

14th February, 2017

To,

Corporate Service Dept. Bombay Stock Exchange Limited Jeejeebhoy Towers Dalal Street, Mumbai - 400 001 Script code: 532722	✓ The Listing Department, National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051. Script code: NITCO
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Dear Sir,

Sub: Outcome of the Board Meeting held today i.e. 14th February, 2017:

Pursuant to Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform that the Board of directors of the Company at their meeting held on 14th February, 2017 has approved the following :-

1. Limited Review Report for the quarter ended 31st December 2016;
2. Unaudited Financial Results of the Company for the quarter ended 31st December, 2016;

The Meeting of Board of Director's Commenced at 10:00 a.m. and concluded at 1:00 p.m.

Kindly treat this as a disclosure under Regulation 30(2) and 30(6) of the Listing Regulations, read with Para A of Part A of Schedule III of the said regulations.

Thanking you.
Yours faithfully,
For Nitco Limited



Puneet Motwani
Company Secretary & Compliance Officer

Encl: as above



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 31st December 2016 and year to date results for the period from 1st April 2016 to 31st December 2016 ('the Statement'). 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.

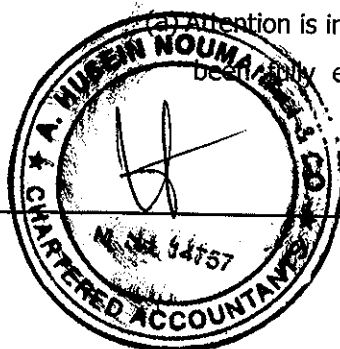
We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditors of the Entity issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform 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.

2. Basis for Qualified Conclusions

Attention is invited to Note (3) of the Statement regarding assignment of debt holding approximately 86% of total debt of the Company to JM Financial Assets Reconstruction Co Pvt Ltd. **The Company has not provided for interest on financing facilities amount to Rs. 5,812.97 Lacs for the quarter ended and Rs. 16,742.31 Lacs for nine months ended 31st December, 2016. Had the same been provided, the loss and financial liability would have been increased by Rs. 5,812.97 Lacs for the quarter ended and Rs. 16,742.31 Lacs for nine months ended 31st December, 2016 and corresponding liabilities would have been increased by Rs. 16,742.31 Lacs as at 31st December, 2016.**

3. Without qualifying, attention is drawn as under:

Attention is invited to Note (4) of the Statement regarding the net worth of the Company which has been fully eroded. Financial Statements has been prepared on a going concern basis. The



A. HUSEIN NOUMANALI & CO.

Company has incurred a net loss of Rs. 2,433.92 Lacs during the nine months ended 31st December, 2016. 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.

4. Based on review conducted as stated above, except for the possible effects of the matter described in our basis for qualified conclusions paragraph referred to paragraph 2 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Accounting Standards and other recognized accounting practices and principles generally accepted in India, has not disclosed information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

A. Husein Noumanali

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



Mumbai, February 14, 2017



NITCO LIMITED

Registered office: Plot No. 3, Nitco House, Kanjur Village Road, Kanjurmarg (East), Mumbai - 400 042
Tel No.: 022 6752 1555, Fax: 022 6752 1500, email: investor@nitco.in, Website: www.nitco.in, CIN : L26920MH1966PLC016547

PART I: STATEMENT OF UNAUDITED FINANCIAL RESULT FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

(Rs. in Lacs)

Particulars		Quarter Ended			Nine Months Ended		Year Ended
		31.12.2016 (Unaudited)	30.09.2016 (Unaudited)	31.12.2015 (Unaudited)	31.12.2016 (Unaudited)	31.12.2015 (Unaudited)	31.03.2016 (Audited)
1	Income from Operation						
(a)	Gross sales/ income from operation	17,211.42	17,509.51	19,480.04	53,683.40	60,055.36	80,907.92
(b)	Other operating income	83.71	135.82	84.87	344.71	251.89	425.58
	Total income from operation (Net)	17,295.13	17,645.33	19,564.91	54,028.11	60,307.25	81,333.50
2	Expenses:						
(a)	Cost of materials consumed	3,663.22	4,198.27	5,218.95	12,344.35	16,389.72	19,319.74
(b)	Purchase of Stock in trade	7,916.52	7,192.35	8,201.64	24,091.70	25,138.59	36,145.36
(c)	Changes in inventories of finished goods, Stock in trade and work-in-progress	(472.46)	164.54	(638.88)	(995.49)	(1,146.80)	(390.54)
(d)	Excise Duty	676.91	668.72	821.85	2,095.78	2,510.86	3,312.89
(e)	Power and fuel	1,224.99	820.77	1,360.29	2,867.94	3,854.16	4,963.21
(f)	Employee benefits expense	1,901.01	1,890.27	1,821.54	5,720.55	5,503.02	7,222.09
(g)	Depreciation and amortization expense	954.84	961.14	1,143.32	2,869.08	4,037.06	5,130.87
(h)	Freight, forwarding and distribution expenses	486.20	490.10	567.57	1,457.18	1,757.49	2,410.05
(i)	Other expenses	1,823.82	2,148.71	2,344.86	5,835.04	6,706.52	8,815.02
	Total Expenses	18,175.05	18,534.87	20,841.14	56,286.13	64,750.62	86,928.69
3	Profit / (Loss) from operations before other income, finance costs and exceptional item (1-2)	(879.92)	(889.54)	(1,276.23)	(2,258.02)	(4,443.37)	(5,595.19)
4	Other Income	36.90	44.68	11.03	93.04	65.35	90.48
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)	(843.02)	(844.86)	(1,265.20)	(2,164.98)	(4,378.02)	(5,504.71)
6	Finance cost						
(a)	Interest and financial cost	90.69	69.12	67.78	241.09	265.14	376.02
(b)	Applicable net gain/loss on foreign currency transactions and translation	15.11	(14.00)	25.25	27.85	107.81	143.08
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)	(948.82)	(899.98)	(1,358.23)	(2,433.92)	(4,750.97)	(6,023.81)
8	Exceptional items	-	-	-	-	-	252.83
9	Profit / (Loss) from ordinary activities before tax (7 ± 8)	(948.82)	(899.98)	(1,358.23)	(2,433.92)	(4,750.97)	(6,276.64)
10	Tax expense	-	-	-	-	-	-
11	Net Profit / (Loss) from ordinary activities after tax (9 ± 10)	(948.82)	(899.98)	(1,358.23)	(2,433.92)	(4,750.97)	(6,276.64)
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11 ± 12)	(948.82)	(899.98)	(1,358.23)	(2,433.92)	(4,750.97)	(6,276.64)

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)								
17	Paid-up equity share capital (Face Value Rs. 10 per share) (No of shares)								
18	Reserve excluding revaluation reserves as per balance sheet of last accounting year								
19.	Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised):								
(a)	Basic								
(b)	Diluted								
19.	Earnings per share (after extraordinary items) (of Rs. 10/- each) (not annualised):								
(a)	Basic								
(b)	Diluted								

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 14th February 2017 and were duly reviewed by the Statutory auditors.

2. Power and fuel expenses are net as under:

Particulars	(Rs. in Lacs)			
	Quarter Ended		Nine Months Ended	
	31.12.2016 (Unaudited)	30.09.2016 (Unaudited)	31.12.2015 (Unaudited)	31.12.2016 (Unaudited)
Sale of Power generated through Windmill	31.70	251.72	24.69	560.40
Total	31.70	251.72	24.69	560.40
				414.92
				486.60

3. As on 31st December 2016, fourteen lenders aggregating approximately 86% of overall debts of the Company had assigned their debts to JM Financial Assets Reconstruction Co Pvt Ltd ("JMFARC") as on 31st December 2016. The net worth of the Company had been fully eroded. The Company is pursuing with JMFARC for a viable restructuring package. In view of the uncertainty involved in ultimate outflow of interest, the Company has not provided for unpaid interest. Had the interest as per Loan Agreements been provided for, then the finance cost, loss for the relevant period and corresponding loan liability would have been increased by the following amount:

Particulars	(Rs. in Lacs)			
	Quarter Ended		Nine Months Ended	
	31.12.2016 (Unaudited)	30.09.2016 (Unaudited)	31.12.2015 (Unaudited)	31.12.2016 (Unaudited)
Interest not provided	5,812.97	5,597.86	5,011.10	16,742.31
				14,615.99
				19,694.75

4. Despite several constraints faced by the Company including absence of working capital facilities and delayed sale of non core assets, the Company achieved positive EBITDA during the current nine months period with strong focus on reduction of cost. Considering the brand equity enjoyed by the Company, non-core assets identified for sale, and several steps taken by the Company, the management believes, it is appropriate to prepare the financial statements on a going concern basis.

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

II - SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER & NINE MONTHS ENDED DECEMBER 31, 2016
(Rs. in Lacs)

Sr. No.	Particulars	Quarter Ended			Nine Month Ended		Year Ended
		31.12.2016 (Unaudited)	30.09.2016 (Unaudited)	31.12.2015 (Unaudited)	31.12.2016 (Unaudited)	31.12.2015 (Unaudited)	
1	Net sales / Income from operations						
	- Tiles and other related products	17,236.85	17,567.12	19,522.77	53,826.17	60,223.82	81,180.72
	- Real estate	58.28	78.21	42.14	201.94	83.43	152.78
	Total Revenue	17,295.13	17,645.33	19,564.91	54,028.11	60,307.25	81,333.50
2	Segment results						
	- Tiles and other related products	(882.92)	(897.54)	(1,215.68)	(2,289.00)	(4,342.93)	(5,518.23)
	- Real estate	39.90	52.68	(49.52)	124.02	(35.09)	13.52
	Total Segment Profit Before Interest and Tax	(843.02)	(844.86)	(1,265.20)	(2,164.98)	(4,378.02)	(5,504.71)
	Less : Interest and other financial cost	90.69	69.12	67.78	241.09	265.14	376.02
	Foreign exchange loss/(gain)	15.11	(14.00)	25.25	27.85	107.81	143.08
	Exceptional items	-	-	-	-	-	252.83
	Profit Before Tax	(948.82)	(899.98)	(1,358.23)	(2,433.92)	(4,750.97)	(6,276.64)
3	Capital Employed						
	(Segment assets - Segment liabilities)						
	- Tiles and other related products	77,426.09	78,457.84	82,598.21	77,426.09	82,598.21	80,394.28
	- Real estate	35,446.88	35,449.33	35,649.13	35,446.88	35,649.13	35,077.27
	- Unallocated/ Corporate	6,266.46	6,413.24	5,564.76	6,266.46	5,564.76	6,684.19
	Total Capital Employed	119,139.43	120,320.41	123,812.10	119,139.43	123,812.10	122,155.74

Place : Mumbai
Date: 14th February 2017


Viyek Talwar
Chairman & Managing Director