



Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company
pursuant to the Clause 41 of the Listing Agreement

To,
Board of Directors of
Bhagiradha Chemicals & Industries Limited

We have audited the quarterly financial results of **Bhagiradha Chemicals & Industries Limited** for the quarter ended September 30, 2014 and the year to date results for the period 1st April, 2014 to 30th September, 2014 attached herewith, being submitted by the company pursuant to the requirement of Clause 41 of the Listing Agreement 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. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financing Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.

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 financial results are free of material misstatement(s). An audit includes examining on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

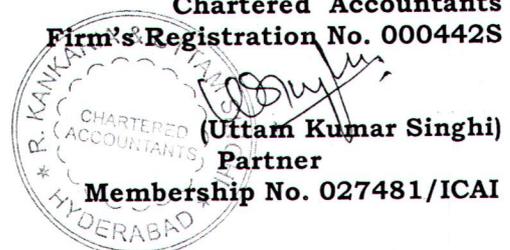
In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the quarter ended 30th September, 2014 as well as the year to date results for the period from 1st April, 2014 to 30th September, 2014.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

Place : Hyderabad
Dated : November 14, 2014

For R Kankaria & Uttam Singhi
Chartered Accountants
Firm's Registration No. 000442S





BHAGIRADHA CHEMICALS & INDUSTRIES LIMITED
CIN: L24219AP1993PLC015963
PLOT NO.3, SAGAR SOCIETY, ROAD NO.2,
BANJARA HILLS HYDERBAD -500034

In Rs. Lakhs

| Part I | UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2014 | QUARTER ENDED | | | HALF YEAR ENDED | | YEAR ENDED |
|--------|--|----------------|----------------|----------------|-----------------|----------------|-----------------|
| | | 30.09.2014 | 30.06.2014 | 30.09.2013 | 30.09.2014 | 30.09.2013 | 31.03.2014 |
| | | Un audited | | | Un audited | | Audited |
| | | PARTICULARS | | | | | |
| 1 | Income from Operations | | | | | | |
| | a) Net Sales/Income from Operations (Net of Taxes) | 5577.79 | 6431.90 | 3889.25 | 12009.70 | 7843.21 | 17301.02 |
| | b) Other Operating Income | - | - | - | - | - | - |
| | Total Income from operations (net) | 5577.79 | 6431.90 | 3889.25 | 12009.70 | 7843.21 | 17301.02 |
| 2 | Expenses | | | | | | |
| | a) Cost of materials consumed | 4509.37 | 5332.99 | 3884.40 | 9842.36 | 6145.92 | 12424.20 |
| | b) Changes in inventories of finished goods, work in progress and stock-in-trade | -313.99 | -114.69 | -1267.89 | -428.68 | -849.24 | -289.35 |
| | c) Employee benefit expense | 288.86 | 201.32 | 223.57 | 490.17 | 414.30 | 854.65 |
| | d) Depreciation and amortization expense | 71.18 | 66.60 | 96.71 | 137.79 | 215.49 | 481.03 |
| | e) Other Expenses | 833.20 | 791.66 | 890.55 | 1624.87 | 1672.35 | 3382.35 |
| | Total Expenses | 5388.62 | 6277.88 | 3827.34 | 11666.51 | 7598.82 | 16852.88 |
| 3 | Profit (Loss) from operations before other income, finance costs & Exceptional items (1-2) | 189.17 | 154.02 | 61.91 | 343.19 | 244.39 | 448.14 |
| 4 | Other Income | 6.81 | 96.61 | 85.00 | 103.42 | 85.40 | 199.86 |
| 5 | Profit (Loss) from operations from ordinary activities before finance costs & Exceptional items (3+4) | 195.98 | 250.63 | 146.91 | 446.61 | 329.79 | 648.00 |
| 6 | Finance Costs | 136.27 | 129.44 | 39.62 | 265.71 | 159.26 | 431.50 |
| 7 | Profit (Loss) from ordinary activities (5-6) | 59.71 | 121.19 | 107.29 | 180.90 | 170.53 | 216.50 |
| 8 | Tax expense | | | | | | |
| | a. Current tax | -19.87 | 24.25 | 8.50 | 4.37 | 34.12 | 11.50 |
| | b. Earlier Years | - | - | - | - | - | -27.46 |
| | c. MAT Credit Entitlement | 19.87 | -24.25 | -34.12 | -4.37 | -34.12 | -11.50 |
| | d. Deferred tax | -19.90 | 59.37 | 27.28 | 39.46 | 30.97 | 47.81 |
| | Total (a to d) | -19.90 | 59.37 | 1.66 | 39.46 | 30.97 | 20.35 |
| 9 | Net Profit/ (Loss) from ordinary activities after tax (7-8) | 79.61 | 61.82 | 105.63 | 141.44 | 139.56 | 196.15 |
| 10 | Paid-up Equity Share Capital (Face value @ Rs.10/- per share) | 505.37 | 505.37 | 505.37 | 505.37 | 505.37 | 505.37 |
| 11 | Reserves excluding Revaluation Reserves | - | - | - | - | - | 4280.26 |
| 12 | Earnings per Share - Basic and Diluted | 1.58 | 1.22 | 2.09 | 2.80 | 2.76 | 3.88 |






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| PART II SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2014 | | | | | | | |
|--|--|--------------------------|------------|------------|-----------------|------------|------------|
| | | QUARTER ENDED | | | HALF YEAR ENDED | | YEAR ENDED |
| | | 30.09.2014 | 30.06.2014 | 30-09-2013 | 30.09.2014 | 30.09.2013 | 31.03.2014 |
| A | Public shareholding | | | | | | |
| | - Number of shares | 3871651 | 3871651 | 3920014 | 3871651 | 3920014 | 3871651 |
| | - Percentage of shareholding | 76.61 | 76.61 | 77.57 | 76.61 | 77.57 | 76.61 |
| B | Promoters and Promoter group Shareholding | | | | | | |
| a) | Pledged/Encumbered | NIL | NIL | NIL | NIL | NIL | NIL |
| | - Number of shares | NIL | NIL | NIL | NIL | NIL | NIL |
| | - Percentage of shares (as a % to the total shareholding of promoter and promoter group) | NA | NA | NA | NA | NA | NA |
| | - Percentage of shares (as a % to the total share capital of the company) | NA | NA | NA | NA | NA | NA |
| b) | Non-encumbered | | | | | | |
| | - Number of shares | 1182049 | 1182049 | 1133686 | 1182049 | 1133686 | 1182049 |
| | - Percentage of shares (as a % to the total shareholding of promoter and promoter group) | 100 | 100 | 100 | 100 | 100 | 100 |
| | - Percentage of shares (as a % to the total share capital of the company) | 23.39 | 23.39 | 22.43 | 23.39 | 22.43 | 23.39 |
| B. | Investor Complaints | Quarter ended 30.09.2014 | | | | | |
| | Pending at the beginning of the quarter | Nil | | | | | |
| | Received during the quarter | 1 | | | | | |
| | Disposed of during the quarter | 1 | | | | | |
| | Remaining at the end of quarter | Nil | | | | | |






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STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER, 2014

| Particulars | (Rs.in Lakhs) | | |
|---|----------------------------------|----------------------------------|--------------------------------|
| | As at 30.09.2014 Unaudited | As at 30.09.2013 Unaudited | As at 31.03.2014 Audited |
| A EQUITY AND LIABILITIES | | | |
| 1 Shareholders' Funds : | | | |
| Share Capital | 507.83 | 507.83 | 507.83 |
| Reserves and Surplus | 4399.23 | 4282.80 | 4280.26 |
| Sub-total - Shareholders Funds | 4907.06 | 4790.63 | 4788.09 |
| 2 Non Current Liabilities : | | | |
| Long-Term borrowings | 1254.97 | 1374.14 | 1276.81 |
| Deferred Tax Liabilities (Net) | 301.29 | 286.49 | 303.34 |
| Sub-total - Non-Current Liabilities | 1556.26 | 1660.63 | 1580.15 |
| 3 Current Liabilities | | | |
| Short Term Borrowings | 3258.20 | 4241.05 | 3844.42 |
| Trade Payables | 5324.43 | 2862.45 | 3411.11 |
| Other Current Liabilities | 422.58 | 300.00 | 489.13 |
| Short Term Provisions | 4.37 | 179.84 | 59.71 |
| Sub-total -Current Liabilities | 9009.58 | 7583.34 | 7804.37 |
| TOTAL - EQUITY AND LIABILITIES | 15472.90 | 14034.60 | 14172.61 |
| B ASSETS | | | |
| 4 Non Current Assets | | | |
| Fixed Assets (incl. Capital Work in Progress) | 6211.14 | 5413.64 | 5684.76 |
| Long Term Loans and Advances | 376.85 | 385.36 | 359.23 |
| Sub-total -Non Current Assets | 6587.99 | 5799.00 | 6043.99 |
| 5 Current Assets | | | |
| Inventories | 4527.97 | 3508.31 | 3230.26 |
| Trade Receivables | 2899.28 | 2984.98 | 3392.92 |
| Cash and Cash Equivalents | 311.20 | 567.65 | 121.16 |
| Short-term Loans and Advances | 1143.82 | 1169.35 | 1373.37 |
| Other Current Assets | 2.64 | 5.31 | 10.91 |
| Sub-total - Current Assets | 8884.91 | 8235.60 | 8128.62 |
| TOTAL - ASSETS | 15472.90 | 14034.6 | 14172.61 |

NOTES:

- 1) The financial results for the quarter and half year ended September 30, 2014 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their meeting held on 14th November 2014 and have been subjected to Limited Review by Statutory Auditors.
- 2) Segmental Reporting: The company is primarily engaged in the business of manufacturing and selling Agro Chemicals and there are no separate reportable segment as per accounting standard (AS)17* Segment Reporting in respect of the company.
- 3) The above financial results have been drawn in accordance with the Accounting policies consistently followed by the company.
- 4) Figures have been Reclassified/ regrouped/rearranged wherever considered necessary.
- 5) Depreciation is provided in fixed assets for the current quarter and Half year ended on 30th September 2014 as per the Schedule II of the Companies Act 2013. Had the company continued to follow the earlier rates as per the provisions of Companies Act 1956, the depreciation would have been higher by Rs. 83 Lakhs for the current quarter and Rs. 161.79 lakhs for the half year ended 30th September 2014. The company has adjusted the opening retained earnings of Rs. 0.43 lakhs (net of Deffered Tax of Rs 0.21 Lakhs) for the difference of depreciation due to transitional provisions

Place: Hyderabad
Date: 14.11.2014

By order of the Board
For Bhagiradha Chemicals & Industries Ltd

S. Chandra Sekhar
(S.Chandra Sekhar)
Managing Director

