



A. HUSEIN NOUMANALI & CO.
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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 September 2016 and year to date results for the period from 1st April 2016 to 30th September 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.

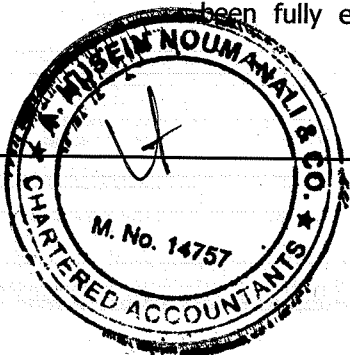
We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditors of the Entity issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform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

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. 5,597.86 Lacs for the quarter ended and Rs. 10,929.34 Lacs for six months ended 30th September, 2016. Had the same been provided, the loss would have been increased by Rs. 5,597.86 Lacs for the quarter ended and Rs. 10,929.34 Lacs for six months ended 30th September, 2016 and corresponding liabilities would have been increased by Rs. 10,929.34 Lacs as at 30th September, 2016.

3. Without qualifying, attention is drawn as under:

(a) 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



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Company has incurred a net loss of Rs. 1,616.93 Lacs during the six months ended 30th September, 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. Attention is invited to Note (5) of the Statement regarding assignment of debt holding approximately 86% of total CDR debt to JM Financial Assets Reconstruction Co Pvt Ltd.

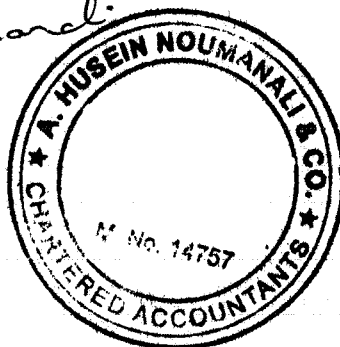
5. Based on review conducted as stated above, except for the possible effects of the matter described in our basis for qualified conclusions paragraph referred to paragraph 2 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with 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, read with Circular dated 5th July 2016, 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, November 14, 2016





NITCO LIMITED

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 Tel No.: 022 6616 4555/ 6616 4500, Fax: 022 2491 5401, email: investor@grievances@nitco.in, Website: www.nitco.in, CIN : L26920MH1966PLC016547

PART I : STATEMENT OF UNAUDITED FINANCIAL RESULT FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2016
 (Rs. in Lacs)

	Quarter Ended			Half Year ended		Year ended
	30.09.2016 (Unaudited)	30.06.2016 (Unaudited)	30.09.2015 (Unaudited)	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	31.03.2016 (Audited)
1	Income from Operation					
(a)	17,509.51	18,962.47	21,753.75	36,471.98	40,575.32	80,907.92
(b)	135.82	125.18	117.22	261.00	167.02	425.58
	17,645.33	19,087.65	21,870.97	36,732.98	40,742.34	81,333.50
2	Expenses:					
(a)	4,198.27	4,482.86	6,282.77	8,681.13	11,170.77	19,319.74
(b)	7,192.35	8,982.83	9,255.02	16,175.18	16,936.95	36,145.36
(c)	164.54	(687.57)	(552.91)	(523.03)	(507.92)	(390.54)
(d)	668.72	750.15	909.30	1,418.87	1,689.01	3,312.89
(e)	820.77	822.18	1,315.67	1,642.95	2,493.87	4,963.21
(f)	1,890.27	1,929.27	1,837.37	3,819.54	3,681.48	7,222.09
(g)	961.14	953.10	1,375.51	1,914.24	2,893.74	5,130.87
(h)	490.10	480.88	568.37	970.98	1,189.92	2,410.05
(i)	2,148.71	1,862.51	2,310.45	4,011.22	4,361.66	8,815.02
	18,534.87	19,576.21	23,301.55	38,111.08	43,909.48	86,928.69
3	Profit / (Loss) from operations before other income, finance costs and exceptional item (1-2)					
4	(889.54)	(488.56)	(1,430.58)	(1,378.10)	(3,167.14)	(5,595.19)
5	44.68	11.46	13.31	56.14	54.32	90.48
	(844.86)	(477.10)	(1,417.27)	(1,321.96)	(3,112.82)	(5,504.71)
6	Finance cost					
a)	69.12	81.02	143.17	150.14	197.36	376.02
b)	(14.00)	27.00	56.49	13.00	82.56	143.08
	(899.98)	(585.12)	(1,616.93)	(1,485.10)	(3,392.74)	(6,023.81)
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)					
8	(899.98)	(585.12)	(1,616.93)	(1,485.10)	(3,392.74)	(6,276.64)
9	-	-	-	-	-	252.83
10	(899.98)	(585.12)	(1,616.93)	(1,485.10)	(3,392.74)	(6,276.64)
11	(899.98)	(585.12)	(1,616.93)	(1,485.10)	(3,392.74)	(6,276.64)

12	Extraordinary items (net of tax expense)								
13	Net Profit / (Loss) for the period (11 ± 12)	(899.98)	(585.12)	(1,616.93)	(1,485.10)	(3,392.74)	(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)	(899.98)	(585.12)	(1,616.93)	(1,485.10)	(3,392.74)	(6,276.64)		
17	Paid-up equity share capital (Face Value Rs. 10 per share)	5,469.93	5,469.93	5,469.93	5,469.93	5,469.93	5,469.93		
18	Reserve excluding revaluation reserves as per balance sheet								5,469.93
19.	Earnings per share (before / after extraordinary items) (of Rs. 10/- each) (not annualised):								(15,659.19)
(i)	Basic	(1.65)	(1.07)	(2.96)	(2.72)	(6.20)	(11.47)		
(b)	Diluted	(1.65)	(1.07)	(2.96)	(2.72)	(6.20)	(11.47)		

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 November 2016 and were duly reviewed by the Statutory auditors.

2. Power and fuel expenses are net as under:

Particulars	Quarter Ended			Half Year ended		Year ended
	30.09.2016 (Unaudited)	30.06.2016 (Unaudited)	30.09.2015 (Unaudited)	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	31.03.2016 (Audited)
Sale of Power generated through Windmill	251.72	276.98	211.53	528.70	390.23	486.60
Total	251.72	276.98	211.53	528.70	390.23	486.60

3. The net worth of the Company had been fully eroded, a reference filed under section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 before the Hon'ble Board For Industrial and Financial Reconstruction (BIFR) has been duly registered with BIFR vide their letter dated 12th May 2015. In view of the above position and the uncertainty involved in ultimate outflow, the Company has not provided for unpaid interest. Had the interest as per Loan Agreements been provided for as per the rates contracted prior to admission to CDR, then the finance cost, loss for the relevant period and corresponding loan liability would have been increased by the following amount:

Particulars	Quarter Ended			Half Year ended		Year ended
	30.09.2016 (Unaudited)	30.06.2016 (Unaudited)	30.09.2015 (Unaudited)	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	31.03.2016 (Audited)
Interest not provided	5,597.86	5,331.48	4,914.23	10,929.34	9,598.66	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 of during the current six 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 is hopeful of a turnaround in future. The management therefore believes, it is appropriate to prepare the financial statement on a going concern basis.

5. Due to failure of the package, the Company had exited from CDR mechanism. Consequently, thirteen CDR Lenders aggregating approximately 86% of overall CDR debts of the Company had assigned their debts to JIM Financial Assets Reconstruction Co Pvt Ltd as on 30th September 2016,

6. 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 & SIX MONTHS ENDED SEPTEMBER 30, 2016

(Rs. in Lacs)

Sr. No.	Particulars	Quarter Ended			Half Year ended		Year ended
		30.09.2016 (Unaudited)	30.06.2016 (Unaudited)	30.09.2015 (Unaudited)	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	31.03.2016 (Audited)
1	Net sales / Income from operations						
	- Tiles and other related products	17,567.12	19,022.20	21,846.67	36,589.32	40,701.06	81,180.72
	- Real estate	78.21	65.45	24.30	143.66	41.28	152.78
	Total Revenue	17,645.33	19,087.65	21,870.97	36,732.98	40,742.34	81,333.50
2	Segment results						
	- Tiles and other related products	(897.54)	(508.54)	(1,405.99)	(1,406.08)	(3,063.00)	(5,518.23)
	- Real estate	52.68	31.44	(11.28)	84.12	(49.82)	13.52
	Total Segment Profit Before Interest and Tax	(844.86)	(477.10)	(1,417.27)	(1,321.96)	(3,112.82)	(5,504.71)
	Less : Interest and other financial cost	69.12	81.02	143.17	150.14	197.36	376.02
	Foreign exchange loss/(gain)	(14.00)	27.00	56.49	13.00	82.56	143.08
	Exceptional items	0.00	0.00	0.00	0.00	0.00	252.83
	Profit Before Tax	(899.98)	(585.12)	(1,616.93)	(1,485.10)	(3,392.74)	(6,276.64)
3	Capital Employed						
	(Segment assets - Segment liabilities)						
	- Tiles and other related products	78,039.44	79,151.34	83,426.97	78,039.44	83,426.97	80,190.35
	- Real estate	35,443.76	35,418.99	35,358.57	35,443.76	35,358.57	35,071.69
	- Unallocated/ Corporate	6,837.21	6,878.74	6,254.13	6,837.21	6,254.13	6,893.71
	Total Capital Employed	120,320.41	121,449.07	125,039.67	120,320.41	125,039.67	122,155.75

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III. STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lacs)

Particulars	As at 30.09.2016 (Unaudited)	As at 31.03.2016 (Audited)
EQUITY AND LIABILITIES		
1) Shareholder's Funds :		
(a) Share Capital	5,469.93	5,469.93
(b) Reserves and Surplus	(17,144.29)	(15,659.19)
Sub Total Shareholder's Funds	(11,674.36)	(10,189.26)
2) Non Current Liabilities		
(a) Long-term borrowings	54,733.99	63,726.46
(b) Deferred tax liabilities (Net)	2,034.84	2,034.84
(c) Long Term Provisions	238.13	236.09
Sub Total Non Current Liabilities	57,006.96	65,997.39
3) Current Liabilities		
(a) Short-term borrowings	11,442.40	11,442.40
(b) Trade Payables	16,221.12	17,666.06
(c) Other Current Liabilities	67,143.63	57,977.88
(d) Short Term Provisions	201.28	184.59
Sub Total Current Liabilities	95,008.43	87,270.93
TOTAL - EQUITY AND LIABILITIES	140,341.03	143,079.06
ASSETS		
1) Non Current Assets		
(a) Fixed Assets	55,063.53	56,547.09
(b) Non Current Investment	2,735.36	2,735.36
(c) Long-term loans and advances	19,112.39	18,883.83
Sub Total Non Current Assets	76,911.28	78,166.28
2) Current Assets		
(a) Inventories	18,127.61	18,082.14
(b) Inventories - Real Estate	17,972.77	17,959.09
(c) Trade receivables	14,798.34	15,436.15
(d) Cash and cash equivalents	1,166.01	1,869.51
(e) Short-term loans and advances	5,164.78	5,120.13
(f) Other current assets	6,200.24	6,445.76
Sub Total Current Assets	63,429.75	64,912.78
TOTAL ASSETS	140,341.03	143,079.06

Place : Mumbai
Date: 14th November 2016


Vivek Talwar
Chairman & Managing Director