

Statement of Standalone Unaudited Results for the three/six months ended June 30, 2015

(Rs. in Lakhs)

PARTICULARS (Refer Note Below)	3 months ended 30.06.2015	Preceding 3 months ended 31.03.2015	Corresponding 3 months ended 30.06.2014	6 months ended 30.06.2015	6 months ended 30.06.2014	12 months ended 31.12.2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
PART I						
1 Income from operations						
(a) Net sales / Income from operations (Net of excise duty)	22706	22555	26390	45261	53811	100820
(b) Other operating income	768	843	904	1611	1951	3780
Total Income from operations (net)	23474	23398	27294	46872	55762	104600
2 Expenses						
(a) Cost of materials consumed	12324	13208	13459	25532	28016	59466
(b) Purchase of stock-in-trade	2059	2430	4127	4489	9817	14910
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1429	(280)	952	1149	(395)	(2330)
(d) Power and fuel	1222	1259	1351	2481	2781	5496
(e) Employee benefits expense	2193	2205	2361	4399	4676	9791
(f) Depreciation and amortisation expense	1111	1105	776	2216	1333	3324
(g) Other expenses	3154	3418	3511	6572	7019	14813
Total expenses	23492	23346	26537	46838	53247	105470
3 Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	(18)	52	757	34	2515	(870)
4 Other income	640	1184	487	1824	877	1365
5 Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	622	1236	1244	1858	3392	495
6 Finance Costs	9	22	24	31	43	113
7 Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	613	1214	1220	1827	3349	382
8 Exceptional items (net)	-	-	9910	-	9910	118359
9 Profit/(Loss) from ordinary activities before tax (7+8)	613	1214	11130	1827	13259	118741
10 Tax expense (including tax on exceptional items) net of excess provision for prior years	165	149	2586	314	3202	24409
11 Net Profit/(Loss) from ordinary activities after tax (9-10)	448	1065	8544	1513	10057	94332
12 Paid up equity share capital (Face value of Rs.10/- each)	2666	2666	2666	2666	2666	2666
13 Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year						136936
14 Earning per share (of Rs.10/- each)						
Basic & Diluted (in Rs.) (Not annualised)	1.68	3.99	32.05	5.68	37.72	353.82
PART II: Select Information for the Three/Six months ended June 30, 2015						
A PARTICULARS OF SHAREHOLDING						
1 Public shareholding						
- Number of shares	9758665	9758665	9758665	9758665	9758665	9758665
- Percentage of shareholding	36.6	36.6	36.6	36.6	36.6	36.6
2 Promoters and promoter group shareholding						
a) Pledged / Encumbered	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	16902080	16902080	16902080	16902080	16902080	16902080
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100	100	100
- Percentage of shares (as a % of the total share capital of the company)	63.4	63.4	63.4	63.4	63.4	63.4
B INVESTOR COMPLAINTS						
Pending at the beginning of the quarter	-					
Received during the quarter	-					
Disposed of during the quarter	-					
Remaining unresolved at the end of the quarter	-					

Segment Results June 2015

Segment wise revenue, results and capital employed under clause 41
of the Listing Agreement for the Three/Six months ended June 30, 2015

PARTICULARS (Refer Notes below)	Rs. in Lakhs					
	3 months ended	Preceding 3 months ended	Corresponding 3 months ended	6 months ended	6 months ended	12 months
	30.06.2015 (Unaudited)	31.03.2015 (Unaudited)	30.06.2014 (Unaudited)	30.06.2015 (Unaudited)	30.06.2014 (Unaudited)	31.12.2014 (Audited)
1 Segment revenue (Net sales / Income from operations)						
Pigments and Colors	19252	18842	19483	38094	34025	71783
Dyes and Specialty Chemicals	3454	3713	6907	7167	19786	29037
Total Net Sales / Income from operations	22706	22555	26390	45261	53811	100820
2 Segment results						
Pigments and Colors	454	153	791	607	1910	1073
Dyes and Specialty Chemicals	215	202	544	417	1908	1202
Total Segment results	669	355	1335	1024	3818	2275
Less: (1) Finance costs	9	22	24	31	43	113
(2) Other unallocable expenditure net of unallocable income	47	(881)	91	(834)	426	1780
Total Profit/(Loss) before exceptional items & tax	613	1214	1220	1827	3349	382
Exceptional items	-	--	9910	-	9910	118359
Profit/(Loss) from ordinary activities before tax	613	1214	11130	1827	13259	118741
3 Capital employed (Segment assets - Segment liabilities)						
Pigments and Colors	56375	51642	47710	56375	47710	48358
Dyes and Specialty Chemicals	3561	3497	4494	3561	4494	5083
Total capital employed in segments	59936	55139	52204	59936	52204	53441
Add : Unallocable corporate assets less corporate liabilities	36225	40574	15288	36225	15288	86161
Total capital employed	96161	95713	67492	96161	67492	139602

Standalone Statement of Assets & Liabilities as at June 30, 2015

PARTICULARS	(Rs. in lakhs)	
	As at 30.06.2015	As at 31.12.2014
A. EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share Capital	2666	2666
(b) Reserves and Surplus	93495	136936
Sub-total - Shareholders' funds	96161	139602
2 Non-current liabilities		
(a) Deferred tax liabilities (net)	1516	1040
(b) Other long-term liabilities	68	68
(c) Long-term provisions	2392	2378
Sub-total - Non-current liabilities	3976	3486
3 Current liabilities		
(a) Short-term borrowings	-	946
(b) Trade payables	12011	14564
(c) Other current liabilities	4609	4792
(d) Short-term provisions	270	20850
Sub-total - Current liabilities	16890	41152
TOTAL - EQUITY AND LIABILITIES	117027	184240
B. ASSETS		
1 Non-current assets		
(a) Fixed assets	38125	34821
(b) Non-current investments	717	717
(c) Long-term loans and advances	6176	7427
Sub-total - Non-current assets	45018	42965
2 Current assets		
(a) Current investments	30914	2584
(b) Inventories	15907	16335
(c) Trade receivables	16702	16059
(d) Cash and cash equivalents	2819	101145
(e) Short-term loans and advances	5193	4738
(f) Other current assets	474	414
Sub-total - Current assets	72009	141275
TOTAL - ASSETS	117027	184240

Note:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings.
- 2 Net sales/income from operations, Profit before tax and Profit after tax, included in the above results, in respect of the discontinued Leather services business, relating to Dyes and Specialty Chemicals Segment, which was transferred to Stahl India Private Ltd. on April 30, 2014, are given below
(Rs. in Lakhs) :

PARTICULARS	3 months ended	Preceding 3 months ended	Corresponding 3 months ended	6 months ended	6 months ended	12 months ended
	6/30/2015	3/31/2015	6/30/2014	6/30/2015	6/30/2014	12/31/2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Net sales / Income from operations	-	-	2024	-	8470	8470
Profit before tax	-	-	312	-	1161	1161
Profit after tax	-	-	206	-	766	766

- 3 The Company has revised its estimate of useful life of tangible assets as prescribed in Part C of Schedule II of the Companies Act, 2013, w.e.f. January 01, 2015, except for certain assets for which different useful life has been considered based on a Technical Evaluation, which management believes best represents the period over which assets are expected to be used by the Company. As prescribed in the said Schedule II, an amount of Rs.165 Lakhs (net of deferred tax) has been charged to the opening balance of retained earnings for the assets in respect of which the remaining useful life became NIL as on January 01, 2015 and in respect of other assets on that date, depreciation has been calculated based on the remaining useful life on a prospective basis. Had the Company continued with the useful life adopted in earlier years, charge for depreciation for the three months ended June 30, 2015 and for six months ended June 30, 2015 would have been lower by Rs.37.64 Lakhs and Rs.113.78 Lakhs respectively and the net profit for the same periods would have been higher by the same amount.
- 4 The company after obtaining necessary approvals from the Board of Directors, vide an agreement dated March 31, 2015, acquired the "Carbon Black Business" from Lanxess India Private Limited (Lanxess) effective close of business hours on March 31, 2015, comprising the Carbon Black Dispersion plant located at Nagda, India, together with its respective assets, liabilities and employees as a going concern on a slump sale basis for a lump sum consideration of Rs.1346 Lakhs (including non-compete fees) after working capital adjustment, as at March 31, 2015. The excess of consideration paid to Lanxess over the fair value of net assets acquired is considered as goodwill.
- 5 The Board of Directors at its meeting held on April 22, 2015 has, subject to approval of members of the Company and other regulatory approvals, accorded its consent to transfer, sell or otherwise dispose off the business of Industrial and Consumer Specialties (ICS), included in the Dyes and Specialty Chemicals Segment, along with employees, assets, liabilities and including all licenses, permits, consents and approvals thereto as a going concern by way of a slump sale on a "as is where is basis" to Clariant India Private Ltd. with effect from August 01, 2015, for a consideration of not less than Rs.4200 Lakhs, subject to necessary working capital adjustment, if any, as on the effective date. ICS business has accordingly been considered as a discontinuing operations as per the definition of Accounting Standard 24.

Net sales /income from operations, Profit / (Loss) before tax and Profit / (Loss) after tax for ICS business included in the above results are given below (Rs. in Lakhs) :

PARTICULARS	3 months	Preceding	Corresponding	6 months	6 months	12 months
	30.06.2015	31.03.2015	30.06.2014	30.06.2015	30.06.2014	31.12.2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Net sales / Income from operations	1562	1548	1948	3110	5352	9307
Profit/(Loss) before tax	25	(50)	94	(25)	508	(686)
Profit/(Loss) after tax	17	(33)	62	(16)	335	(453)

- 6 The Board of Directors at its meeting held on April 22, 2015 approved the proposal of buyback of 35,78,947 equity shares of ` 10 each (representing 13.42% of total equity share capital) from shareholders of the company through the "Tender offer" route as prescribed under the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1988 at a price of Rs.950 per equity share, aggregating to approximately Rs.34000 Lakhs. The scheme has been approved by shareholders by way of a special resolution passed through postal ballot on July 8, 2015. The company is currently awaiting the SEBI approval to implement the scheme.
- 7 Exceptional items (net) comprise the following (Rs. in Lakhs) :
- (i) Profit on sale of Leather Services business (Refer note 2 above): three months and six months ended 30.06.2014: 10622 and year ended 31.12.2014: 10409
- (ii) IT infrastructure set up cost : three months and six months ended 30.06.2014: 498 and year ended 31.12.2014: 385
- (iii) Non compete fees in relation to Masterbatches business acquisition: three months and six months ended 30.06.2014 and year ended 31.12.2014: 74
- (iv) One time compensation paid to Consultants in relation to Masterbatches business acquisition: three months and six months ended 30.06.2014 and year ended 31.12.2014: 140
- (v) Profit on sale of Kolshet site (Net of expenses incurred): year ended 31.12.2014:108549
- 8 Pursuant to the sale of Leather services business referred to in Note 2, acquisition of Masterbatches and Carbon Black businesses, on April 10, 2014 and March 31, 2015 respectively, relating to Pigments and Colors Segment, the figures for the three months and six months ended June 30, 2015 are not directly comparable with those of the corresponding periods of the previous year. The figures for the previous periods have been regrouped/recasted wherever necessary, to conform to the current periods classification.

Dr. Deepak Parikh
Vice-Chairman & Managing Director

Mumbai, August 04, 2015

Last updated 08/05/2015 08:11:44 AM, Philips Abraham

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