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Report on Review of Interim Financial Information

To the Board of Directors,
ECE Industries Ltd.,
ECE House,
28-A, Kasturba Gandhi Marg
New Delhi 110001

We have reviewed the accompanying statement of unaudited financial results of **M/s ECE Industries Ltd.** for the quarter ended December 31, 2014 being submitted by the company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review. '

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards 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 the 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.

for **VSD & Associates**
Chartered Accountants
Firm Regn. No. 008726N



(**Vinod Sahni**)
Partner
M. No. 086666



Place : New Delhi
Date : January 19, 2014

S. No.	PARTICULARS	Unaudited			Unaudited			Audited		
		For the Quarter ended	(Reviewed)	31.12.13	For the Nine Months ended	(Reviewed)	31.12.13	For the year ended	31.03.14	(Rs. in Lacs)
1	PART I									
1	Income from Operations	6,010.31	4,381.37	3,192.13	13,767.78	8,232.50	11,205.24	11,205.24		
	(a) Sales Income from Operations (Net of excise duty)	31.29	50.31	18.16	142.16	47.30	120.09	120.09		
2	Other Operating Income	6,041.60	4,440.60	3,210.29	13,909.94	8,279.80	11,325.33	11,325.33		
3	Total Income from Operations (Net)	12,051.91	8,821.97	6,402.42	27,677.72	16,512.30	22,530.63	22,530.63		
4	Expenses									
	(a) Cost of materials consumed	4,107.14	3,818.96	2,165.92	10,954.26	5,549.24	8,163.92	8,163.92		
	(b) Purchases in stock-in-trade	11.83	24.84	24.19	51.26	64.49	85.13	85.13		
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,299.68	(533.85)	516.09	405.82	729.84	(231.42)	(231.42)		
	(d) Employee benefits expense	413.04	419.09	357.85	1,230.78	1,059.21	1,443.74	1,443.74		
	(e) Depreciation and amortisation expense	87.67	60.52	56.75	206.45	169.81	235.54	235.54		
	(f) Other expenses	517.46	797.89	470.94	2,001.32	1,707.65	2,591.70	2,591.70		
5	Total Expenses	6,437.02	4,587.45	3,591.74	14,849.89	9,280.24	12,228.61	12,228.61		
6	Profit/(Loss) from Operations before Other Income, Finance costs and Exceptional Items (1-2)	(395.42)	(146.77)	(381.45)	(939.95)	(1,000.44)	(963.28)	(963.28)		
7	Add: Other Income	285.04	213.36	236.02	690.56	684.00	1,049.66	1,049.66		
8	Less: Finance costs	(130.38)	66.59	(145.43)	(249.39)	(316.45)	86.38	86.38		
9	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(230.76)	(99.90)	(190.86)	(498.78)	(632.89)	(559.00)	(559.00)		
10	Exceptional Items (Income/Expense)	(173.08)	11.21	(163.61)	(380.06)	(391.45)	(49.58)	(49.58)		
11	1) Net Profit on Sale of Non Current Investments	315.70	65.31	5.64	493.25	42.10	75.42	75.42		
12	2) Others (Refer Note No. 2)	(94.00)	(94.00)	(94.00)	(94.00)	(94.00)	(94.00)	(94.00)		
13	Profit/(Loss) from Ordinary Activities	48.62	76.52	(157.97)	19.19	(340.35)	25.84	25.84		
14	Tax Expense including Deferred Tax	13.00	-	-	13.00	-	8.06	8.06		
15	Net Profit/(Loss) from Ordinary Activities After Tax (9-10)	35.62	76.52	(157.97)	6.19	(340.35)	17.78	17.78		
16	Extraordinary Items (Net of Tax Expenses)	35.62	76.52	(157.97)	6.19	(340.35)	17.78	17.78		
17	Net Profit/(Loss) for the Period (11-12)	35.62	76.52	(157.97)	6.19	(340.35)	17.78	17.78		
18	Paid-up Equity Share Capital	772.76	772.76	772.76	772.76	772.76	772.76	772.76		
19	Reserve value Rs. 10/- per share	772.76	772.76	772.76	772.76	772.76	772.76	772.76		
20	Reserves excluding Retention Reserves as per balance sheet	-	-	-	-	-	13,328.84	13,328.84		
21	Earnings Per Share (EPS)									
22	(a) Basic and Diluted EPS before Extraordinary Item (in Rs.)	0.46	0.99	(2.04)	0.08	(4.52)	0.23	0.23		
23	(b) Basic and Diluted EPS after Extraordinary Item (in Rs.)	0.46	0.99	(2.04)	0.08	(4.52)	0.23	0.23		

PART II SELECT INFORMATION FOR THE QUARTER / NINE MONTHS ENDED DECEMBER 31, 2014

S.No.	PARTICULARS	Quarter Ended			Nine Months Ended			Year Ended
		31.12.14	30.09.14	31.12.13	31.12.14	31.12.13	31.03.14	
1	PART I							
1	PARTICULARS OF SHAREHOLDING							
	- Number of shares	3232438	3232438	3232438	3232438	3232438	3232438	
	- Percentage of shareholding	41.84	41.84	41.84	41.84	41.84	41.84	
2	Promoters and Promoter Group Shareholding							
	a) Pledged / Encumbered							
	- Number of shares							
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)							
	- Percentage of shares (as a % of the total share capital of the company)							
	b) Non-encumbered							
	- Number of shares	4493487	4493487	4493487	4493487	4493487	4493487	
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00	
	- Percentage of shares (as a % of the total share capital of the company)	58.16	58.16	58.16	58.16	58.16	58.16	
3	PARTICULARS							
	Investor Complaints							
	- Pending at the beginning of the quarter							
	- Received during the quarter							
	- Disposed off during the quarter							
	- Remaining unresolved at the end of the quarter							

S. No.	PARTICULARS	Unaudited			Unaudited			Audited		
		For the Quarter ended	(Reviewed)	31.12.13	For the Nine Months ended	(Reviewed)	31.12.13	For the year ended	31.03.14	(Rs. in Lacs)
1	SEGMENTWISE PERFORMANCE									
1	Segment Revenue (Net)									
	Equipment for Power transmission and distribution	5,127.64	3,463.83	2,062.50	11,265.86	5,499.44	7,283.31	7,283.31		
	Elevator	913.96	956.85	997.35	2,644.08	2,619.92	3,881.59	3,881.59		
	Others	160.44	160.44	160.44	160.44	160.44	160.43	160.43		
2	Total Income from Operations (Net)	6,041.60	4,440.60	3,210.29	13,909.94	8,279.80	11,325.33	11,325.33		
3	Segment Results									
	Equipment for Power transmission and distribution	(157.19)	(16.39)	(107.92)	(282.01)	(321.23)	(182.93)	(182.93)		
	Elevator	(62.85)	(9.65)	21.06	(182.03)	59.11	195.49	195.49		
	Others	(2.30)	(2.04)	(101.32)	(7.09)	(107.02)	(110.52)	(110.52)		
4	Profit/(Loss) before Finance Cost & Tax	(212.34)	(28.09)	(188.18)	(471.13)	(375.14)	(97.96)	(97.96)		
5	Less: Finance Cost	42.70	55.38	18.18	130.67	75.00	135.96	135.96		
6	Add: Exceptional Items Income	398.25	65.31	5.64	493.25	42.10	75.42	75.42		
7	Add: Less: Un-allocable Income (Expense) (Net)	(95.60)	94.68	42.75	221.73	58.69	184.34	184.34		
8	Profit/(Loss) before Tax	48.62	76.52	(157.97)	19.19	(340.35)	25.84	25.84		
9	Capital Employed									
	Equipment for Power transmission and distribution	4,056.68	3,781.62	4,024.77	4,056.68	4,024.77	4,272.28	4,272.28		
	Elevator	1,328.82	1,265.59	1,291.21	1,328.82	1,291.21	1,478.13	1,478.13		
	Others	(1.97)	(1.90)	(2.81)	(1.97)	(2.81)	(1.80)	(1.80)		
10	Total	5,386.52	5,045.31	5,313.17	5,386.52	5,313.17	5,748.61	5,748.61		

NOTES

1 The above unaudited results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their meeting held on 19.01.2015. The Limited Review has been carried out by the Statutory Auditors of the Company.

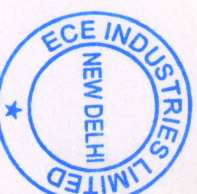
2 Exceptional Item Includes:

a) In view of the fact that due to adverse business scenario, transformer unit at Sonapat has been continuously incurring heavy losses, the company has decided to resize its work force. A provision of Rs. 40 lacs has been made on account of expected compensation to them.

b) During the quarter a sum of Rs. 54 lacs has been provided towards a claim awarded by court against the company. However, an appeal against the order is being filed by them.

3 The result of this quarter includes loss Rs. 30.32 lacs on account of impairment of an asset.

4 Figures of the corresponding previous period have been regrouped / rearranged wherever necessary to make them comparable.



For ECE Industries Ltd
(Vikram Prakash)
Director
DIN : 00027732