

**T.S.AJAI**

Chartered Accountants

**LIMITED REVIEW REPORT****Review Report to  
M/s AMBICA AGARBATHIES AROMA & INDUSTRIES LIMITED**

We have reviewed the accompanying statement of unaudited financial results of M/s AMBICA AGARBATHIES AROMA & INDUSTRIES LIMITED for the period ended 30<sup>th</sup> 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/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 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 un-audited 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.

Place: Hyderabad  
Date: 14.11.2012

Chartered Accountant  
Membership No. 17500



Our principle : Efficiency and Integrity

Office : "Vedharanya" 304, Minar Apartments, Deccan Towers, Basheerbagh, Hyderabad 500001.  
Tel. : 23212376, 23231150, E-mail : tsajai@tsajai.com


**AMBICA AGARBATHIES  
AROMA & INDUSTRIES LTD**

 POWERPET, ELURU - 534 002 W.G.D.T. (A.P.)  
 PHONES : 230629, 230216, FAX : 08812 - 233876

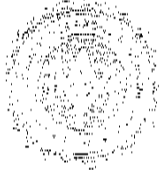
**Statement of Assets and Liabilities as on 30.09.2012**
**( Amount in Rs.)**

Particulars	As at current	As at previous
	period end 30th September 2012 Un audited	year end 30th September 2011 Un audited
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' funds</b>		
(a) Share capital	171,294,623	171,294,623
(b) Reserves and surplus	157,218,392	148,189,175
<b>Sub-total - Shareholders' funds</b>	<b>328,513,015</b>	<b>319,483,798</b>
<b>2 Share application money pending allotment</b>	<b>199,685</b>	<b>199,685</b>
<b>3 Non-current liabilities</b>		
(a) Long-term borrowings	427,575,768	329,258,128
(b) Deferred tax liabilities (net)	42,740,625	42,740,625
(c) Other long-term liabilities	32,427,227	22,639,305
(d) Long-term provisions	-	-
<b>Sub-total - Non-current liabilities</b>	<b>502,743,620</b>	<b>394,638,058</b>
<b>4 Current liabilities</b>		
(a) Short-term borrowings	212,570,553	201,537,487
(b) Trade payables	87,093,119	49,086,607
(c) Other current liabilities	14,159,480	6,480,233
(d) Short-term provisions	59,780,453	51,227,495
<b>Sub-total - Current liabilities</b>	<b>373,603,605</b>	<b>308,331,821</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>1,205,059,925</b>	<b>1,022,653,362</b>
<b>B ASSETS</b>		

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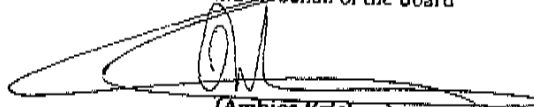
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<b>1</b>	<b>Non-current assets</b>		
	(a) Fixed assets		
	(b) Non-current investments	534,708,788	452,118,607
	(c) Deferred tax assets (net)	-	-
	(d) Long-term loans and advances	308,848,499	254,303,542
	(e) Other non-current assets	-	-
	<b>Sub-total - Non-current assets</b>	<b>843,557,288</b>	<b>706,422,149</b>
<b>2</b>	<b>Current assets</b>		
	(a) Current investments		
	(b) Inventories	-	-
	(c) Trade receivables	141,297,101	151,461,538
	(d) Cash and cash equivalents	67,977,798	61,052,123
	(e) Short-term loans and advances	12,242,197	5,036,607
	(f) Other current assets	53,095,798	53,347,380
	<b>Sub-total - Current assets</b>	<b>86,889,743</b>	<b>45,333,565</b>
	<b>TOTAL - ASSETS</b>	<b>1,205,059,925</b>	<b>1,022,653,362</b>

For and on behalf of the Board

Place: Eluru  
Date: 14/11/2012

  
(Ambica Krishna)  
Chairman & Managing Director

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TIN NO. 28520211540 CST. RC NO. ELR/01/1/1719 DT. 22-4-95

## AMBICA AGARBATHIES AROMA & INDUSTRIES LTD

Un-Audited Financial Results for the Quarter Ended 30th September, 2012  
POWERPET, ELURU - 534 002 W.G.DT. (A.P.)  
PHONES : 230629, 230216, FAX : 08812 - 233876

Sl. No.	Particulars	3 months ended	Corresponding	Preceding 3	6 Months	6 Months	Prev year ended
		30.09.2012	30.09.2011	months ended	ended	ended	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income from Operation</b>						
	a) Net Sales / Income from Operations (Excluding Branch Transfer) (Net of Excise Duty)	2389.74	2117.37	2167.08	4556.82	3905.20	8376.30
	b) Other Operating Income	8.84	54.97	30.35	39.19	93.68	224.01
	<b>Total Income from operations (net)</b>	<b>2398.58</b>	<b>2172.34</b>	<b>2197.44</b>	<b>4596.00</b>	<b>3998.88</b>	<b>8600.31</b>
2	<b>Expenses</b>						
	a. Cost of Material Consumed	475.17	321.81	316.29	791.46	582.75	1590.75
	b. Purchase of Traded Goods	921.97	807.92	846.92	1768.89	1491.25	3178.22
	c. Changes in Inventories of finished goods, work-in-progress and stock-in-trade	-14.19	25.89	14.75	0.00		
	d. Employee benefits expense	33.42	23.67	27.80	61.22	37.45	-26.95
	e. Depreciation and Amortisation expense	69.04	74.29	74.76	143.80	47.71	107.46
	f. Other Expenses	657.75	684.99	685.40	1343.15	138.33	267.41
	<b>Total Expenses</b>	<b>2143.15</b>	<b>1938.57</b>	<b>1965.37</b>	<b>4108.52</b>	<b>3567.59</b>	<b>7762.28</b>
		0.00					
3	<b>Profit / (Loss) from Operations before other income, finance costs and exceptional items (1 - 2)</b>	<b>255.41</b>	<b>233.77</b>	<b>232.07</b>	<b>487.48</b>	<b>431.29</b>	<b>838.03</b>
4	<b>Other Income</b>	-13.45	0.02	13.45	0.00	0.02	57.06
5	<b>Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)</b>	<b>241.96</b>	<b>233.00</b>	<b>245.52</b>	<b>487.48</b>	<b>431.31</b>	<b>895.09</b>
6	<b>Finance Costs</b>	179.17	172.12	184.91	364.08	322.50	643.39
7	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 + 6)</b>	<b>62.79</b>	<b>61.68</b>	<b>60.61</b>	<b>123.40</b>	<b>108.73</b>	<b>251.70</b>
8	<b>Exceptional Items - Expenditure / (Income)</b>	0.00	0.00	0.00	0.00	0.00	0.00
9	<b>Profit / (Loss) from Ordinary Activities before tax (7 + 8)</b>	<b>62.79</b>	<b>61.68</b>	<b>60.61</b>	<b>123.40</b>	<b>108.7</b>	<b>251.7</b>
10	<b>Tax Expense</b>	15.11	24.59	16.97	32.08	37.00	63.38
11	<b>Net Profit / (Loss) from Ordinary Activities after tax (9 + 10)</b>	<b>47.68</b>	<b>37.09</b>	<b>43.64</b>	<b>91.32</b>	<b>71.73</b>	<b>188.31</b>
12	<b>Extraordinary Items (Net of Tax expense or nil)</b>	0.00	0.00	0.00	0.00	0.00	0.00
13	<b>Net Profit / (Loss) for the period (11 + 12)</b>	<b>47.68</b>	<b>37.08</b>	<b>43.64</b>	<b>91.32</b>	<b>71.73</b>	<b>188.31</b>
14	<b>Share of profit / (Loss) of associates*</b>						
15	<b>Minority interest</b>		0	0			
16	<b>Net Profit / (Loss) after taxes, minority interest and share of profit / (Loss) of associates (13 + 14 + 15)*</b>	<b>47.68</b>	<b>37.08</b>	<b>43.64</b>	<b>91.32</b>	<b>71.73</b>	<b>188.31</b>
17	<b>Paid-up equity share capital</b>	1712.95	1712.95	1712.95	1712.95	1712.95	1712.95
18	<b>Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year</b>						1502.12
9(i)	<b>Earnings per share (before extraordinary items) (of ___/- each) (not annualised):</b>						
	(a) Basic	0.28	0.22	0.25	0.53	0.42	1.10
	(b) Diluted	0.28	0.22	0.25	0.53	0.42	1.10
9(ii)	<b>Earnings per share (after extraordinary items) (of ___/- each) (not annualised):</b>						
	(a) Basic	0.28	0.22	0.25	0.53	0.42	1.10
	(b) Diluted	0.28	0.22	0.25	0.53	0.42	1.10

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POWERPET, ELURU - 534 002 W.G.D.T. (A.P.)  
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### Share Holding of for the Quarter Ended 30TH SEPTEMBER 2012

	Particulars	3 months ended 30.09.2012	Corresponding 3 months ended 30.09.2011 in the previous year	Preceding 3 months ended 30.06.2012	6 Months ended 30.09.2012	6 Months ended 30.09.2011	Prev year ended 31.03.2012
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>						
<b>1</b>	<b>Public Share Holding</b>						
	- Number of Shares	8929621	8929621	8929298	8929621	8929298	8929298
	- Percentage of Shareholding	51.98%	51.98%	51.98%	51.98%	51.98%	51.98%
<b>2</b>	<b>Promoter and Promoter Group Shareholding</b>						
	<b>a) Pledged / Encumbered</b>						
	- Number of Shares	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of Shareholding (as a %	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of Shares (as a % of total share capital of the Company)	NIL	NIL	NIL	NIL	NIL	NIL
	<b>b) Non - Pledged / Encumbered</b>						
	- Number of Shares	8247778	8247778	8248104	8247778	8248104	8248104
	- Percentage of Shares (as a % of total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of Shares (as a % of total share capital of the Company)	48.02%	48.02%	48.02%	48.02%	48.02%	48.02%

	PARTICULARS	3 MONTHS ENDED 30.09.2012
<b>B</b>	<b>INVESTOR COMPLAINTS</b>	
<b>1</b>	<b>PENDING AT THE BEGINNING OF THE QUARTER</b>	0
<b>2</b>	<b>RECEIVED DURING THE YEAR</b>	2
<b>3</b>	<b>DISPOSED OF DURING THE QUARTER</b>	2
<b>4</b>	<b>REMAINING UNRESOLVED AT THE END OF THE QUARTER</b>	0

#### NOTE

- The above results were reviewed by the Audit Committee and taken on record and approved by the Board of Directors at their meeting held on 14.11.2012.
- Figures have been regrouped and rearranged wherever considered necessary in order to make them comparable with those of the current period.
- Segment Report prepared as per AS 17 is enclosed

The Auditor's Qualification with regard to the unclaimed dividend to investors in Investor education fund is delayed due to the reconciliation of  
4 unclaimed dividend account, which has no impact in the profitability of the Company

For and on behalf of the Board

(Ambica Krishna)

Chairman & Managing Director

Place : Eluru  
Date : 14/11/2012

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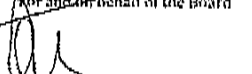
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Ambica Agarbathies Aroma & Industries Limited  
(Formerly known as Ambica Agarbathies & Aroma Industries Ltd.)  
Regd. Office: Shankar Towers, Powerpet, Eluru- 534 002

### Reporting of Segment wise Revenue, Results and Capital Employed

Sl. No	Particulars	(Rs in Lakhs)					Twelve Months ended 31.03.2012
		3 Months ended 30.09.2012	Corresponding 3 months ended 30.09.2011 in the previous year	Preceding 3 months ended 30.06.2012	6 Months ended 30.09.2012	6 Months ended 30.09.2011	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Segment Revenue</b> (net sale/ income from each segment)						
	A) Agarbathies Division	1,950.80	1,790.17	1,790.39	3,741.19	3,295.04	7,144.57
	B) Hotel Division	432.64	365.56	386.03	818.67	677.86	1,455.77
	C) Windmill Division	15.12	16.64	21.02	36.14	26.00	57.03
	Increase / (Decrease) in Stock	(14.21)	(25.89)	14.21		(37.45)	26.95
	<b>Total:</b>	<b>2,394.35</b>	<b>2,146.48</b>	<b>2,211.65</b>	<b>4,596.00</b>	<b>3,961.45</b>	<b>8,684.32</b>
	LESS: Inter Segment Revenue	-	-	-	-	-	-
	<b>Net Sales / Income from Operations</b>	<b>2,394.35</b>	<b>2,146.48</b>	<b>2,211.65</b>	<b>4,596.00</b>	<b>3,961.45</b>	<b>8,684.32</b>
2	<b>Segment Results</b> (Profit)(+) / (Loss)(-) before Tax and interest from each segment						
	A) Agarbathies Division	120.05	162.38	175.52	296.37	310.69	579.27
	B) Hotel Division	110.43	73.59	56.51	166.95	119.71	294.96
	C) Windmill Division	10.68	(2.17)	13.49	24.17	0.92	20.85
	<b>Total:</b>	<b>241.96</b>	<b>233.80</b>	<b>245.52</b>	<b>487.48</b>	<b>431.32</b>	<b>895.08</b>
	LESS: Interest	179.17	172.12	184.91	364.08	322.58	645.39
	<b>Total Profit before Tax</b>	<b>62.79</b>	<b>61.68</b>	<b>60.61</b>	<b>123.40</b>	<b>108.73</b>	<b>251.69</b>
3	<b>Capital Employed</b>						
	A) Agarbathies Division	5,915.31	5,268.12	5,022.38	5,915.31	5,268.12	5,696.00
	B) Hotel Division	2,290.54	1,673.00	2,207.68	2,290.54	1,673.00	2,167.00
	C) Windmill Division	252.69	246.74	244.51	252.69	246.74	234.00
	D) Construction Division	1,089.42	1,073.92	1,089.42	1,089.42	1,073.92	1,089.42
	<b>Total:</b>	<b>9,547.96</b>	<b>8,261.78</b>	<b>9,363.99</b>	<b>9,547.96</b>	<b>8,261.78</b>	<b>9,187.22</b>

For and on behalf of the Board

  
Chairman & Managing Director

Place :Eluru  
Date: 14/11/2012

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