

|  <b>NRC LIMITED</b><br>Corp. & Regd. office : Ewart House, Homi Modi Street, Mumbai 400 001.<br><b>AUDITED FINANCIAL RESULTS</b><br><b>FOR THE 18 MONTHS PERIOD ENDED 31ST MARCH, 2011</b> |               |            |                       |                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|------------|-----------------------|----------------------|
| Particulars                                                                                                                                                                                                                                                                 | Quarter ended |            | Rs. in Lacs           |                      |
|                                                                                                                                                                                                                                                                             | (Unaudited)   |            | Eighteen Months ended | Fifteen Months ended |
|                                                                                                                                                                                                                                                                             | 31.03.2011    | 31.03.2010 | (Audited)             | (Audited)            |
|                                                                                                                                                                                                                                                                             |               |            | 31.03.2011            | 30.09.2009           |
| 1 Net Sales/Income from Operations                                                                                                                                                                                                                                          | -             | 14         | 66                    | 2729                 |
| 2 Expenditure                                                                                                                                                                                                                                                               |               |            |                       |                      |
| a) (Increase)/Decrease in Stock-in-Trade and work in progress                                                                                                                                                                                                               | -             | 18         | 175                   | 1593                 |
| b) Consumption of Raw Materials                                                                                                                                                                                                                                             | -             | -          | -                     | 1154                 |
| c) Manufacturing Expenses                                                                                                                                                                                                                                                   | 380           | 36         | 585                   | 4363                 |
| d) Employees Cost                                                                                                                                                                                                                                                           | 200           | 161        | 1239                  | 5175                 |
| e) Depreciation                                                                                                                                                                                                                                                             | 310           | 393        | 2272                  | 1973                 |
| f) Provision for doubtful Debts/Advances                                                                                                                                                                                                                                    | -             | -          | -                     | 738                  |
| g) Other Expenditure                                                                                                                                                                                                                                                        | 42            | 249        | 915                   | 680                  |
| h) Total                                                                                                                                                                                                                                                                    | 932           | 857        | 5185                  | 15676                |
| 3 Profit(+)/Loss(-) from Operations before Other Income, interest and other Exceptional items                                                                                                                                                                               | (932)         | (843)      | (5119)                | (12947)              |
| 4 Other Income                                                                                                                                                                                                                                                              | 111           | 65         | 267                   | 1573                 |
| 5 Profit(+)/Loss(-) before Interest and Exceptional Items                                                                                                                                                                                                                   | (821)         | (778)      | (4852)                | (11374)              |
| 6 Interest #                                                                                                                                                                                                                                                                | 572           | 679        | 3899                  | 3047                 |
| 7 Profit(+)/Loss(-) after Interest and Exceptional Items                                                                                                                                                                                                                    | (1393)        | (1457)     | (8751)                | (14421)              |
| 8 Exceptional Item                                                                                                                                                                                                                                                          | (859)         | -          | (859)                 | (82)                 |
| 9 Profit(+)/Loss(-) from Ordinary Activities before tax (7+8)                                                                                                                                                                                                               | (2252)        | (1457)     | (9610)                | (14503)              |
| 10 Tax Expenses                                                                                                                                                                                                                                                             | -             | -          | -                     | 9                    |
| 11 Net Profit(+)/Loss(-) for the period                                                                                                                                                                                                                                     | (2252)        | (1457)     | (9610)                | (14512)              |
| 12 Paid-up Equity Share Capital (Face Value of Rs.10 each)                                                                                                                                                                                                                  | 3727          | 3727       | 3727                  | 3727                 |
| 13 Reserves excluding Revaluation Reserve                                                                                                                                                                                                                                   | -             | -          | -                     | -                    |
| 14 Earnings per Share (Rs.) -Basic/Diluted                                                                                                                                                                                                                                  | (6.04)        | (3.91)     | (25.81)               | (38.97)              |
| 15 Public Shareholding                                                                                                                                                                                                                                                      |               |            |                       |                      |
| - Number of Shares                                                                                                                                                                                                                                                          | 19343305      | 18371305   | 19343305              | 18371305             |
| - Percentage of Shareholding                                                                                                                                                                                                                                                | 51.95%        | 49.34%     | 51.95%                | 49.34%               |
| 16 Promoters and promoter group Shareholding                                                                                                                                                                                                                                |               |            |                       |                      |
| a) Pledged/Encumbered                                                                                                                                                                                                                                                       |               |            |                       |                      |
| - Number of shares                                                                                                                                                                                                                                                          | 17807937      | 18779935   | 17807937              | 18779935             |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group)                                                                                                                                                                                    | 99.52%        | 99.54%     | 99.52%                | 99.54%               |
| - Percentage of shares (as a % of the total share capital of the company)                                                                                                                                                                                                   | 47.82%        | 50.43%     | 47.82%                | 50.43%               |
| b) Non-encumbered                                                                                                                                                                                                                                                           |               |            |                       |                      |
| - Number of shares                                                                                                                                                                                                                                                          | 86171         | 86171      | 86171                 | 86171                |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group)                                                                                                                                                                                    | 0.48%         | 0.46%      | 0.48%                 | 0.46%                |
| - Percentage of shares (as a % of the total share capital of the company)                                                                                                                                                                                                   | 0.23%         | 0.23%      | 0.23%                 | 0.23%                |
| # Net of Interest Income                                                                                                                                                                                                                                                    | 143           | 2          | 177                   | 164                  |
| Manufacturing expenses consists Power and expenses related to upkeep of plant.                                                                                                                                                                                              |               |            |                       |                      |
| <br><a href="http://www.nrclimited.com">www.nrclimited.com</a><br>Mumbai<br>23rd May 2011                                                                                                |               |            |                       |                      |
| For and on behalf of the Board of Directors<br><br><b>ARUN JAIN</b><br>Managing Director                                                                                               |               |            |                       |                      |

| Segment-wise Revenue, Results and Capital Employed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |               |            |                       |                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|------------|-----------------------|----------------------|
| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Quarter ended |            | Rs. in Lacs           |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | (Unaudited)   |            | Eighteen Months ended | Fifteen Months ended |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 31.03.2011    | 31.03.2010 | (Audited)             | (Audited)            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |               |            | 31.03.2011            | 30.09.2009           |
| Segment Revenue :                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |               |            |                       |                      |
| Viscose Rayon Yarn                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | -             | 14         | 66                    | 1220                 |
| Nylon Tyre Cord (NTC)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | -             | -          | -                     | 176                  |
| Chemicals                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | -             | -          | -                     | 1636                 |
| Total                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | -             | 14         | 66                    | 3032                 |
| Less: Inter Segment Revenue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | -             | -          | -                     | 303                  |
| Sales / Income from Operations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | -             | 14         | 66                    | 2729                 |
| Segment Results- Profit /(Loss)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |               |            |                       |                      |
| (before Tax & Interest )from each segment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |               |            |                       |                      |
| Viscose Rayon Yarn                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | -             | (155)      | (1153)                | (4874)               |
| Nylon Tyre Cord                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | -             | (62)       | (369)                 | (1397)               |
| Chemicals                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | -             | (168)      | (1059)                | (3130)               |
| Total                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |               | (385)      | (2580)                | (9401)               |
| (i) Interest                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | (572)         | (679)      | (3899)                | (3047)               |
| (ii) Other un-allocable expenditure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (821)         | (393)      | (2272)                | (1973)               |
| Less: un-allocable income                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | -             | -          | -                     | -                    |
| Profit(+)Loss(-) before Tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | (1393)        | (1457)     | (8751)                | (14421)              |
| Capital employed (Segment Assets - Segment Liabilities)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |               |            | As on 31.03.2011      | As on 30.09.2009     |
| Viscose Rayon Yarn                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |               |            | (2330)                | (3635)               |
| Nylon Tyre Cord (incl. Expansion Project)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |               |            | (1295)                | (1616)               |
| Chemicals                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |               |            | (1553)                | (2827)               |
| <div style="text-align: center;"> <br/> <a href="http://www.nrclimited.com">www.nrclimited.com</a> </div> <div style="display: flex; justify-content: space-between; align-items: flex-end; margin-top: 20px;"> <div> Mumbai<br/>23rd May, 2011 </div> <div style="text-align: right;"> For and on behalf of the<br/>Board of Directors<br/> <br/> <b>ARUN JAIN</b><br/> Managing Director </div> </div> |               |            |                       |                      |

**Notes:**

1. The above results have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 23<sup>rd</sup> May 2011.
2. During the quarter and 18 months period ended on 31<sup>st</sup> March 2011, there was no production as the Company's Plants are under lock-out since 16<sup>th</sup> Nov, 2009.
3. The Company has been declared as sick industrial undertaking by Board of Industrial and Financial Reconstruction (BIFR) under section 3 (1) (O) of SICA. While passing the order, the BIFR put restriction on completion of land sale transaction. Against BIFR order Company had filed an appeal in the AAIFR. The AAIFR approved the land sale transaction but put restriction on utilization of land sale proceeds before sanction of the Rehabilitation Scheme (DRS) by BIFR.. The Company and the worker's Unions have filed writ petitions in the Bombay High Court against the restrain Order for utilization of the land sale proceed before sanction of the DRS. Two groups of workmen have also filed Writ Petitions in Bombay High Court for quashing of AAIFR Order. All the Writ petitions are pending.
4. The Auditors have stated in the Audit Report dated 23<sup>rd</sup> May 2011 that they are unable to express an opinion whether the Company can operate on going concern and its consequent impact on the financial statements. The auditors have further stated that they are unable to express an opinion to the extent of impact on financial statements arising out of (a) Impairment loss as a result of suspension of production at company's plants (b) Pending confirmation /reconciliation of certain debtors, Creditors and lenders and (c) Non determination of gain on transfer of part possession of the land (d) Non provision of liability as may arise towards interest/compound interest /penalty on delayed /non-payment to certain sundry creditors / statutory dues.

**Management comments pertaining to the quarter and 18 Months period ended 31st March. 2011 are given below:**

i) Pending receipt of balance land sale proceeds, submission and sanction of the Draft Rehabilitation Scheme by BIFR (a) These accounts have been prepared on a going concern basis (b) Impairment loss on assets as required by Accounting Standard 28 is not ascertainable (c) As directed by AAIFR, the Purchaser has further paid Rs.24.50 Cr., which was deposited in an interest bearing No Lien Account with Punjab National Bank (Operating Agency) and the Company has given part possession of the the land for which conveyance is still pending. The gain to be accrued on such deal is not determinable presently. (d) The Company has not provided for interest /compound interest /penalty on delayed /non-payment to certain sundry creditors / statutory dues as the Company expects to get waiver of the same in proposed DRS.

ii) Confirmations / reconciliation of balances under certain Debtors, Creditors and Lenders are not available. However, necessary action in this regard is already initiated and on receipt of the same, will be reviewed by the Company; consequential adjustments arising thereon, which are presently not ascertainable will be made.

5. The AAIFR in its order upheld the order of BIFR, stating that the sale of investment shall require prior approval of BIFR. Accordingly the contracted sale of long term investment (entered in previous period with an Associate Company as per the provisions of restructuring package approved by CDR-EG) became infraction. Consequently the Company has reversed profit on sale of long term investment Rs. 1410.71 lacs and reinstated the long term investment of Rs. 1289.29 lacs in the current period.
6. Exceptional item comprises of reversal of profit on sale of Investments (Rs.1410.71 lacs) as per para 5 above, Excess provision of earlier years written back (Rs.376.09 lacs) and Bad debts recovery (Rs.175.85 lacs).
7. Status of Investors' Complaints:

|                                           |     |
|-------------------------------------------|-----|
| Complaint at the beginning of the Quarter | Nil |
| Received during the Quarter               | 1   |
| Disposed off during the quarter           | 1   |
| Complaint pending at the end of quarter   | Nil |

7. The company has received approval from Ministry of Corporate Affairs for extending its financial year for a period of 18 months ending on 31<sup>st</sup> March 2011 and also got approval for extension of calling AGM for 3 months.
8. Previous periods' figures have been re-grouped / re-arranged wherever necessary to conform to the current periods' presentation.

For and on behalf of the  
Board of Directors

  
**DUNCAN GOENKA**

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Arun Jain  
Managing Director

Mumbai  
23<sup>rd</sup> May , 2011