviewed by us.

Our report on the statement is not modified in respect of matters referred to in paragraph 5 (i) and (ii) above.

Jitendra K Agarwal & Associates Chartered Accountants Kolkata

6. In our opinion and to the best of our information and according to the explanations given to us the Statement:

   a. includes the financial results of an Indian subsidiary, Pipri Limited and the financial results of foreign subsidiaries, (a) Kanoria Africa Textiles PLC, (b) APAG Holding AG, (c) APAG Elektronik AG, (d) APAG Elektronik s.r.o., (e) CoSyst Control Systems GmbH, (f) APAG Elektronik LLC and (g) APAG Elektronik Corp

   b. 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

   c. give a true and fair view of the consolidated net profit and other financial information for the year ended March 31, 2018.

For JITENDRA K AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No. 318086E

Jitendra K Agarwal & Associates Chartered Accountants Kolkata

(ABHISHEK MOHTA)
Partner
Membership No. 066653

Place: New Delhi
Dated 18th day of May, 2018

KANORIA CHEMICALS & INDUSTRIES LIMITED
"Park Plaza", 71, Park Street, Kolkata–700 016
Phone No. +91 33 4031 3200, Fax No. +91 33 4031 3220
Website : www.kanoriachem.com
CIN : L24110WB1960PLC024910

(INR in Lakhs)

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2018

Particulars	Standalone					Consolidated	
	Quarter ended			Year ended		Year ended	
	(Audited)	(Unaudited)	(Audited)	(Audited)		(Audited)	
	31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
INCOME							
Revenue from Operations	9,306	8,834	10,047	34,681	32,737	84,482	73,373
Other Income	532	372	801	2,331	2,267	4,542	2,583
Total Income	9,838	9,206	10,848	37,012	35,004	89,024	75,956
EXPENSES							
Cost of Materials Consumed	6,970	6,262	6,014	23,931	19,041	56,383	43,501
Purchase of Stock-in-Trade	27	-	123	121	294	121	294
Change in Inventories of Finished Goods and Work-in-Progress	(35)	56	94	164	(565)	(406)	(643)
Excise Duty on Sale of Goods	-	-	988	806	3,171	807	3,171
Employee Benefit Expenses	579	554	535	2,306	2,059	13,034	12,392
Finance Costs	200	180	(60)	706	327	2,379	2,019
Depreciation and Amortisation Expenses	494	600	607	2,119	2,043	4,661	4,545
Other Expenses	1,504	1,490	1,647	6,035	5,882	11,081	12,002
Total Expenses	9,739	9,142	9,948	36,188	32,252	88,060	77,281
Profit/(Loss) before Exceptional Items and Tax	**99**	**64**	**900**	**824**	**2,752**	**964**	**(1,325)**
Exceptional Item	-	-	1,842	-	1,842	-	1,842
Profit/(Loss) before Tax	**99**	**64**	**(942)**	**824**	**910**	**964**	**(3,167)**
Tax Expenses:							
Current Tax	67	8	(220)	212	150	233	**310**
MAT Credit Entitlement	(67)	(8)	(150)	(212)	(150)	(212)	(150)
MAT Credit Entitlement for earlier years	-	-	(999)	-	(999)	-	(999)
Deferred Tax	95	4	(117)	264	37	(214)	**42**
Profit/(Loss) for the Period/Year	**4**	**60**	**544**	**560**	**1,872**	**1,157**	**(2,370)**
OTHER COMPREHENSIVE INCOME (OCI)							
A (i) Items that will not be reclassified to Profit or Loss	30	(12)	(9)	(5)	(52)	(7)	(52)
(ii) Income-tax relating to items that will not be reclassified to Profit or Loss	(11)	6	7	6	23	6	23
B (i) Items that will be reclassified to Profit or Loss	-	-	4	(270)	50	(260)	73
(ii) Income-tax relating to items that will be reclassified to Profit or Loss	-	-	(1)	31	(6)	30	(8)
Other Comprehensive Income for the period/year, net of tax	19	(6)	1	(238)	15	(231)	36
Total Comprehensive Income for the period/year	**23**	**54**	**545**	**322**	**1,887**	**926**	**(2,334)**
Profit/(Loss) attributable to							
Owners of the Company	**4**	**60**	**544**	**560**	**1,872**	**1,405**	**(1,478)**
Non-Controlling Interest	-	-	-	-	-	**(248)**	**(892)**
Other Comprehensive Income attributable to							
Owners of the Company	**19**	**(6)**	**1**	**(238)**	**15**	**(231)**	**36**
Non-Controlling Interest	-	-	-	-	-	-	-
Total Comprehensive Income attributable to							
Owners of the Company	**23**	**54**	**545**	**322**	**1,887**	**1,174**	**(1,442)**
Non-Controlling Interest	-	-	-	-	-	**(248)**	**(892)**
Paid up Equity Share Capital (INR 5/- per Share)	2,185	2,185	2,185	2,185	2,185	2,185	2,185
Reserves	-	-	-	58,784	59,252	56,608	55,821
Earnings per Shares (INR) - Basic & Diluted	0.01	0.13	1.24	1.28	4.28	3.22	(3.38)

(INR in Lakhs)

SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

Particulars	Standalone					Consolidated	
	Quarter ended			Year ended		Year ended	
	(Audited)	(Unaudited)	(Audited)	(Audited)		(Audited)	
	31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Segment Revenue							
Alco Chemicals	9,167	8,746	9,756	34,229	31,468	34,229	31,468
Solar Power	139	88	291	452	1,269	452	1,269
Electonic Automotive	-	-	-	-	-	41,521	36,145
Textile	-	-	-	-	-	8,280	4,491
Other	-	-	-	-	-	-	-
Revenue from Operations	**9,306**	**8,834**	**10,047**	**34,681**	**32,737**	**84,482**	**73,373**
Segment Results							
[Profit/(loss) before Tax and Finance Costs]							
Alco Chemicals	91	284	217	652	1,652	652	1,652
Solar Power	61	(48)	318	(44)	684	(44)	684
Electonic Automotive	-	-	-	-	-	1,503	188
Textile	-	-	-	-	-	368	(2,764)
Other	-	-	-	-	-	109	191
Total	**152**	**236**	**535**	**608**	**2,336**	**2,588**	**(49)**
Less :							
i) Finance Costs	200	180	(60)	706	327	2,379	2,019
ii) Exceptional items	-	-	1,842	-	1,842	-	1,842
iii) Other un-allocable expenditure net off un-allocable income	(147)	(8)	(305)	(922)	(743)	(755)	(743)
Profit/(loss) before Tax	**99**	**64**	**(942)**	**824**	**910**	**964**	**(3,167)**
Segment Assets							
Alco Chemicals	47,496	46,877	44,615	47,496	44,615	47,496	44,615
Solar Power	3,470	3,416	3,762	3,470	3,762	3,470	3,762
Electonic Automotive	-	-	-	-	-	28,496	20,331
Textile	-	-	-	-	-	31,207	31,024
Other	-	-	-	-	-	1,455	1,364
Un-allocated	31,679	33,256	34,369	31,679	34,369	15,656	19,851
Total Assets	82,645	83,549	82,746	82,645	82,746	1,27,780	1,20,947
Segment Liabilities							
Alco Chemicals	5,675	3,769	3,890	5,675	3,890	5,675	3,890
Solar Power	89	80	51	89	51	89	51
Electonic Automotive	-	-	-	-	-	22,801	16,969
Textile	-	-	-	-	-	23,900	24,958
Other	-	-	-	-	-	-	-
Un-allocated	15,912	18,754	17,368	15,912	17,368	15,918	16,178
Total Liabilities	**21,676**	**22,603**	**21,309**	**21,676**	**21,309**	**68,383**	**62,046**

(INR in Lakhs)

AUDITED STATEMENT OF ASSETS AND LIABILITIES

Particulars	Standalone (Audited)		Consolidated (Audited)	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	40,255	36,154	75,293	69,221
(b) Capital Work-in-Progress	679	2,652	1,202	2,652
(c) Goodwill on Consolidation	-	-	3,374	3,352
(d) Other Intangible Assets	100	44	1,365	1,684
(e) Financial Assets				
(i) Investments	14,539	18,077	6,087	9,609
(ii) Loans	8,030	6,928	9	6
(iii) Others	132	165	194	225
(f) Other Non-Current Assets	33	383	742	404
Total Non-Current Assets	63,768	64,403	88,266	87,153
Current Assets				
(a) Inventories	4,191	3,226	14,136	10,290
(b) Financial Assets				
(i) Investments	-	308	198	411
(ii) Trade Receivables	5,293	5,519	13,766	11,441
(iii) Cash and Cash Equivalents	213	59	1,095	1,574
(iv) Bank Balances other than (iii) above	3,525	3,755	3,591	3,755
(v) Loans	951	440	13	13
(vi) Others	419	743	129	357
(c) Current Tax Assets (Net)	1,951	1,953	1,923	1,951
(d) Other Current Assets	2,334	2,340	4,663	4,002
Total Current Assets	18,877	18,343	39,514	33,794
Total Assets	**82,645**	**82,746**	**1,27,780**	**1,20,947**
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	2,185	2,185	2,185	2,185
Other Equity	58,784	59,252	56,608	55,821
Equity attributable to equity holders of the parent	60,969	61,437	58,793	58,006
Non Controlling Interest	-	-	604	895
Total Equity	60,969	61,437	59,397	58,901
Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	1,969	2,894	25,950	26,564
(ii) Other financial liabilities	100	148	492	606
(b) Provisions	640	577	640	577
(c) Deferred Tax Liabilities (Net)	5,050	5,031	4,796	5,240
Total Non-Current Liabilities	7,759	8,650	31,878	32,987
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	6,835	7,225	13,417	11,161
(ii) Trade Payables	4,731	2,537	12,846	9,141
(iii) Other financial liabilities	1,990	2,552	7,422	7,101
(b) Other Current Liabilities	80	84	2,101	1,154
(c) Provisions	281	261	719	502
Total Current Liabilities	13,917	12,659	36,505	29,059
Total Liabilities	21,676	21,309	68,383	62,046
Total Equity and Liabilities	**82,645**	**82,746**	**1,27,780**	**1,20,947**

Notes :

1 The audited accounts of the Company were approved by the Board of Directors at its meeting held on 18th May, 2018 after review by the Audit Committee at its meeting held on 18th May, 2018.

2 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. 3,500.00 to Rs. 1,000.00 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. 202 lakhs in the quarter and Rs. 795 lakhs in the year ended 31st March 2018 on Revenue from operations, Profit before exceptional items and tax, Segment Revenue and Result of Solar Power Segment.

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 and year ended on 31st March, 2018 are not comparable with the previous year.

4 The Directors have recommended Dividend @ 30% (INR 1.50) per Equity Share of INR 5/- for the financial year 2017-18.

5 The figures for the quarter ended 31st March, 2018 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.

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

Place : New Delhi
Date : 18th May, 2018

R.V. Kanoria
Chairman & Managing Director