NITCO LIMITED

Innovation for a better life

3rd August, 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. 3rd August, 2015:

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

The above has been approved and taken on record by the Board of Directors at their Meeting held on 3rd August, 2015.

Please acknowledge receipt.

Thanking you.

Yours faithfully,
For **Nitco Limited**

NITCO LIMITED MUMBAI

Rohit Darji
Asst. Company Secretary & Compliance Officer

Encl: as above

Corporate Office : NITCO Ltd., Nitco House, Station Road, Kanjur Marg (E) Mumbai - 400 042.
Tel : +91 22 67302500/ 67521555. Fax: 91 22 67521500.
Registered Office : Nitco Ltd., Recondo Comp, Municipal Asphalt Comp, S.K. Ahire Marg, Worli, Mumbai 400 030.
Tel No. 022 - 66164555 CIN: L26920MH1966PLC016547. Email:marketing@nitco.in, Website: www.nitco.in

TUV NORD ISO 9001

NITCO LIMITED

Registered office: Recondo Compound, Municipal Asphalt Compound, S K Ahire Marg, Worli, Mumbai – 400 030
Tel No.: 022 6616 4555/ 6616 4500, Fax: 022 2491 5401, email: marketing@nitco.in, Website: www.nitco.in,
CIN : L26920MH1966PLC016547

PART I : STATEMENT OF UNAUDITED FINANCIAL RESULT FOR THE QUARTER ENDED JUNE 30, 2015

(Rs. in Lacs)

		Quarter Ended			Year ended
	Particulars	**30.06.2015 (Unaudited)**	**31.03.2015 (Audited)**	**30.06.2014 (Unaudited)**	**31.03.2015 (Audited)**
1	**Income from Operation**				
	(a) Gross sales	19,868.91	21,869.56	21,612.51	90,261.02
	(b) Net sales/ income from operation (Net of excise duty and sales tax)	18,041.86	19,945.98	19,697.42	82,399.44
	(c) Other operating income	49.80	45.99	96.35	299.96
	Total Income from operation (Net)	**18,091.66**	**19,991.97**	**19,793.77**	**82,699.40**
2	**Expenses**				
	Cost of materials consumed	4,888.00	5,369.45	3,051.62	17,860.96
	Purchase of Stock in trade	7,681.93	7,665.42	10,685.83	37,325.54
	Changes in inventories of finished goods, Stock in trade and work-in-progress	44.99	635.52	333.18	3,071.61
	Power and fuel	1,178.20	1,743.33	1,289.48	6,388.94
	Employee benefits expense	1,844.11	1,719.31	1,858.88	7,212.86
	Depreciation and amortization expense	1,518.23	1,653.14	1,559.77	6,227.82
	Freight, forwarding and distribution expenses	621.55	944.80	939.42	3,736.06
	Other expenses	2,051.21	2,163.82	2,212.10	8,772.92
	Total Expenses	**19,828.22**	**21,894.79**	**21,930.28**	**90,596.71**
3	**Profit / (Loss) from operations before other income, finance costs and exceptional item (1-2)**	**(1,736.56)**	**(1,902.82)**	**(2,136.51)**	**(7,897.31)**
4	Other Income	41.01	47.07	19.26	88.98
5	**Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)**	**(1,695.55)**	**(1,855.75)**	**(2,117.25)**	**(7,808.33)**
6	Finance cost				
	a) Interest and financial cost	54.19	(7,055.87)	3,533.55	4,158.13
	b) Applicable net gain/loss on foreign currency transactions and translation	26.07	5.00	39.04	59.00
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)**	**(1,775.81)**	**5,195.12**	**(5,689.84)**	**(12,025.46)**
8	Exceptional items	-	696.75	-	696.75
9	**Profit / (Loss) from ordinary activities before tax (7 ± 8)**	**(1,775.81)**	**4,498.37**	**(5,689.84)**	**(12,722.21)**
10	Tax expense	-	-	-	-
11	**Net Profit / (Loss) from ordinary activities after tax (9 ± 10)**	**(1,775.81)**	**4,498.37**	**(5,689.84)**	**(12,722.21)**
12	Extraordinary items (net of tax expense)	-	-	-	-
13	**Net Profit / (Loss) for the period (11 ± 12)**	**(1,775.81)**	**4,498.37**	**(5,689.84)**	**(12,722.21)**
14	Share of Profit / (Loss) of associates	-	-	-	-
15	Minority interest	-	-	-	-

NITCO LIMITED MUMBAI

16	**Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 ± 14 ± 15)**	**(1,775.81)**	**4,498.37**	**(5,689.84)**	**(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
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	(3.25)	8.22	(10.40)	(23.26)
	(b) Diluted	(3.25)	8.22	(10.40)	(23.26)
19. ii	Earnings per share (after extraordinary items) (of Rs. 10/- each) (not annualised):				
	Basic	(3.25)	8.22	(10.40)	(23.26)
	Diluted	(3.25)	8.22	(10.40)	(23.26)

1. 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 3rd August 2015 and were duly reviewed by the Statutory auditors.

2. Power and fuel expenses are net as under:

(Rs. in Lacs)

Particulars	Quarter Ended			Year ended
	30.06.2015 (Unaudited)	31.03.2015 (Audited)	30.06.2014 (Unaudited)	31.03.2015 (Audited)
Sale of Power generated through Windmill	178.70	48.05	220.09	473.11
Total	**178.70**	**48.05**	**220.09**	**473.11**

3. 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 30th June 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 and that the impact of such non-provision is understatement of finance cost to the extent of Rs. 4,866.25 lacs for the current quarter ended 30th June 2015 (Rs. Nil for quarter ended 30th June 2014 and Rs. 10,739.55 lacs for the quarter ended 31st March 2015 and financial year ended as on 31st March 2015), and therefore, the loss for the quarter ended 30th June 2015 would have been increased by Rs. 4,866.25 lacs and corresponding loan liability would have been increased by Rs. 4,866.25 lacs as on 30th June 2015.(Rs. Nil for quarter ended 30th June 2014 and Rs. 10,739.55 lacs for the quarter ended 31st March 2015 and financial year ended as on 31st March 2015).

4. 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.

5. As on 30th June 2015, eight CDR lenders holding approximately 40% of total CDR debt had assigned their debt to JM Financial Assets Reconstruction Co Pvt Ltd.

6. Directorate General of Foreign Trade, New Delhi has levied a penalty of Rs.170 crores in respect of shortfall in fulfillment of export obligation of Rs.56.72 crores relating to EPCG license whose export obligation period ended in 2006. The duty saved amount attributable to the shortfall in export obligation was already deposited with the Customs Authorities in 2009. The Company believes the order is premature as proceedings before Settlement Commission has not been concluded in respect of

NITCO LIMITED MUMBAI

the said claim. The penalty levied is excessive and is not in accordance with the legal provisions and the Company has therefore filed an appeal against the penalty order. No provision has been made in the accounts for the quarter ended June 2015 in respect of the said penalty order.

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

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

		Quarter Ended			Year ended
	PARTICULARS	**30.06.2015 (Unaudited)**	**31.03.2015 (Audited)**	**30.06.2014 (Unaudited)**	**31.03.2015 (Audited)**
A	**PARTICULARS OF SHAREHOLDING**				
1	Public shareholding				
	- Number of shares	166,59,032	166,59,032	166,59,032	166,59,032
	- Percentage of holding	30.46	30.46	30.46	30.46
2	Promoter and promoter group shareholding				
	a) Pledged / Encumbered				
	- Number of shares	320,00,618	320,00,618	332,25,270	320,00,618
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group	84.12	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
	b) Non - encumbered				
	- Number of shares	60,39,688	60,39,688	48,15,036	60,39,688
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group	15.88	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
B	**INVESTOR COMPLAINTS**				
	Pending at the beginning of the quarter	NIL			
	Received during the quarter	NIL			
	Disposed off during the quarter	NIL			
	Remaining unresolved at the end of the quarter	NIL			



III - SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER ENDED JUNE 30, 2015

(Rs. in Lacs)

Sr. No.	Particulars	Quarter Ended			Year ended
		30.06.2015 (Unaudited)	31.03.2015 (Audited)	30.06.2014 (Unaudited)	31.03.2015 (Audited)
1	**Net sales / Income from operations**				
	- Tiles and other related products	18,074.67	19,969.97	19,750.45	81,688.62
	- Real estate	16.99	22.00	43.32	1,010.78
	Total Revenue	**18,091.66**	**19,991.97**	**19,793.77**	**82,699.40**
2	**Segment results**				
	- Tiles and other related products	(1,668.92)	(1,839.92)	(2,084.66)	(7,895.03)
	- Real estate	(26.63)	(15.83)	(32.59)	86.70
	Total Segment Profit Before Interest and Tax	**(1,695.55)**	**(1,855.75)**	**(2,117.25)**	**(7,808.33)**
	Less : Interest and other financial cost	54.19	(7,055.87)	3,533.55	4,158.13
	Foreign exchange loss/(gain)	26.07	5.00	39.04	59.00
	Exceptional items	-	696.75	-	696.75
	Profit / (Loss) Before Tax	**(1,775.81)**	**4,498.37**	**(5,689.84)**	**(12,722.21)**
3	**Capital Employed**				
	(Segment assets - Segment liabilities)				
	- Tiles and other related products	87,267.75	85,669.03	95,625.91	85,669.03
	- Real estate	33,967.11	34,015.90	34,495.21	34,015.90
	- Unallocated/ Corporate	5,433.77	6,267.23	6,725.65	6,267.23
	Total Capital Employed	**1,26,668.63**	**1,25,952.16**	**1,36,846.77**	**1,25,952.16**

Place : Mumbai
Date: 3rd August 2015

ALTICO LIMITED MUMBAI

Vivek Talwar
Managing Director

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 June 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 4 below. This Statement is the responsibility of the Company's Management and accordingly prepared by them and have 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. 4,866.25 Lacs for the quarter ended June 30, 2015. Had the same been provided, the loss for the quarter ended June 30, 2015 would have increased by Rs. 4,866.25 Lacs and corresponding liabilities would have increased by Rs. 4,866.25 Lacs as at June 30, 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. 1,775.81 Lacs during the quarter ended June 30, 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) Attention is invited to Note No. 6 of the attached results where no provision has been made against penalty of Rs. 170 crores levied by Director General of Foreign Trade, New Delhi for which the Company has preferred an appeal with the appropriate authority.
   c) 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 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. 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 June 30, 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 & CO.
610, Mount Mary Apartment, Dr. Peter Dias Road, Bandra (W), Mumbai - 50.
M. No. 14757
CHARTERED ACCOUNTANTS

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

Place: Mumbai
Date: August 3, 2015