

STATEMENT OF STANDALONE UNAUDITED RESULT FOR THE QUARTER ENDED JUNE 30, 2014

PART I:

(Rs. in Lacs)

Sr. No.	Particulars	Quarter Ended			Year ended
		30.06.2014 (Unaudited)	31.03.2014 (Audited)	30.06.2013 (Unaudited)	31.03.2014 (Audited)
1	Income from Operation				
	(a) Gross sales	21,542.18	21,731.20	19,091.02	84,018.86
	(b) Net sales/ income from operation (Net of excise duty and sales tax)	19,627.09	19,880.90	17,086.92	75,686.78
	(c) Other operating income	96.35	93.93	37.04	258.41
	Total Income from operation (Net)	19,723.44	19,974.83	17,123.96	75,945.19
2	Expenses:				
	Cost of materials consumed	3,056.77	3,124.82	2,765.61	15,165.23
	Purchases of stock-in-trade	10,680.68	9,887.79	7,582.72	33,767.74
	Changes in inventories of finished goods work-in-progress and stock-in-trade	333.18	2,249.89	633.44	3,493.73
	Power and fuel	1,289.48	1,245.20	1,571.77	6,471.30
	Employee benefits expense	1,858.88	1,270.22	1,906.37	6,879.26
	Depreciation and amortization expense	1,559.77	1,033.66	996.98	4,198.69
	Freight, forwarding and distribution expenses	939.42	980.73	1,045.93	4,009.61
	Other expenses	2,141.77	2,272.96	2,038.44	8,757.77
	Total Expenses	21,859.95	22,065.27	18,541.26	82,743.33
3	Profit / (Loss) from operations before other income, finance costs and exceptional item (1-2)	(2,136.51)	(2,090.44)	(1,417.30)	(6,798.14)
4	Other Income	19.26	9.56	15.50	44.07
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)	(2,117.25)	(2,080.88)	(1,401.80)	(6,754.07)
6	Finance cost				
	a) Interest and financial cost	3,533.55	3,776.15	3,396.71	14,353.89
	b) Applicable net gain/loss on foreign currency transactions and translation	39.04	(163.66)	56.11	15.41
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)	(5,689.84)	(5,693.37)	(4,854.62)	(21,123.37)
8	Exceptional items	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7 ± 8)	(5,689.84)	(5,693.37)	(4,854.62)	(21,123.37)
10	Tax expense	-	-	-	-
11	Net Profit / (Loss) from ordinary activities after tax (9 ± 10)	(5,689.84)	(5,693.37)	(4,854.62)	(21,123.37)
12	Extraordinary items (net of tax expense)	-	-	-	-
13	Net Profit / (Loss) for the period (11 ± 12)	(5,689.84)	(5,693.37)	(4,854.62)	(21,123.37)
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)	(5,689.84)	(5,693.37)	(4,854.62)	(21,123.37)
17	Paid-up equity share capital (Face Value Rs. 10 per share)	5,469.93	5,469.93	3,260.01	5,469.93
18	Reserve excluding revaluation reserves as per balance sheet of previous accounting year				3,849.38
19. i	Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised):				
	(a) Basic	(10.40)	(10.41)	(14.89)	(55.41)
	(b) Diluted	(10.40)	(10.41)	(14.89)	(55.41)
19. ii	Earnings per share (after extraordinary items) (of Rs. 10/- each) (not annualised):				
	(a) Basic	(10.40)	(10.41)	(14.89)	(55.41)
	(b) Diluted	(10.40)	(10.41)	(14.89)	(55.41)

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Registered Office:

Recondo Compound, Municipal Asphalt Compound, S.K. Ahire Marg, Worli, Mumbai - 400 030.

Tel.: 91-22-66164555. CIN: L26920MH1966PLC016547. Email: marketing@nitco.in, Website: www.nitco.in



Notes:

- 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 13th Aug 2014 and were duly reviewed by the Statutory auditors.
- 2 Power and fuel expenses are net as under:

Particulars	Quarter Ended			YEAR ENDED
	30.06.2014 (Unaudited)	31.03.2014 (Audited)	30.06.2013 (Unaudited)	31.03.2014 (Audited)
Sale of Power generated through Windmill	220.09	74.13	197.93	626.55
Sale of Power generated through Gas Turbine	-	-	102.52	130.63
Total	220.09	74.13	300.45	757.18

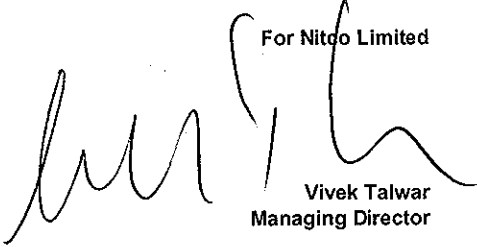
- 3 In accordance with the requirement of Part C of Schedule II to Companies Act 2013, the carrying value of depreciable assets has been adjusted based on useful life of resulting in adjustment of Rs. 509.72 Lacs against the opening reserves. The depreciation charge for the current quarter is higher by Rs. 497.44 Lacs due to adoption of new rates of depreciation
- 4 The Company during the last two financial years has incurred significant cash losses resulting in substantial erosion of its net worth and will be required to make a reference to BIFR as more than 50% of its peak net worth stands eroded. Despite several constraints faced by the Company including non release of sanctioned fresh working capital facilities by lenders under approved CDR package and delayed sale of non core assets, the Company achieved a growth in net sales of 14.87% during the first quarter. Considering the tremendous brand equity enjoyed by the Company, non core assets identified for sale, and several steps taken by the Company, the management is hopeful of a turnaround in near future. The management therefore believes, it is appropriate to prepare the financial statement on a going concern basis.
- 5 The figures for the three months ended March 31, 2014 as reported in these financial results are the balancing figures in respect of the full previous financial year and published year to date figures to the third quarter of the previous financial year. The figures upto the end of third quarter of the previous financial year had only been reviewed and not subjected to audit.
- 6 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, 2014					
	PARTICULARS	QUARTER ENDED			YEAR ENDED
		30.06.2014 (Unaudited)	31.03.2014 (Audited)	30.06.2013 (Unaudited)	31.03.2014 (Audited)
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of shares	16,659,032	16,659,032	16,659,032	16,659,032
	- Percentage of holding	30.46	30.46	51.10	30.46
2	Promoter and promoter group shareholding				
	a) Pledged / Encumbered				
	- Number of shares	33,225,270	33,225,270	11,126,064	33,225,270
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	87.34	87.34	69.79	87.34
	-Percentage of shares (as a % of the total share capital of the company)	60.74	60.74	34.13	60.74
	b) Non - encumbered				
	- Number of shares	4,815,036	4,815,036	4,815,036	4,815,036
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	12.66	12.66	30.21	12.66
	-Percentage of shares (as a % of the total share capital of the company)	8.80	8.80	14.77	8.80
B	INVESTOR COMPLAINTS				
	Pending at the beginning of the quarter	1			
	Received during the quarter	NIL			
	Disposed off during the quarter	1			
	Remaining unresolved at the end of the quarter	NIL			

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED					(Rs. in lakhs)	
Sr. No.	Particulars	QUARTER ENDED			YEAR ENDED	
		30.06.2014 (Unaudited)	31.03.2014 (Audited)	30.06.2013 (Unaudited)	31.03.2014 (Audited)	
1	Net sales / Income from operations					
	- Tiles and other related products	19,680.12	19,933.43	17,109.71	75,787.59	
	- Real estate	43.32	41.40	14.25	157.60	
	Total Revenue	19,723.44	19,974.83	17,123.96	75,945.19	
2	Segment results					
	- Tiles and other related products	(2,084.66)	(2,074.01)	(1,345.13)	(6,619.15)	
	- Real estate	(32.59)	(6.87)	(56.67)	(134.92)	
	Total Segment Profit Before Interest and Tax	(2,117.25)	(2,080.88)	(1,401.80)	(6,754.07)	
	Less : Interest and other financial cost	3,533.55	3,776.15	3,396.71	14,353.89	
Foreign exchange loss/(gain)	39.04	(163.66)	56.11	15.41		
	Profit Before Tax	(5,689.84)	(5,693.37)	(4,854.62)	(21,123.37)	
3	Capital Employed (Segment assets - Segment liabilities)					
	- Tiles and other related products	95,363.24	94,944.17	100,523.27	94,944.17	
	- Real estate	36,379.47	36,343.02	35,627.22	36,343.02	
	- Unallocated/ Corporate	6,632.04	6,512.98	8,174.85	6,512.98	
	Total Capital Employed	138,374.75	137,800.17	144,325.33	137,800.17	

Place: Mumbai
Date : 13th August, 2014



For Nitco Limited

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 2014 ("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. Based on 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 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.



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CHARTERED ACCOUNTANTS

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4. Attention is invited to Note 4 of the Statement regarding the non disposal of non core assets and non release of working capital by the lenders under the approved CDR package, the Company has submitted their request for rework of the package to the lenders. Pending such approval by lenders, we are unable to comment on the consequence of the same. Further attention is invited that the net worth of the Company has been eroded by more than 50% of its peak net worth.

5. 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, 2014 of the Statement, from the details furnished by the management:

For A. Husein Noumanali & Co.

Chartered Accountants

Firm Registration No. 107173W

Husein Noumanali

(A. Husein Noumanali)

Proprietor

M.No. 14757

Place: Mumbai

Date: August 13, 2014

