NITCO LIMITED

Innovation for a better life

6th November, 2015

To,

Corporate Service Dept. **Bombay Stock Exchange Limited** Jeejeebhoy Towers Dalal Street, Mumbai - 400 001	The Listing Department, **National Stock Exchange of India Limited** Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051.

Dear Sir,

The outcome of the Board Meeting held today i.e. 6th November, 2015:

Pursuant to the requirements of the Listing Agreement, we are enclosing herewith the Unaudited Financial Results of the Company for the quarter and six months ended 30th September, 2015, along with Limited Review Report for the quarter ended 30th September, 2015.

The above has been approved and taken on record by the Board of Directors at their Meeting held on 6th November, 2015.

Please acknowledge receipt.

Thanking you.

Yours faithfully,
For **Nitco Limited**

Rohit Darji
Asst. Company Secretary & Compliance Officer

Encl: as above

NITCO LIMITED

Registered office: Recondo Compound, Municipal Asphalt Compound, S K Ahire Marg, Worli, Mumbai – 400 030
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CIN : L26920MH1966PLC016547

PART I : STATEMENT OF UNAUDITED FINANCIAL RESULT FOR THE QUARTER & SIX MONTHS ENDED SEPTEMBER 30, 2015

Rs. in Lacs

		Quarter Ended			Half Year ended		Year ended
	Particulars	**30.09.2015 (Unaudited)**	**30.06.2015 (Unaudited)**	**30.09.2014 (Audited)**	**30.09.2015 (Unaudited)**	**30.09.2014 (Audited)**	**31.03.2015 (Audited)**
1	**Income from Operation**						
(a)	Gross sales	22,998.89	19,868.91	23,515.86	42,867.80	45,128.37	90,261.02
(b)	Net sales/ income from operation (Net of excise duty and sales tax)	20,844.45	18,041.86	21,488.39	38,886.31	41,185.81	82,399.44
(c)	Other operating income	117.22	49.80	80.02	167.02	176.37	299.96
	Total Income from operation (Net)	**20,961.67**	**18,091.66**	**21,568.41**	**39,053.33**	**41,362.18**	**82,699.40**
2	**Expenses**						
	Cost of materials consumed	6,282.77	4,888.00	5,191.08	11,170.77	8,242.70	17,860.96
	Purchase of Stock in trade	9,255.02	7,681.93	10,294.28	16,936.95	20,980.11	37,325.54
	Changes in inventories of finished goods, Stock in trade and work-in-progress	(552.91)	44.99	(83.04)	(507.92)	250.14	3,071.61
	Power and fuel	1,315.67	1,178.20	1,581.51	2,493.87	2,870.99	6,388.94
	Employee benefits expense	1,837.37	1,844.11	1,817.51	3,681.48	3,676.39	7,212.86
	Depreciation and amortization expense	1,375.51	1,518.23	1,555.03	2,893.74	3,114.80	6,227.82
	Freight, forwarding and distribution expenses	568.37	621.55	895.28	1,189.92	1,834.70	3,736.06
	Other expenses	2,310.45	2,051.21	2,125.11	4,361.66	4,337.21	8,772.92
	Total Expenses	**22,392.25**	**19,828.22**	**23,376.76**	**42,220.47**	**45,307.04**	**90,596.71**
3	**Profit / (Loss) from operations before other income, finance costs and exceptional item (1-2)**	**(1,430.58)**	**(1,736.56)**	**(1,808.35)**	**(3,167.14)**	**(3,944.86)**	**(7,897.31)**
4	Other Income	13.31	41.01	11.58	54.32	30.84	88.98
5	**Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)**	**(1,417.27)**	**(1,695.55)**	**(1,796.77)**	**(3,112.82)**	**(3,914.02)**	**(7,808.33)**

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6	Finance cost						
a)	Interest and financial cost	143.17	54.19	3,841.83	197.36	7,375.38	4,158.13
b)	Applicable net gain/loss on foreign currency transactions and translation	56.49	26.07	9.89	82.56	48.93	59.00
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)**	**(1,616.93)**	**(1,775.81)**	**(5,648.49)**	**(3,392.74)**	**(11,338.33)**	**(12,025.46)**
8	Exceptional items	-	-	-	-	-	696.75
9	**Profit / (Loss) from ordinary activities before tax (7 ± 8)**	**(1,616.93)**	**(1,775.81)**	**(5,648.49)**	**(3,392.74)**	**(11,338.33)**	**(12,722.21)**
10	Tax expense	-	-	-	-	-	-
11	**Net Profit / (Loss) from ordinary activities after tax (9 ± 10)**	**(1,616.93)**	**(1,775.81)**	**(5,648.49)**	**(3,392.74)**	**(11,338.33)**	**(12,722.21)**
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	**Net Profit / (Loss) for the period (11 ± 12)**	**(1,616.93)**	**(1,775.81)**	**(5,648.49)**	**(3,392.74)**	**(11,338.33)**	**(12,722.21)**
14	Share of Profit / (Loss) of associates	-	-	-	-	-	-
15	Minority interest	-	-	-	-	-	-
16	**Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 ± 14 ± 15)**	**(1,616.93)**	**(1,775.81)**	**(5,648.49)**	**(3,392.74)**	**(11,338.33)**	**(12,722.21)**
17	Paid-up equity share capital (Face Value Rs. 10 per share) (No of shares)	5,469.93	5,469.93	5,469.93	5,469.93	5,469.93	5,469.93
18	Reserve excluding revaluation reserves as per balance sheet						(9,382.55)
19. i	Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised):						
(a)	Basic	(2.96)	(3.25)	(10.33)	(6.20)	(20.73)	(23.26)
(b)	Diluted	(2.96)	(3.25)	(10.33)	(6.20)	(20.73)	(23.26)
19. ii	Earnings per share (after extraordinary items) (of Rs. 10/- each) (not annualised):						
(a)	Basic	(2.96)	(3.25)	(10.33)	(6.20)	(20.73)	(23.26)
(b)	Diluted	(2.96)	(3.25)	(10.33)	(6.20)	(20.73)	(23.26)

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a) The above financial results were reviewed by the audit committee and thereafter taken on record by the Board of Directors at their Meeting held on 6th November 2015 and were duly reviewed by the statutory auditors.

b) Power and fuel expenses are net as under:

(Rs.Lacs)

	Quarter Ended			Half Year ended		Year ended
Particulars	**30.09.2015 (Unaudited)**	**30.06.2015 (Unaudited)**	**30.09.2014 (Audited)**	**30.09.2015 (Unaudited)**	**30.09.2014 (Audited)**	**31.03.2015 (Audited)**
Sale of Power generated through Windmill	211.53	178.70	182.34	390.23	402.43	473.11
Total	**211.53**	**178.70**	**182.34**	**390.23**	**402.43**	**473.11**

c) The net worth of the Company has been fully eroded and, the Company is registered under section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 with the Hon'ble Board For Industrial and Financial Reconstruction (BIFR) with effect from 12th May 2015. The Company's accounts with most of the lenders had turned into NPA. Accordingly, interest for the quarter ended as well as six months ended 30th September 2015 has been computed based on payments made to the lenders. Had the interest and penal interest as applicable as per the rates contracted prior to admission to CDR, finance cost and loss for the quarter ended 30h September 2015 would have been higher by Rs. 4,914.23 Lacs and for the six months ended 30th September 2015 would have been higher by Rs. 9,598.68 Lacs.

d) As on 30th September 2015, nine CDR lenders holding approximately 42% of total CDR debt had assigned their debt to JM Financial Assets Reconstruction Co Pvt Ltd.

e) Considering the brand equity enjoyed by the Company, non-core assets identified for sale, and several steps taken by the Company, the management therefore considers it appropriate to prepare the financial statement on a going concern basis.

f) The previous quarter/ year figures are regrouped/ restated/ reclassified/ rearranged, wherever necessary, to make them comparable..

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PART II : SELECT INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2015

		PARTICULARS	Quarter Ended			Half Year ended		Year ended
			30.09.2015 (Unaudited)	30.06.2015 (Unaudited)	30.09.2014 (Audited)	30.09.2015 (Unaudited)	30.09.2014 (Audited)	31.03.2015 (Audited)
A		**Particulars of shareholding**						
1		Public shareholding						
		- Number of shares	16,659,032	16,659,032	16,659,032	16,659,032	16,659,032	16,659,032
		- Percentage of holding	30.46	30.46	30.46	30.46	30.46	30.46
2		Promoter and promoter group shareholding						
		a) Pledged / Encumbered						
		- Number of shares	32,000,618	32,000,618	33,225,270	32,000,618	33,225,270	32,000,618
		- Percentage of shares (as a % of the total shareholding of promoter and promoter group	84.12	84.12	87.34	84.12	87.34	84.12
		-Percentage of shares (as a% of the total share capital of the company)	58.50	58.50	60.74	58.50	60.74	58.50
		b) Non - encumbered						
		- Number of shares	6,039,688	6,039,688	4,815,036	6,039,688	4,815,036	6,039,688
		- Percentage of shares (as a % of the total shareholding of promoter and promoter group	15.88	15.88	12.66	15.88	12.66	15.88
		-Percentage of shares (as a% of the total share capital of the company) Percentage of shares (as a% of the total share capital of the company)	11.04	11.04	8.80	11.04	8.80	11.04
B		**Investor complaints**						
		Pending at the beginning of the quarter	NIL					
		Received during the quarter	31					
		Disposed off during the quarter	31					
		Remaining unresolved at the end of the quarter	NIL					

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III - SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND SIX MONTHS ENDED 30th SEPTEMBER 2015

(Rs. in Lacs)

Sr. No.	Particulars	Quarter Ended			Half Year ended		Year ended
		30.09.2015 (Unaudited)	30.06.2015 (Unaudited)	30.09.2014 (Audited)	30.09.2015 (Unaudited)	30.09.2014 (Audited)	31.03.2015 (Audited)
1	**Net sales / Income from operations**						
	- Tiles and other related products	20,937.37	18,074.67	20,640.65	39,012.05	40,391.10	81,688.62
	- Real estate	24.30	16.99	927.76	41.28	971.08	1,010.78
	Total Revenue	**20,961.67**	**18,091.66**	**21,568.41**	**39,053.33**	**41,362.18**	**82,699.40**
2	**Segment results**						
	- Tiles and other related products	(1,405.99)	(1,668.92)	(1,977.40)	(3,063.00)	(4,062.06)	(7,895.03)
	- Real estate	(11.28)	(26.63)	180.63	(49.82)	148.04	86.70
	Total Segment Profit Before Interest and Tax	**(1,417.27)**	**(1,695.55)**	**(1,796.77)**	**(3,112.82)**	**(3,914.02)**	**(7,808.33)**
	Less : Interest and other financial cost	143.17	54.19	3,841.83	197.36	7,375.38	4,158.13
	Foreign exchange loss/(gain)	56.49	26.07	9.89	82.56	48.93	59.00
	Exceptional items	-	-	-			696.75
	Profit Before Tax	**(1,616.93)**	**(1,775.81)**	**(5,648.49)**	**(3,392.74)**	**(11,338.33)**	**(12,722.21)**
3	**Capital Employed**						
	(Segment assets - Segment liabilities)						
	- Tiles and other related products	85,761.40	86,960.39	91,357.94	85,761.40	91,357.94	85,361.65
	- Real estate	34,277.57	34,274.47	34,197.89	34,277.57	34,197.89	34,323.27
	- Unallocated/ Corporate	5,000.70	5,433.77	6,568.12	5,000.70	6,568.12	6,267.23
	Total Capital Employed	**125,039.67**	**126,668.63**	**132,123.95**	**125,039.67**	**132,123.95**	**125,952.15**

NITCO LIMITED MUMBAI

IV. STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lacs)

		As at 30.09.2015 (Unaudited)	As at 31.03.2015 (Audited)
	EQUITY AND LIABILITIED		
	1) Shareholder's Funds :		
	(a) Share Capital	5,469.93	5,469.93
	(b) Reserves and Surplus	(12,775.29)	(9,382.55)
	Sub Total Shareholder's Funds	**(7,305.36)**	**(3,912.62)**
	2) Non Current Liabilities		
	(a) Long-term borrowings	69,656.94	75,508.51
	(b) Deferred tax liabilities (Net)	2,034.84	2,034.84
	(c) Long Term Provisions	235.35	231.54
	Sub Total Non Current Liabilities	**71,927.13**	**77,774.89**
	3) Current Liabilities		
	(a) Short-term borrowings	11,006.63	8,180.57
	(b) Trade Payables	14,778.86	15,788.28
	(c) Other Current Liabilities	52,379.71	45,993.53
	(d) Short Term Provisions	151.19	146.75
	Sub Total Current Liabilities	**78,316.39**	**70,109.13**
	TOTAL - EQUITY AND LIABILITIES	**142,938.16**	**143,971.40**
	ASSETS		
	1) Non Current Assets		
	(a) Fixed Assets	58,419.35	61,205.60
	(b) Non Current Investment	2,735.36	2,735.36
	(c) Long-term loans and advances	17,822.97	17,776.16
	Sub Total Non Current Assets	**78,977.68**	**81,717.12**
	2) Current Assets		
	(a) Inventories	19,351.53	18,504.66
	(b) Inventories - Real Estate	17,894.26	17,884.24
	(c) Trade receivables	13,876.21	12,175.71
	(d) Cash and cash equivalents	1,083.77	1,814.22
	(e) Short-term loans and advances	5,047.45	4,567.56
	(f) Other current assets	6,707.26	7,307.89
	Sub Total Current Assets	**63,960.48**	**62,254.28**
	TOTAL ASSETS	**142,938.16**	**143,971.40**

Place : Mumbai
Date: 6th November 2015

Vivek Talwar
Managing Director

NITCO LIMITED MUMBAI

A. HUSEIN NOUMANALI & CO.
CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITORS' REVIEW REPORT

TO THE BOARD OF DIRECTORS OF
NITCO LIMITED, MUMBAI.

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of NITCO Limited ("the Company") for the quarter ended 30th September 2015 and year to date results for the period from 1st April 2015 to 30th September 2015 ('the Statement"), being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in part – II Select Information referred to in paragraph 7 below. This Statement is the responsibility of the Company's Management and accordingly prepared by them and has been approved by Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditors of the Entity 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 Statements are free of material misstatement. A review is limited primarily to enquiries 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.

3. Basis for Qualified Conclusions

The Company on the basis of the registration of reference filed u/s 15(1) of the Sick Industrial Companies (Special Provision) Act 1985, before the Hon'ble Board for Industrial & Financial Reconstructions, has not provided for interest on financing facilities amount to Rs. 4,914.23 Lacs for the quarter ended and Rs. 9,598.68 Lacs for six months ended 30th September, 2015. Had the same been provided, the loss would have increased by Rs. 4,914.23 Lacs for the quarter ended and Rs. 9,598.68 Lacs for six months ended 30th September, 2015 and corresponding liabilities would have increased by Rs. 9,598.68 Lacs as at 30th September, 2015.

4. Without qualifying, attention is drawn as under:

a) Financial Statements has been prepared on a going concern basis. The Company has incurred a net loss of Rs. 3,392.74 Lacs during the six months ended 30th September, 2015 and the

Company's net worth has been fully eroded. The appropriateness of the going concern basis is inter alia dependent on the Company's ability to turnaround the operations of the Company and ability of infusing requisite funds for meeting its obligations and rescheduling of debts.

b) The dues to banks / lenders are subject to reconciliation.

5. Based on review conducted, except for the possible effects of the matter described in our basis for qualified conclusions paragraph referred to paragraph 3, above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules 2014) and other recognized accounting practices and policies has not disclosed 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.

6. Attention is invited to Note (e) of the Statement regarding the net worth of the Company which has been fully eroded.

7. Further, we also report that we have traced the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings and the number of shares as well as the percentage of shares pledged/ encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholdings in terms of Clause 35 of the Listing Agreement with the Stock exchanges and the particulars relating to the investor complaints disclosed in Part II – Select information for the quarter ended 30th September 2015 of the Statement, from the details furnished by the management.

For **A. Husein Noumanali & Co.**
Chartered Accountants
Firm Registration No. 107173W

A. Husein Noumanali

(A. Husein Noumanali)
Proprietor
M.No. 14757

A. HUSEIN NOUMANALI & CO. ★ CHARTERED ACCOUNTANTS ★
610, Mount Mary Apt., Dr. Peter Dias Road, Bandra (W), MUMBAI - 400 050. M. No. 14757

Place: Mumbai
Date: November 6, 2015