TIN S.T. No. 24092003658 Dt. 5-5-2003
TIN C.S.T. No. 24592003658 Dt. 5-5-2003
E.C.C. No. AA BCD 0687 QXM 001

DECOLIGHT CERAMICS LTD.
Mfg. of : Vitrified Tiles
Old Ghuntu Road, Morbi - 363 642. (Guj.) INDIA.
Ph.: +91-2822-241156, 241988 Fax : +91-2822-241225
E-mail : decolight2004@yahoo.com Web : www.decocovering.com

AN ISO 9001 : 2000 & 14001 Co.

Notes:

1 The aforesaid unaudited financial results have been reviewed and recommended by the Audit Committee in their meeting held on 14th November, 2014 and the same were approved and taken on record by the Board of Directors in their meeting held on 14th November, 2014

2 A Limited Review of the unaudited financial result for the quarter ended 30th September, 2014 has been carried out by the statutory Auditor of the company.

3 While placing the Financial Results before the Board, Shri Kantibhai M. Pethapara, the Chief Executive Officer and Chief Financial Officer of the Company has certified that the above financial results do not contain any false or misleading statements or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

4 *Auditors have qualified that* ***"unutilised funds of equity preferential issue privately placed lying in ICD to the tune of Rs 27.57 Crores is pending for renewal / receipt from the respective parties. Due to non-renewal, the company has not booked interest of Rs. 112.18/- lacs on such amount during the quarter / Rs. 223.15/- lacs for the half year then ended. Had it been booked, loss would have been reduced by such amount".***
In this context, the management is following up the matter with the respective parties and is also under the process of filing the civil suit for the recovery of the same amount along with the interest. The company is making its all efforts for renewal / receipt of the same.

5 Auditors have emphasized on the matter that -
There is a substantial uncertainty about the going concern aspect of the company looking to the various reasons such as a) Symbolic possession of the factory unit by the bank consequent to the default in repayment of debt b) Pending various government dues c) Operational efficiency of the plant badly affected due to old technology based plant & machinery d) Reduction in volume of sales operation resulting into cash losses owing to the financial operational and machinery related issues.
In this context, the management is trying its best to arrange the funds for repayment to the bank and to restart the factory after withdrawal of the symbolic possession of the bank, hence the financials are prepared on going concern basis only.

6 The company could achieve total revenue of only Rs. 169.01/- lacs for the half year ended 30th September, 2014, because of the symbolic possession of the factory takenover by the bank and reduced volume of sales operations owing partly to persistent recessionary conditions and partly to restricting the production in one kiln only. Moreover efficiency of the plant & machinery of the company is constantly reducing due to age / old technology factor. Henceforth, manufacturing, operational and financial expenses remained unabsorbed leading to posting a loss before tax & exceptional items Rs. 1304.33/- lacs and after exceptional & after tax loss of Rs. 2057.46/- lacs. It is also further explained that ever since the catastrophic incident occurred to the company in the year 2010-2011, the company's business operations affected badly. This has resulted, in addition to the deferring production in one of the kilns, increased cash flows problems coupled with production disruptions.

7 The status of investor complaints received by the Company is as follows:
- Received during the Quarter from July 1, 2014 to September 30, 2014 : NIL
- Disposed during the Quarter from July 1, 2014 to September 30, 2014: NIL
- Pending as on September 30, 2014: NIL

7 Segment reporting as per AS-17 is not applicable as Company operates only in one segment i.e Tiles, Building Materials and Allied.

8 The Figures of the Previous Years have been regrouped / re-arranged wherever considered necessary, to make them comparable.

Place : Morbi
Date : 14th November, 2014

G. M. Pethapara
Managing Director

K. M. Pethapara
Jt. M.D.