

January 16, 2014

Scrip Code No. 526015

Company Symbol: KEMROCK

To
DCS-CRD Department
The Bombay Stock Exchange Ltd
Floor 25, Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai - 400 001

To
Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051

Sub: Outcome of the Board meeting held today, the January 16, 2014, to consider and approve, *inter alia*, the audited financial results of the Company for FY 2012-2013

Dear Sir / Madam,

1) This is to inform that, the Board of Directors of the Company, at its meeting held today, January 16, 2014, *inter alia*, considered/approved the followings. Accordingly, the Board has -

- a) Approved the audited financial results of the Company for the entire financial year for (*fifteen months*) ended September 30, 2013.

The Audited financial results for the financial year (*fifteen months*) ended September 30, 2013, are enclosed herewith.

- b) taken note of appointment of Mr. S. K. Jain as the Chief Financial Officer of the Company w.e.f., 07.10.2013.
- c) taken a note of resignation of Mr. David Rasquinha, Nominee Director, from the Board of the Company w.e.f., 31.12.2013, *vide* letter received by Company on 13th January, 2014.

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- d) Fixed the date of ensuing Annual General Meeting as Monday, the 31st March, 2014; and the Book Closure dates as 29th March, 2014 to 31st March, 2014 (both days inclusive).
- 2) As per the requirements of clause 20 of the Listing Agreement, we hereby provide the following information as approved by the Board for the year ended on September 30, 2013:

Sr. No.	Particulars (Standalone Financial Results)	(Rs. in Lacs)	
		2012-2013 [July 01, 2012 to September 30, 2013]	2011-2012 [July 01, 2011 to June 30, 2012]
1.	Total Turnover (net)	44,826.41	91,139.15
2.	Gross Profit/(Loss)	11,886.81	30,789.22
3.	Provision for Depreciation	5,949.48	4,556.27
4.	Tax Provisions:		
	Provision for Current Tax	33.62	1,182.74
	Provision for Wealth Tax	(2.24)	2.74
	Fringe Benefit Tax		
	Provisions for Deferred Tax	(3,597.43)	2,489.97
5.	Net Profit/(Loss) for the Year	(36,246.05)	2,420.31

Kindly take note of the above and oblige.

Thanking you,

Yours faithfully,

For Kemrock Industries and Exports Limited

Bharat Patel
[Company Secretary]



Encl.: a/a



STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON SEPTEMBER 30, 2013

PART - I (Rs. in Lakh, except share data)

Particulars	STANDALONE				CONSOLIDATED		
	Quarter Ended			Year Ended		Year Ended	
				15th Months	12th Months	15th Months	12th Months
	30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.06.2012	30.09.2013	30.06.2012
	Unaudited			Audited		Audited	
1 Income from operations							
(a) Net sales/income from operations (Net of excise duty)	3,385.68	7,518.07	13,978.41	44,817.33	91,106.02	58,147.98	106,078.05
(b) Other operating income	2.00	-	3.89	9.08	33.13	9.08	33.13
Total income from operations (net)	3,387.68	7,518.07	13,982.30	44,826.41	91,139.15	58,157.05	106,111.18
2 Expenses							
(a) Cost of materials consumed	(10,463.53)	(4,280.27)	5,768.03	17,754.53	58,692.36	26,023.96	71,796.09
(b) Purchases of stock-in-trade	-	-	3,770.81	-	-	-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(472.50)	5,182.67	(1,116.24)	11,883.17	(2,047.28)	11,795.84	(2,316.00)
(d) Employee benefits expense	535.06	499.31	807.73	3,301.90	3,704.85	4,104.10	4,435.59
(e) Depreciation and amortisation expense	1,384.30	1,137.63	1,164.87	5,949.48	4,556.27	6,150.65	4,802.24
(f) Other expenses	5,290.23	6,135.36	2,484.14	24,977.72	14,145.90	31,531.01	15,592.87
Total expenses	(3,726.44)	8,674.70	12,879.34	63,866.80	79,052.10	79,605.55	94,310.79
3 Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	7,114.12	(1,156.63)	1,102.96	(19,040.39)	12,087.05	(21,448.50)	11,800.39
4 Other income	7,507.41	102.97	57.69	7,789.40	10,332.75	9,464.64	12,111.00
5 Profit/(Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)	14,621.53	(1,053.66)	1,160.65	(11,250.99)	22,419.80	(11,983.85)	23,911.39
6 Finance costs	13,462.29	5,923.39	4,436.13	28,561.10	16,271.53	28,688.05	16,463.34
7 Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)	1,159.23	(6,977.06)	(3,275.48)	(39,812.10)	6,148.27	(40,671.90)	7,448.05
8 Exceptional items	-	-	-	-	55.27	-	55.27
9 Profit/(Loss) from ordinary activities before tax (7 ± 8)	1,159.23	(6,977.06)	(3,275.48)	(39,812.10)	6,093.00	(40,671.90)	7,392.78
10 Tax expense	1,582.64	-	847.53	(3,566.05)	3,672.71	(3,372.21)	3,769.00
11 Net Profit/(Loss) from ordinary activities after tax (9±10)	(423.41)	(6,977.06)	(4,123.01)	(36,246.05)	2,420.29	(37,299.69)	3,623.78
12 Extraordinary items (net of tax expense)	-	-	-	-	-	4.81	45.72
13 Net Profit/(Loss) for the period (11 ± 12)	(423.41)	(6,977.06)	(4,123.01)	(36,246.05)	2,420.29	(37,294.88)	3,669.50
14 Minority Interest	-	-	-	-	-	37.25	95.93
15 Net Profit/(Loss) after Minority Interest (13±14)	(423.41)	(6,977.06)	(4,123.01)	(36,246.05)	2,420.29	(37,332.12)	3,573.57
16 Paid-up equity share capital (Face value Rs. 10/- per share)	2,033.00	2,033.00	2,033.00	2,033.00	2,033.00	2,033.00	2,033.00
17 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	41,310.63	81,485.98	42,286.28	79,048.36
18.i Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised):							
(a) Basic	(2.08)	(83.51)	(20.28)	(178.29)	12.38	(183.63)	18.70
(b) Diluted	(1.42)	-	-	(121.25)	7.56	(124.88)	11.41
18.ii Earnings per share (after extraordinary items) (of Rs. 10/- each) (not annualised):							
(a) Basic	(2.08)	(83.51)	(20.28)	(178.29)	13.26	(183.63)	19.58
(b) Diluted	(1.42)	-	-	(121.25)	8.10	(124.88)	11.95

PART - II

A PARTICULARS OF SHAREHOLDING							
1 Public shareholding							
- Number of shares	18,604,839	18,527,374	17,989,997	18,604,839	14,825,961	18,604,839	14,825,961
- Percentage of shareholding	91.51	91.13	88.49	91.51	72.93	91.51	72.93
2 Promoters and Promoter Group Shareholding							
a Pledged / Encumbered							
- Number of shares	555,000	555,000	1,947,115	555,000	2,882,915	555,000	2,882,915
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	32.17	30.79	83.21	32.17	52.38	32.17	52.38
- Percentage of shares (as a % of the total share capital of the Company)	2.73	2.73	9.58	2.73	14.18	2.73	14.18
b Non - encumbered							
- Number of shares	1,170,159	1,247,624	392,886	1,170,159	2,621,122	1,170,159	2,621,122
- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	67.83	69.21	16.79	67.83	47.62	67.83	47.62
- Percentage of shares (as a % of the total share capital of the Company)	5.76	6.14	1.93	5.76	12.89	5.76	12.89
B INVESTOR COMPLAINTS FOR THE QUARTER ENDED ON SEPTEMBER 30, 2013							
Pending at the beginning of the quarter - NIL; Received during the quarter - NIL; Disposed off during the quarter - NIL; Remaining unresolved at the end of the quarter - NIL							

SEGMENT WISE REPORTING OF REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. In Lakh)

Particulars		STANDALONE				CONSOLIDATED		
		Quarter Ended			Year Ended		Year Ended	
					15th Months	12th Months	15th Months	12th Months
		30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.06.2012	30.09.2013	30.06.2012
Unaudited			Audited		Audited			
1	Segment Revenue							
(a)	Composite Products	3,177.44	7,385.53	13,648.26	43,554.28	84,065.18	56,884.93	99,037.22
(b)	Polymers	255.64	132.54	910.20	1,890.50	12,395.40	1,890.50	12,395.40
	Total Segment Revenue	3,433.08	7,518.07	14,558.46	45,444.78	96,460.58	58,775.43	111,432.62
	Less: Inter Segment Revenue - Polymers	47.40	-	580.05	627.45	5,354.57	627.45	5,354.57
	Net Sales / Income from Operations	3,385.68	7,518.07	13,978.41	44,817.33	91,106.02	58,147.98	106,078.05
2	Segment Result							
(a)	Composite Products	15,438.93	(662.62)	1,071.45	(9,298.00)	21,422.16	(8,930.86)	26,637.04
(b)	Polymers	796.06	(391.05)	27.62	(339.56)	567.13	(339.56)	567.13
	Total Segment Result	16,234.98	(1,053.67)	1,099.07	(9,637.57)	21,989.29	(9,270.43)	27,204.17
	Less: Interest (Net)	13,462.32	5,923.39	4,374.55	28,561.10	16,271.53	28,688.05	16,483.34
	Less: Unallocable Expenses/(income)	1,613.42	-	-	1,613.42	(375.24)	2,713.42	3,348.05
	Total Profit Before Tax	1,159.23	(6,977.06)	(3,275.48)	(39,812.10)	6,093.00	(40,671.90)	7,392.78
3	Capital Employed (Segment Assets - Segment Liabilities)							
(a)	Composite Products	23,629.36	176,596.19	194,825.71	23,629.36	198,337.48	56,371.32	225,143.68
(b)	Polymers	4,500.00	7,358.18	7,629.90	4,500.00	6,915.60	6,915.60	6,915.60
(c)	Un-allocable	22,484.55	88,840.86	(134,588.71)	22,484.55	(117,026.74)	23,618.31	(86,699.19)
	Total	50,613.91	272,795.23	67,866.90	50,613.91	88,226.34	86,905.23	145,360.09

STATEMENT OF ASSETS AND LIABILITIES

(Rs. In Lakh)

Particulars	STANDALONE		CONSOLIDATED	
	As at		As at	
	30.09.2013	30.06.2012	30.09.2013	30.06.2012
	Audited		Audited	
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capita	2,033.00	2,033.00	2,033.00	2,033.00
(b) Reserves and surplus	41,310.63	81,485.98	42,286.28	79,048.36
(c) Money received against share warrants	-	-	-	-
Sub-total - Shareholders' funds	43,343.63	83,518.98	44,319.28	81,081.36
2 Share application money pending allotment	-	-	-	-
3 Minority interest	-	-	1,231.85	1,194.60
4 Non-current liabilities				
(a) Long-term borrowings	69,431.65	111,574.76	67,973.81	113,984.59
(b) Deferred tax liabilities (net)	2,055.69	5,653.13	2,056.04	5,817.04
(c) Other long-term liabilities	96.97	4,898.85	430.00	4,898.85
(d) Long-term provisions	70.01	68.80	724.94	287.35
Sub-total - Non-current liabilities	71,654.32	122,195.54	72,416.64	126,182.43
5 Current liabilities				
(a) Short-term borrowings	2,607.51	82,081.24	3,229.26	82,081.23
(b) Trade payables	5,706.59	7,203.70	2,635.65	11,380.27
(c) Other current liabilities	176,061.34	24,023.60	177,271.23	14,709.55
(d) Short-term provisions	8,127.26	3,256.78	8,244.29	3,323.65
Sub-total - Current liabilities	192,502.70	116,565.32	191,380.43	111,494.70
TOTAL - EQUITY AND LIABILITIES	307,500.65	322,279.84	308,116.36	318,758.49
B ASSETS				
1 Non-current assets				
(a) Fixed assets	165,813.28	99,862.67	170,556.99	99,741.47
(b) Goodwill on consolidation	-	-	5,168.28	5,168.28
(c) Non-current investments	48,292.25	13,207.42	35,611.15	812.61
(d) Deferred tax assets (net)	-	-	-	-
(e) Long-term loans and advances	5,948.78	53,510.85	7,466.05	33,684.29
(f) Other non-current assets	-	-	-	-
Sub-total - Non-current assets	220,054.32	166,580.94	218,802.47	139,406.65
2 Current assets				
(a) Current investments	2.00	2.00	2.00	2.00
(b) Inventories	12,842.18	26,722.57	15,045.22	28,750.12
(c) Trade receivables	38,900.67	63,743.84	37,225.96	83,475.41
(d) Cash and cash equivalents	458.45	36,008.07	1,592.55	37,713.76
(e) Short-term loans and advances	35,243.04	29,222.42	35,448.17	29,410.55
(f) Other current assets	-	-	-	-
Sub-total - Current assets	87,446.34	155,698.90	89,313.89	179,351.84
TOTAL - ASSETS	307,500.66	322,279.84	308,116.36	318,758.49

NOTES:

1. The above results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors of the Company at their meeting held on 16th January, 2014.

2. The segments have been identified in accordance with the Accounting Standard on Segment Reporting (AS-17) issued by the Institute of Chartered Accountants of India (ICAI).

3. Above results have been prepared as per Revised Schedule VI of Companies Act, 1956. Accordingly, corresponding financial figures of previous year/ period have been regrouped/ re-arranged / re-classified, wherever necessary, to make them comparable with that of current period.

4. The previous quarter results were unaudited / not reviewed at the time of announcement. The same have been rearranged / regrouped on the basis of final audits.

For and on behalf of Board of Directors

Rajesh Patel
Chairman and Managing Director

Date: 16.01.2014
Place: Asoj - 391 510



INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

To
The Members of
Kemrock Industries and Exports Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the attached Balance Sheet of KEMROCK INDUSTRIES AND EXPORTS LIMITED (the 'Company') as on 30th September 2013, the Statement of Profit and Loss and the Cash Flow Statement for the 15 month period then ended and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 (the 'Act') and in accordance with the Accounting Principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial



statements based on our audit. We conducted our audit in accordance with the Standards on auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and



give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs on the Company as at 30th September 2013.
- (b) In the case of the Statement of Profit and Loss, of the loss of the Company for the 15 months period ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the 15 months period ended on that date.

EMPHASIS OF MATTER

1. *We draw attention to Note 5 of the accompanying financial statements in respect of material uncertainty about the Company's ability to continue as a going concern which is in part dependent on the successful outcome of the discussions with Financial Institutions / Financers, regarding fresh funding, take over of existing funding, re-scheduling and / or restructuring of loans by existing Lenders. Our opinion is not qualified in respect of this matter.*
2. *We draw attention to capitalization of Lease Hold Land (Period: 30 years), amounting to Rs. 295.31 Crores (Out of which Rs. 2.46 Crores were amortized during the audit period. The documents evidencing the allotment of the said land was received by the Company in July 2013. However, pending execution of allied requisite agreements / deeds, physical possession of the said land has not been handed over to the Company. We are of the opinion that the stipulated lease hold period of 30 years shall initiate upon execution of requisite documents and handover of physical possession of the said land. Hence, the Net Block is understated, Depreciation and Amortization is overstated and loss is overstated by an amount of Rs. 2.46 Crores.*



REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Company's (Auditor's Report) Order, 2003 (the 'Order'), as amended by Companies (Auditors' Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act and according to the information and explanations given to us and on the basis of such checks as we considered appropriate, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Act
2. As required in terms of sub-section (3) of Section 273 of the Act, we report that:
 - (i) We have obtained all information and explanations which, to the best of knowledge and belief, were necessary for the purpose of our audit.
 - (ii) In our opinion, proper books of account, as required by law, have been kept by the Company so far as appears from our examination of these books.
 - (iii) The Balance Sheet and Profit and loss account dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Act.



On the basis of the written representations received from the

Directors, as on 30th September 2013 and taken on record by the Board of Directors, we report that none of the Director is disqualified as on 30th September 2013 from being appointed as a Director in terms of clause (g) of Sub-section (1) of Section 274 of the Act.

For R. A. Amin & Co.
Chartered Accountants

FRN: 100334W



(Hiren R. Amin)

Proprietor

M.N. 111009

Date: 16.01.2014

Place: Vadodara