

# CHATURVEDI & PARTNERS

*Chartered Accountants*

81, Mittal Chambers, 228, Nariman Point, Mumbai - 400 021.

Phone : 2202 0687

Fax : 2287 2457

E-mail : chcoby@vsnl.com

## REVIEW REPORT TO THE BOARD OF DIRECTORS OF N R AGARWAL INDUSTRIES LIMITED

We have reviewed the accompanying statement of unaudited financial results of **N R Agarwal Industries Limited** for the period ended 31<sup>st</sup> 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/Committee of 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 recognized 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 CHATURVEDI & PARTNERS  
Chartered Accountants



A handwritten signature in blue ink, appearing to read "G. Venkatakrishnan".

G .Venkatakrishnan  
(Partner)

Membership Number: 11255

Place: Mumbai  
Date: 06.02.2012

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31st DECEMBER 2011

Particulars	(₹ in Lakhs)					
	3 months ended	Previous 3 months ended	Corresponding 3 months ended in the previous year	Year to Date figures for current period ended	Year to Date figures for the previous period ended	Previous accounting year ended
	(31.12.2011) Unaudited	(30.09.2011) Unaudited	(31.12.2010) Unaudited	(31.12.2011) Unaudited	(31.12.2010) Unaudited	(31.03.2011) Audited
1. (a) Net Sales/Income from Operations	12790.78	11982.32	11560.57	36974.19	35069.64	46658.55
(b) Other Operating Income	72.70	51.08	61.70	158.55	138.24	206.03
TOTAL INCOME	12863.48	12033.40	11622.27	37132.74	35207.88	46864.58
2. Expenditure						
(a) (Increase)/Decrease in stock in trade and work in progress	(409.50)	(99.28)	10.94	(458.26)	67.34	(116.87)
(b) Consumption of Raw Materials	8527.82	7614.74	6766.72	23695.00	21082.23	28134.71
(c) Purchase of Traded Goods	0.00	0.00	0.00	0.00	0.00	0.00
(d) Employees Cost	572.50	496.85	453.04	1596.31	1280.89	1659.53
(e) Depreciation	231.66	230.24	246.90	681.92	668.35	848.17
(f) Other Expenditure	3379.67	3087.08	3065.52	9456.18	8683.51	12104.45
(g) TOTAL	12302.15	11329.63	10543.12	34971.15	31782.32	42629.99
3. Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	561.33	703.77	1079.15	2161.59	3425.56	4234.59
4. Other Income	11.73	23.84	31.83	45.12	63.33	103.51
5. Profit before Interest and Exceptional Items (3+4)	573.06	727.61	1110.98	2206.70	3488.89	4338.10
6. Interest	265.44	208.93	191.02	706.03	578.67	732.43
7. Profit after Interest but before Exceptional Items (5-6)	307.62	518.68	919.96	1500.67	2910.22	3605.66
8. Exceptional items	0.00	0.00	0.00	0.00	0.00	0.00
9. Profit from Ordinary Activities before tax (7+8)	307.62	518.68	919.96	1500.67	2910.22	3605.66
10. Tax expense	56.78	100.14	222.54	305.00	717.57	830.79
11. Net Profit from Ordinary Activities after Tax (9-10)	250.84	418.55	697.42	1195.67	2192.65	2774.88
12. Prior Year Adjustments	0.00	0.00	0.00	0.00	0.00	14.76
13. Extraordinary Item (net of tax expenses)	0.00	0.00	0.00	0.00	0.00	0.00
14. Net Profit	250.84	418.55	697.42	1195.67	2192.65	2789.64
15. Paid-up Equity Share Capital (Face Value of ₹ 10/- per Share)	1701.91	1701.91	1701.91	1701.91	1701.91	1701.91
16. Reserves Excluding Revaluation Reserves	-	-	-	-	-	7534.02
17. Earnings Per Share						
(a) Basic (₹)	1.47	2.46	4.10	7.03	12.88	16.39
(b) Diluted (₹)	1.45	2.41	4.06	6.90	12.77	16.22
18. Public Shareholding						
Number of Shares	4558177	4558177	4558177	4558177	4558177	4558177
-Percentage of Shareholding	26.78%	26.78%	26.78%	26.78%	26.78%	26.78%
19. Promoters and Promoter Group Shareholding						
a) Pledged/Encumbered						
- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of Shares (as a % of the Total Shareholding of Promoter and Promoter Group)	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of Shares (as a % of the Total Share Capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil
b) Non-encumbered						
- Number of shares	12460923	12460923	12460923	12460923	12460923	12460923
- 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)	73.22%	73.22%	73.22%	73.22%	73.22%	73.22%

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10th February, 2012.
- As the entire operations of the Company relate to products categorised under 'Paper and Paper products' as a single primary reportable segment, no separate reporting is required under Accounting Standards 17 issued by the Institutes of Chartered Accountants of India.
- The Statutory Auditors of the Company have carried out a limited review of the results for the quarter ended 31st December, 2011.
- A demand amounting to ₹ 1901.36 lacs under section 143(3) read with section 153A for block assessment (AY 2004-05 to AY 2010-11) was raised by the Income Tax Department. Thereafter, the company had filed an application for rectification under section 154 to the tune of ₹ 937.18 lacs and has preferred an appeal against the said order with CIT appeals, which is pending. The management is confident of the final decision in its favour and accordingly has not made any provision in the accounts for the period under review.
- There were Nil complaints pending at the beginning of the quarter, Nil were received during the quarter and Nil complaints were pending at the end of the quarter.
- Previous period figures have been regrouped and reclassified, wherever necessary.

For N.R. AGARWAL INDUSTRIES LIMITED

  
R. N. Agarwal  
Chairman Managing Director & CEO

Place : Mumbai  
Date : 10.02.2012