

9th November 2012

To,
Department of Corporate Services
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E),
Mumbai 400 051

Dear Sir,

Sub: Un-audited financial results for the quarter and six months ended 30th September 2012 in compliance with Clause 41 of the Listing Agreement

Pursuant to Clause 41 of the Listing Agreement, enclosed are the unaudited financial results for the quarter and six months ended 30th September 2012. The said results were recommended by the Audit Committee and approved by the Board of Directors at their meetings held today i.e. Friday, 9th November 2012. Also enclosed is a copy of the Limited Review Report on the said results submitted by M/s Chunnilal & Company, Statutory Auditors.

Kindly take the above on record and acknowledge.

Thanking you,

Yours faithfully,

For Varun Industries Limited



(R. Somani)
*Vice President (Corporate) &
Company Secretary*

Encl: As above.

Un-Audited Financial Results (Stand-alone) for the Quarter and Half Year Ended 30th Sept 2012

Part-I Statement of Results for the Quarter and Half Year Ended 30th Sept 2012

Particulars	Quarter Ended			Half Year Ended		Year Ended
	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
	30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012
1 Net Sales/Income from Operations	4,023.94	4,582.56	90,360.29	8,606.50	182,727.21	321,588.78
2 Expenses						
a. Cost of material consumed	2,011.03	1,739.75	4,011.75	3,750.78	7,046.36	14,282.85
b. Purchases of Stock-in-trade	201.46	360.24	80,703.36	561.70	164,121.05	283,213.09
c. Changes in inventories of Finished Goods, Work-in-Process and Stock-in-Trade	943.14	1,004.94	(773.56)	1,948.08	(673.13)	1,310.42
d. Employee Benefit Expense	319.74	240.32	399.34	560.06	765.68	1,804.95
e. Depreciation and Amortisation Expense	455.53	464.99	445.94	920.52	886.12	1,918.18
f. Other expenses	514.28	512.66	1,187.88	1,026.94	2,339.16	5,807.17
Total	4,445.19	4,322.90	85,974.71	8,768.09	174,485.25	308,336.65
3 Profit from Operations before Other Income, Finance Cost & Exceptional Items (1-2)	(421.25)	259.66	4,385.58	(161.59)	8,241.96	13,252.13
4 Other Income	6,899.25	3,386.02	675.92	10,285.27	1,161.45	2,271.69
5 Profit before Finance Cost & Exceptional Items (3+4)	6,477.99	3,645.68	5,061.50	10,123.67	9,403.41	15,523.82
6 Financial Cost	8,638.96	2,591.90	2,576.14	11,230.86	4,475.51	11,607.55
7 Profit after Finance Cost but before Exceptional Items (5-6)	(2,160.97)	1,053.78	2,485.36	(1,107.19)	4,927.90	3,916.27
8 Exceptional Items : *Foreign Exchange Fluctuation (Loss)/Profit (Net)	(8,209.07)	5,710.88	-	(2,498.19)	-	(19,691.79)
9 Profit from Ordinary Activities before tax (7+8)	(10,370.04)	6,764.66	2,485.36	(3,605.38)	4,927.90	(15,775.52)
10 Tax expense	1.00	1.00	944.44	2.00	1,535.96	4.00
11 Net Profit from Ordinary Activities after tax (9-10)	(10,371.04)	6,763.66	1,540.92	(3,607.38)	3,391.94	(15,779.52)
12 Extraordinary Items (net of tax expense)	-	-	-	-	-	-
13 Net Profit (11-12)	(10,371.04)	6,763.66	1,540.92	(3,607.38)	3,391.94	(15,779.52)
14 Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	2,911.39	2,911.39	2,911.39	2,911.39	2,911.39	2,911.39
15 Reserves excluding Revaluation Reserves						4,908.44
16 Earning Per Share (EPS)						
a. Basic	(35.62)	23.23	5.29	(12.39)	11.65	(54.20)
b. Diluted	(35.62)	23.23	5.29	(12.39)	11.65	(54.20)

Part-II Information for the Half Year Ended 30th Sept 2012

A PARTICULARS OF SHAREHOLDING						
1 Public Shareholding						
- Number of shares	17607427	15161927	10193376	17607427	10193376	12236376
- Percentage of shareholding	60.48%	52.08%	35.01%	60.48%	35.01%	42.03%
2 Promoters and Promoters group shareholding						
a) Pledged/Encumbered						
- Number of shares	3837049	6282549	5395500	3837049	5395500	9208100
- Percentage of shares (as a % of total share holding of promoters and promoters group)	33.35%	45.03%	28.52%	33.35%	28.52%	54.56%
- Percentage of shares (as a % of total share capital of the Company)	13.18%	21.58%	18.53%	13.18%	18.53%	31.63%
b) Non-encumbered						
- Number of shares	7669469	7669469	13525069	7669469	13525069	7669469
- Percentage of shares (as a % of total share holding of promoters and promoters group)	66.65%	54.97%	71.48%	66.65%	71.48%	45.44%
- Percentage of shares (as a % of total share capital of the Company)	26.34%	26.34%	46.46%	26.34%	46.46%	26.34%
B Investor Complaints:-						
	Quarter ended 30.09.2012					
Pending at the beginning of the quarter	Nil					
Received during the quarter	5					
Disposed of during the quarter	5					
Remaining unresolved at the end of quarter	Nil					

SEGMENT RESULTS

		(Rs. in Lac)				
Particulars		Quarter Ended			Half Year Ended	
		(Un-Audited) 30.09.2012	(Un-Audited) 30.06.2012	(Un-Audited) 30.09.2011	(Un-Audited) 30.09.2012	(Un-Audited) 30.09.2011
1 Total Segment Revenue						
a. Merchandise Sale		3,727.81	4,125.00	89,866.32	7,852.81	181,856.49
b. Petroleum Oil Rig Hire**		0.95	199.00	301.41	199.95	546.39
c. Wind Power		295.18	258.56	192.56	553.74	324.32
Total		4,023.94	4,582.56	90,360.29	8,606.50	182,727.21
Less: Inter Segment Revenue		-	-	-	-	-
Net Sales		4,023.94	4,582.56	90,360.29	8,606.50	182,727.21
2 Segment Results (Profit before Interest and Tax)						
a. Merchandise Sale		(485.75)	8.24	4,095.00	(477.51)	7,791.89
b. Petroleum Oil Rig Hire		(110.62)	105.11	178.01	(5.51)	283.48
c. Wind Power		175.12	146.31	112.57	321.43	166.59
Total		(421.25)	259.66	4,385.58	(161.59)	8,241.96
Add: Other Income		6,899.25	3,386.02	675.92	10,285.27	1,161.45
Less: Finance Cost		8,638.96	2,591.90	2,576.14	11,230.86	4,475.51
Less: Exceptional Items : *Foreign Exchange Fluctuation		8,209.07	(5,710.88)	-	2,498.19	-
Net Profit before Tax		(10,370.04)	6,764.66	2,485.36	(3,605.38)	4,927.90
3 Capital Employed (Segment Assets less Segment Liabilities)						
a. Merchandise Sale		14,625.71	24,743.74	37,832.50	14,625.71	37,832.50
b. Petroleum Oil Rig Hire		1,921.51	2,298.70	2,569.72	1,921.51	2,569.72
c. Wind Power		7,609.38	7,630.63	7,137.03	7,609.38	7,137.03
d. Unallocated		1,700.67	1,700.67	1,700.71	1,700.67	1,700.71
Total		25,857.28	36,373.74	49,239.96	25,857.28	49,239.96

Statement of Assets and Liabilities

Particulars	Standalone	
	As at 30.09.2012	As at 31.03.2012
	(Unaudited)	(Audited)
EQUITY AND LIABILITIES		
Shareholders' Fund		
(a) Share Capital	2,911.39	2,911.39
(b) Reserves & Surplus	22,945.88	26,842.82
	25,857.28	29,754.21
Non-Current Liabilities		
Long-Term Borrowings	4,494.21	5,208.87
Deferred Tax Liability	1,179.09	1,179.09
	5,673.30	6,387.96
Current Liabilities		
Short-Term Borrowings	172,013.56	117,958.21
Trade Payables	5,641.38	58,494.14
Other Current Liabilities	7,025.49	2,454.40
Short Term Provisions	237.90	221.79
	184,918.32	179,128.55
Total	216,448.89	215,270.72
ASSETS		
Non-Current Assets		
Fixed Assets	39,486.45	40,985.89
Non-current Investments	1,700.67	1,700.67
	41,187.12	42,686.56
Current Assets		
Inventories	6,355.49	8,678.02
Trade Receivables	161,412.35	148,398.86
Cash and Cash Equivalents	778.58	9,609.44
Short Term Loans and Advances	3,928.89	2,719.90
Other Current Assets	2,786.45	3,177.94
	175,261.77	172,584.15
Total	216,448.89	215,270.72

Notes:-

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on Friday, 9th November 2012.
2. The Statutory Auditors have carried out limited review of the above results as required by Clause 41 of the Listing Agreement.
3. The Company has opted for accounting the exchange difference of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 notified on 31st March 2009. Accordingly, the net exchange loss of Rs. 240.59 lac for the period ended on 30.09.12 relating to long term foreign currency monetary items has been added to the cost of respective fixed assets.
4. * The exceptional item of income as on 30.09.12 is exchange difference arising due to restatement of outstanding debtors, creditors, bank liabilities denominated in foreign currency using the exchange rate prevailing as on 30.09.2012 as per AS-11. This is a notional profit/loss as the actual profit/loss will depend on the prevailing exchange rate on the date of payment or realisation.
5. ** The Company has successfully completed the tender of ONGC for lease of Rig for the period of 3.5 Years in May 2012.
6. Figures for the previous year have been regrouped / rearranged, wherever necessary, to correspond with those of the current year, as per amended format of SEBI circular dated 16th April 2012.

Place: Mumbai
Date: 09th Nov 2012

By Order of the Board
For Varun Industries Limited



Kiran N. Mehta
Chairman & Managing Director



Chunnilal & Company

Chartered Accountants

A/102, SHREEJI KIRAN C.H.S. LTD., OPP. DWARKADHISH TEMPLE, TEJPAL ROAD, VILE PARLE (EAST), MUMBAI - 400 057.
TEL.: OFF.: 26166811 / 22 / 28042250 • Email : admin@chunnilalandco.com

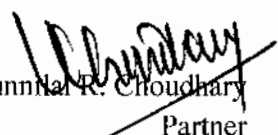
To,
The Members,
Varun Industries Limited
13, Shankeshwar Darshan,
A.G. Pawar Cross Lane,
Byculla (East),
Mumbai-400027.

We have reviewed the accompanying statement of unaudited financial results of M/S. VARUN INDUSTRIES LIMITED for the period ended 30th September, 2012 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 provides 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, CHUNNILAL & COMPANY
Chartered Accountants
Firm Reg. No.: 101947W


CA. Chunnilal R. Choudhary
Partner
M. No: 037784

Place : Mumbai
Date : 9th November, 2012

