

R.Subramanian and Company

CHARTERED ACCOUNTANTS

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LIMITED REVIEW REPORT

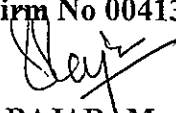
**The Board of Directors
Kothari Sugars And Chemicals Limited
Chennai 600034**

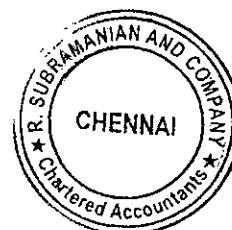
We have reviewed the accompanying statement of unaudited financial results of **Kothari Sugars And Chemicals Limited** for the period ended 31st December 2011 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This 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.

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 and other recognised 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 misstatement.

for **R. Subramanian and Company**
Chartered Accountants
(Firm No 004137S)


R. RAJARAM
(Partner)
M.No. 25210



Place: Chennai
Date: 10.02.2012

PARTICULARS	Quarter Ended			Nine Months Ended		Rs.in Lacs
	(Unaudited)			(Unaudited)		Year Ended
	31-12-2011	30-09-2011	31-12-2010	31-12-2011	31-12-2010	(Audited)
1) (a) Net Sales/Income from Operations	5527.64	4707.41	3596.83	21730.57	17574.76	27064.62
(b) Other operating Income	62.66	249.46	59.12	387.46	314.29	529.73
TOTAL	5590.30	4956.87	3655.95	22118.03	17889.05	27594.35
2) Expenditure						
(a) (Increase) \ Decrease in Stock in Trade	(195.81)	974.21	(82.68)	1709.03	3502.60	(516.67)
(b) Consumption of Materials	4174.74	2415.06	2631.84	14791.04	9823.81	20613.12
(c) Power & Fuel	146.99	222.15	78.80	453.22	251.61	307.03
(d) Employee Cost	322.09	315.45	190.24	985.83	784.43	1294.15
(e) Other expenditure	871.05	753.49	576.33	2385.20	2144.93	3100.32
(f) Depreciation	333.31	333.40	314.17	1002.90	1027.23	1379.27
Total Expenditure	5652.37	5013.76	3708.70	21327.22	17534.61	26177.22
3) Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	(62.07)	(56.89)	(52.75)	790.81	354.44	1417.13
4) Other Income	15.28	9.51	125.14	186.19	333.26	476.13
5) Profit before Interest & Exceptional Items (3+4)	(46.79)	(47.38)	72.39	977.00	687.70	1893.26
6) Interest	92.80	110.85	167.04	355.44	493.92	648.39
7) Profit after Interest but before Exceptional Items (5-6)	(139.59)	(158.23)	(94.65)	621.56	193.78	1244.87
8) Exceptional Item						
9) Profit / (Loss) from ordinary Activities before tax (7+8)	(139.59)	(158.23)	(94.65)	621.56	193.78	1244.87
10) Tax Expenses	(45.90)	(60.26)	(18.87)	431.26	38.62	487.80
11) Net Profit / (Loss) from Ordinary Activities after Tax (9 -10)	(93.69)	(97.97)	(75.78)	190.30	155.16	757.07
12) Extra-ordinary Item (Net of Tax Expenses)						
13) Net Profit / (Loss)	(93.69)	(97.97)	(75.78)	190.30	155.16	757.07
14) Paid-up equity share capital (Face Value of the Share is Rs.10/ each)	8288.86	8288.86	8288.86	8288.86	8288.86	8288.86
15) Reserve excluding Revaluation Reserves as per Balance sheet of previous accounting year						2338.15
16) Earnings Per Share (EPS)						
(a) Basic and Diluted EPS before Extra-ordinary Items for the period, for the year to date and for the previous year (not to be annualized)	(0.11)	(0.12)	(0.09)	0.23	0.19	0.91
(b) Basic & diluted EPS after extra-ordinary items for the period, for the year to date and for the previous year (not to be annualized)	(0.11)	(0.12)	(0.09)	0.23	0.19	0.91
17) Public shareholding						
Number of Shares	36387713	36393713	36669769	36387713	36669769	36560786
Percentage of Shareholding	43.90%	43.91%	44.24%	43.90%	44.24%	44.11%
18) Promoters & promoter group shareholding						
a) Pledged / Encumbered	Nil	Nil	Nil	Nil	Nil	Nil
- Number of Shares						
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NA	NA	NA	NA	NA	NA
- Percentage of shares (as a % of the total share capital of the company)	NA	NA	NA	NA	NA	NA
b) Non-encumbered	NA	NA	NA	NA	NA	NA
- Number of shares	46500867	46494867	46218811	46500867	46218811	46327794
- Percentage of shares (as a % of the total shareholding of the Promoter 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)	56.10%	56.09%	55.76%	56.10%	55.76%	55.89%

Segmentwise Unaudited Results for the Quarter ended 31st December 2011

PARTICULARS	Quarter Ended			Nine Months Ended		Rs.in Lacs
	(Unaudited)			(Unaudited)		Year Ended
	31-12-2011	30-09-2011	31-12-2010	31-12-2011	31-12-2010	(Audited)
1) Segment Revenue						
(a) Sugar	3826.93	3723.03	1447.72	17335.52	10074.54	18192.31
(b) Distillery	2076.50	1369.42	637.58	4614.65	3739.97	5235.24
(c) Power	582.55	496.72	1952.16	3423.92	5724.14	7711.57
Total Segment Revenue	6485.98	5589.17	4037.46	25374.09	19538.65	31139.12
Less Inter Segment Transfers	958.34	881.76	440.63	3643.52	1963.89	4074.50
Net Turnover	5527.64	4707.41	3596.83	21730.57	17574.76	27064.62
2) Segment Results						
(a) Sugar	(478.07)	(316.11)	(63.41)	(396.09)	97.40	910.62
(b) Distillery	938.25	643.36	138.28	1901.10	465.13	1203.45
(c) Power	(353.81)	(192.02)	12.06	(185.29)	312.42	532.69
Total Segment Profit before Interest and Tax	106.37	135.23	86.93	1319.72	874.95	2646.76
Less:						
(i) Interest	(92.80)	(110.85)	(167.04)	(355.44)	(493.92)	(648.39)
(ii) Other Unallocable Expenditure	(168.44)	(192.12)	(139.68)	(528.91)	(520.51)	(1229.63)
net of income						
(iii) Interest/dividend income	15.28	9.51	125.14	186.19	333.26	476.13
(iv) Extra-ordinary item	-	-	-	-	-	-
Profit Before Tax	(139.59)	(158.23)	(94.65)	621.56	193.78	1244.87
3) Capital Employed						
(Segment Assets - Segment Liabilities)						
(a) Sugar	2905.26	3064.38	2370.14	2905.26	2370.14	3110.12
(b) Distillery	2152.35	1929.89	1261.63	2152.35	1261.63	1572.71
(c) Power	3600.59	3723.59	2952.01	3600.59	2952.01	3679.33
(d) Unallocated [Corporate]	2847.87	2948.91	4566.32	2847.87	4566.32	3289.85
Total Capital Employed	11506.07	11666.77	11150.10	11506.07	11150.10	11652.01

Notes :

- 1) The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 10th February 2012. Statutory Auditors have carried out a limited review of above results pursuant to Clause 41 of the Listing Agreement.
- 2) There were only 06 complaints of minor nature which have been disposed off and there were no investor complaints pending at the beginning or at the end of the quarter.
- 3) Given the seasonal nature of the industry, the results of any quarter may not be true and/or the proportionate reflection of the annual performance of the Company.
- 4) Previous period figures have been regrouped and reclassified wherever necessary.

On behalf of the Board of Directors
for Kothari Sugars and Chemicals Limited

B.H. KOTHARI

Chairman and Managing Director

Place : Chennai

Date : 10 February, 2012

