

# Euro Ceramics Ltd.

CIN : L26914MH2002PLC135548



November 14, 2016

To,

**The Manager – CRD,  
BSE Ltd.**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort.  
Mumbai – 400051  
Scrip Code: **532823**

**The Manager-Listing Department  
National Stock Exchange of India Limited,**  
“Exchange Plaza”, BandraKurla Complex,  
Bandra (East),  
Mumbai – 400 001  
Symbol: **EUROCERA**

Dear Sir,

**Sub: Outcome of the Board Meeting held today i.e. November 14, 2016**

Pursuant to the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors of the Company at their Meeting held today i.e. Monday, November 14, 2016; inter-alia, considered and approved the Un-Audited Financial Results of the Company for the quarter and six months ended on September 30, 2016.

In terms of the provisions of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the following:

- Standalone Un-Audited Financial Results for the quarter and six months ended September 30, 2016.
- Statement of Assets and Liabilities as on September 30, 2016.
- Limited Review Report received from the Statutory Auditors on the said results.

The meeting of the Board of Directors commenced at 5.30 PM and concluded at 7.00 PM.

Kindly take the above on your record.

Thanking you,

Yours faithfully,

**For Euro Ceramics Limited**



**Viral T. Nandu  
Chairman & Whole Time Director  
DIN: 01767620**

**Encl.: As above**



## EURO CERAMICS LTD.

Regd. Office : 208, Sangam Arcade, Vallabhbai Road, Vile Parle (West), Mumbai 400 056 (CIN- L26914MH2002PLC135548)  
Web - www.eurovitrified.com, Email - sales@eurocl.com, Ph - 022 40194019, Fax - 022 40194020

Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30-Sep-16 Unaudited	30-Jun-16 Unaudited	30-Sep-15 Unaudited	30-Sep-16 Unaudited	30-Sep-15 Unaudited	31-Mar-16 Audited
1	<b>Income form the operations</b>						
a	Net Sales/Income from Operations (Net of excise duty)	1,332.30	1,218.95	950.55	2,551.25	2,425.61	5,597.66
b	Other Operating Income	-	-	-	-	-	-
	<b>Total income from Operations (net)</b>	<b>1,332.30</b>	<b>1,218.95</b>	<b>950.55</b>	<b>2,551.25</b>	<b>2,425.61</b>	<b>5,597.66</b>
2	<b>Expenses</b>						
a	Cost of Materials consumed	463.25	907.57	293.26	1,370.82	849.10	2,727.91
b	Purchase of stock-in-trade	31.99	35.73	49.61	67.72	76.48	106.28
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(7.09)	(513.03)	44.84	(520.12)	384.65	581.75
d	Employee benefits expense	180.56	138.70	156.33	319.26	292.08	613.39
e	Depreciation and amortisation expense	658.41	662.02	674.03	1,320.43	1,348.01	2,696.12
f	Power & Fuel Expenses	304.71	250.71	207.67	555.42	398.94	867.90
g	Other expenses	323.11	379.98	194.13	703.09	345.84	847.78
	<b>Total Expenses</b>	<b>1,954.94</b>	<b>1,861.68</b>	<b>1,619.87</b>	<b>3,816.62</b>	<b>3,695.10</b>	<b>8,441.13</b>
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(622.64)	(642.73)	(669.32)	(1,265.37)	(1,269.49)	(2,843.47)
4	Other Income	4.71	6.75	34.77	11.46	40.64	168.56
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(617.93)	(635.98)	(634.55)	(1,253.91)	(1,228.85)	(2,674.91)
6	Finance Cost	5.30	29.26	22.23	34.56	48.96	76.30
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 + 6)	(623.23)	(665.24)	(656.78)	(1,288.47)	(1,277.81)	(2,751.21)
8	Exceptional Items	-	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7 + 8)	(623.23)	(665.24)	(656.78)	(1,288.47)	(1,277.81)	(2,751.21)
10	Tax expense	-	-	-	-	-	(1,523.92)
11	Net Profit / (Loss) from ordinary activities after tax (9 + 10)	(623.23)	(665.24)	(656.78)	(1,288.47)	(1,277.81)	(1,227.29)
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11 + 12)	(623.23)	(665.24)	(656.78)	(1,288.47)	(1,277.81)	(1,227.29)
14	Paid-up equity share capital (Face Value of Rs. 10/- each)	3,373.77	3,373.77	3,373.77	3,373.77	3,373.77	3,373.77
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	(20,708.54)
16 i	Earnings Per Share (before extraordinary items) (of Rs. 10/- each) (not annualised):						
	(a) Basic	(1.85)	(1.97)	(1.95)	(3.82)	(3.79)	(3.64)
	(b) Diluted	(1.85)	(1.97)	(1.95)	(3.82)	(3.79)	(3.64)
ii	Earnings Per Share (after extraordinary items) (of Rs. 10/- each) (not annualised):						
	(a) Basic	(1.85)	(1.97)	(1.95)	(3.82)	(3.79)	(3.64)
	(b) Diluted	(1.85)	(1.97)	(1.95)	(3.82)	(3.79)	(3.64)

*V. Pandu*



**Segmentwise Revenue, Results, Assets and Liabilities**

Rs. in Lakhs

Sr. No.	Particulars	STANDALONE					
		Quarter Ended			Six Months Ended		Year Ended
		30-Sep-16	30-Jun-16	30-Sep-15	30-Sep-16	30-Sep-15	31-Mar-16
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	<b>Segment Revenue</b>						
	(a) Tiles	268.77	221.40	246.28	490.17	1,042.71	2,515.54
	(b) Aluminium Sections	-	-	-	-	-	-
	(c) Sanitaryware	1,063.52	997.55	704.26	2,061.07	1,382.89	3,082.12
	(d) Realty	-	-	-	-	-	-
	<b>Total</b>	<b>1,332.29</b>	<b>1,218.95</b>	<b>950.54</b>	<b>2,551.24</b>	<b>2,425.60</b>	<b>5,597.66</b>
	Less: Inter-Segment Revenue	-	-	-	-	-	-
	<b>Net Sales</b>	<b>1,332.29</b>	<b>1,218.95</b>	<b>950.54</b>	<b>2,551.24</b>	<b>2,425.60</b>	<b>5,597.66</b>
2	<b>Segmental Results</b>						
	(a) Tiles	(597.51)	(711.72)	(530.48)	(1,309.23)	(1,040.29)	(2,365.02)
	(b) Aluminium Sections	(1.10)	(1.09)	(1.09)	(2.19)	(2.18)	(6.24)
	(c) Sanitaryware	166.84	225.53	36.51	392.37	105.24	282.22
	(d) Realty	-	-	-	-	-	-
	<b>Total</b>	<b>(431.77)</b>	<b>(487.28)</b>	<b>(495.06)</b>	<b>(919.05)</b>	<b>(937.23)</b>	<b>(2,089.04)</b>
	Less: (i) Interest	5.30	29.26	22.22	34.56	48.96	76.30
	(ii) Other Unallocable (Income)/ Expenditure (Net)	186.16	148.70	139.50	334.86	291.62	585.87
	(iii) Exceptional/Extraordinary Items	-	-	-	-	-	-
	<b>Profit Before Tax</b>	<b>(623.23)</b>	<b>(665.24)</b>	<b>(656.78)</b>	<b>(1,288.47)</b>	<b>(1,277.81)</b>	<b>(2,751.21)</b>
3	<b>Segment Assets</b>						
	(a) Tiles	45,033.45	44,997.53	45,419.22	45,033.45	45,419.22	45,122.56
	(b) Aluminium Sections	258.31	258.31	260.19	258.31	260.19	258.31
	(c) Sanitaryware	12,224.45	12,174.91	11,964.72	12,224.45	11,964.72	12,054.02
	(d) Realty	4,332.42	4,332.42	4,355.67	4,332.42	4,355.67	4,332.42
	(e) Unallocable	8,696.86	8,875.80	8,737.58	8,696.86	8,737.58	8,866.08
	<b>Total</b>	<b>70,545.49</b>	<b>70,638.97</b>	<b>70,737.38</b>	<b>70,545.49</b>	<b>70,737.38</b>	<b>70,633.39</b>
4	<b>Segment Liabilities</b>						
	(a) Tiles	28,918.51	29,201.40	29,269.15	28,918.51	29,269.15	29,128.92
	(b) Aluminium Sections	17.09	17.09	17.09	17.09	17.09	17.09
	(c) Sanitaryware	496.24	476.44	538.75	496.24	538.75	479.72
	(d) Realty	-	-	-	-	-	-
	(e) Unallocable	27,745.97	27,611.55	28,967.96	27,745.97	28,967.96	27,671.95
	<b>Total</b>	<b>57,177.81</b>	<b>57,306.48</b>	<b>58,792.95</b>	<b>57,177.81</b>	<b>58,792.95</b>	<b>57,297.68</b>

**STATEMENT OF ASSETS AND LIABILITIES**

Particulars	As at	As at
	30-Sept-2016	31-Mar-2016
<b>A EQUITY AND LIABILITIES</b>		
1 Shareholders' funds		
(a) Share capital	3,373.77	3,373.77
(b) Reserves and surplus	(21,997.00)	(20,708.54)
	(18,623.23)	(17,334.77)
2 Non-current liabilities		
(a) Long-term borrowings	3,164.58	3,150.68
(b) Deferred tax liabilities (net)	-	-
	3,164.58	3,150.68
3 Current liabilities		
(a) Short-term borrowings	1,458.83	1,458.83
(b) Trade payables	3,682.48	3,663.31
(c) Other current liabilities	48,805.28	48,945.40
(d) Short-term provisions	66.64	79.46
	54,013.23	54,147.00
<b>TOTAL</b>	<b>38,554.58</b>	<b>39,962.91</b>
<b>B ASSETS</b>		
1 Non-current assets		
(a) Fixed assets		
(i) Tangible assets	27,327.10	28,646.80
(ii) Capital work-in-progress	-	-
	27,327.10	28,646.80
(b) Non-current investments	134.11	134.11
(c) Long-term loans and advances	853.11	877.60
	28,314.32	29,658.51
2 Current assets		
(a) Inventories	3,168.44	3,193.28
(b) Trade receivables	1,935.46	1,840.46
(c) Cash and Bank Balances	545.64	560.34
(d) Short-term loans and advances	4,589.08	4,708.69
(e) Other current assets	1.64	1.63
	10,240.26	10,304.40
<b>TOTAL</b>	<b>38,554.58</b>	<b>39,962.91</b>

**NOTES**

1	The above financial results for the quarter and six months ended September 30, 2016 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on Friday, November 14, 2016. The Statutory Auditors have carried out Limited Review on the above results.
3	As per AS 17 issued by the Institute of Chartered Accountants of India, the Company has four reportable segments namely Tiles, Aluminium Extruded Sections, Sanitaryware & Realty.
4	Other Income includes Rental Income and Interest Income
5	The Company's financing arrangements have expired and the amount outstanding is overdue for repayment for more than three years. The Company has been unable to renegotiate, restructure or obtain replacement financing and the bankers have initiated legal proceeding for recovery from the Company with the Debt Recovery Tribunal. Further some of the secured lenders have taken symbolic possession of the securities u/s.13(4) of the SARFAESI Act, 2002. In addition to this, the Company has continuously been incurring substantial losses since past few years. The Company's current liabilities exceeds its current assets and net worth of the Company has been fully eroded and the Company has filed application for registration u/s 15 (1) of Sick Industrial Companies (Special Provisions) Act, 1985, before the Hon'ble Board for Industrial & Financial Reconstruction. All the above events indicate a material uncertainty that casts a significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. The financial results do not disclose the fact that the fundamental accounting assumption of going concern is under doubt. The Company is taking appropriate action and negotiating with the lenders for finding amicable solution.
6	The Company on the basis of application filed u/s 15 (1) of Sick Industrial Companies (Special Provisions) Act, 1985, before the Hon'ble Board for Industrial & Financial Reconstruction and the hearings of which are in process for determination of sickness, has not provided for interest amounting to Rs.2,913.01 lacs and Rs. 5,713.91 lacs for the quarter ended and half year ended September 30, 2016 respectively on financing facilities taken from Banks. Had the same been accounted for, the net loss (after tax) and current liability for the quarter ended and half year ended September 30, 2016 would have increased by that amount. The Company had also not provided the interest amounting to Rs. 25,435.48 Lacs pertaining to F.Y.2013-14, F.Y.2014-15 and F.Y. 2015-16 on the said facilities.
7	The Deferred Tax provision as per AS 22 issued by the Institute Of Chartered Accountants of India has not been made on account of losses and virtual uncertainty of earning future taxable income in the Company.
8	The Company has not obtained balance confirmations from certain Lender Banks. Pending receipt of the confirmations of balances and consequential reconciliation / adjustments if any, the resultant impact on the statement is not ascertainable
9	Previous Period/Year's figures have been regrouped / reclassified wherever necessary.
	For and on behalf of Board of Directors <i>Viral T. Nandu</i> Viral T. Nandu Chairman & Whole Time Director DIN : 01767620
	Place : Mumbai Date : November 14, 2016



# Deepak Maru & Co.

Chartered Accountants

701, 7<sup>th</sup> Floor, Topiwala Centre,  
Goregaon (W), Mumbai – 400062  
Tel.: 022- 40161347 / 40161348

**Certificate No.: DMC/2016-17/J-007**

To,  
The Board of Directors,  
EURO CERAMICS LIMITED,  
208, Sangam Arcade,  
Vallabhbai Road, Vile Parle (W),  
Mumbai – 400 056.

Dear Sirs,

**Sub: Limited Review Report for the quarter ended 30<sup>th</sup> September 2016**

We have reviewed the accompanying statement of unaudited financial results of EURO CERAMICS LIMITED for the period ended 30<sup>th</sup> September 2016. 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) 2400, *Engagements to Review Financial Statements* 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

## **BASIS FOR QUALIFIED CONCLUSIONS**

*As referred in Note No. 5, the Company's financing arrangements have expired and the amount outstanding is overdue for repayment for more than three years. The Company has been unable to renegotiate, restructure nor obtain replacement financing and the bankers have initiated legal proceeding for recovery from the Company with the Debt Recovery Tribunal. Further some of the secured lenders have taken symbolic possession of the securities u/s.13(4) of the SARFAESI Act, 2002. In addition to this, the Company has continuously been incurring substantial losses since past few years. The Company's current liabilities exceeds its current assets and net worth of the Company has been fully eroded and the Company has filed application for registration u/s 15 (1) of Sick Industrial Companies (Special Provisions) Act, 1985, before the Hon'ble Board for Industrial & Financial Reconstruction. All the above events indicate a material uncertainty that casts a significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. The financial*



## Deepak Maru & Co.

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Tel.: 022- 40161347 / 40161348

*results do not disclose the fact that the fundamental accounting assumption of going concern is under doubt. The Company is taking appropriate action and negotiating with the lenders for finding amicable solution.*

*As referred in Note No.4 of the accompanying statement, the Company on the basis of application filed u/s 15 (1) of Sick Industrial Companies (Special Provisions) Act, 1985, before the Hon'ble Board for Industrial & Financial Reconstruction and the hearings of which are in process for determination of sickness, has not provided for interest amounting to Rs. 2,913.01 lacs and Rs. 5,713.91 lacs for the quarter and half year ended September 30, 2016 respectively on financing facilities taken from Banks. Had the same been accounted for; the net loss (after tax) and current liability for the quarter and half year ended September 30, 2016 would have increased by that amount. The Company had also not provided the interest amounting to Rs. 25,435.48 Lacs pertaining to F.Y.2013-14, F.Y.2014-15 and F.Y. 2015-16 on the said facilities.*

*As referred in Note No.8 of the accompanying statement, the Company has not obtained balance confirmations from certain Lender Banks. Pending receipt of the confirmations of balances and consequential reconciliation / adjustments if any, the resultant impact on the statement is not ascertainable.*

Based on our review conducted as above, and except for the possible effect of the matters stated in our basis for qualified conclusions as stated 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 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For DEEPAK MARU & CO.**

**Chartered Accountants**

Firm Regn. No.115678W

*Jaymin P. Shah*

CA Jaymin P. Shah

(Partner)

Mem. No.: 118113

Place: Mumbai

Date: 14<sup>th</sup> November, 2016

