

EURO CERAMICS LTD.

Regd. Office : 208, Sangam Arcade, Vallabhbai Road, Vile Parle West, Mumbai 400 056 (CIN- L26914MH2002PLC135548)

Standalone Financial Results for the Quarter ended 30th June 2014

(Rs. in Lacs)

Sr. No.	Particulars	Standalone			
		Quarter Ended			Year Ended
		30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
		Unaudited	Audited	Unaudited	Audited
1	Income from operations				
	(a) Net Sales/Income from Operations (Net of excise duty)	1,082.18	1,257.30	1,627.83	7,662.85
	(b) Other Operating Income	-	-	-	-
	Total Income from operations (net)	1,082.18	1,257.30	1,627.83	7,662.85
2	Expenses				
	(a) Cost of Materials Consumed	470.89	273.45	585.63	4,657.08
	(b) Purchase of stock in trade	18.17	38.76	13.37	121.29
	(c) (Increase) / Decrease in Inventories of finished goods & work-in-progress and stock in trade	(198.61)	334.77	33.84	635.26
	(d) Employees Benefit Expenses	158.35	149.52	308.17	881.78
	(e) Power and Fuel Expenses	407.09	265.06	479.55	1,252.79
	(f) Depreciation and amortisation expenses	980.95	720.12	745.23	2,961.61
	(g) Other expenses	228.62	168.69	594.83	1,165.64
	Total expenses	2,065.46	1,950.36	2,760.62	11,675.43
3	Profit / (Loss) from Operations before other income, finance cost and exceptional items (1-2)	(983.28)	(693.07)	(1,132.79)	(4,012.58)
4	Other Income	6.63	11.02	44.00	676.96
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(976.65)	(682.05)	(1,088.79)	(3,335.63)
6	Finance Costs	19.34	5.82	45.32	164.35
7	Profit / (Loss) from ordinary activities after finance costs and exceptional items (5+6)	(995.99)	(687.87)	(1,134.10)	(3,499.98)
8	Exceptional items	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7+8)	(995.99)	(687.87)	(1,134.10)	(3,499.98)
10	Tax expenses	-	-	(1.76)	(1.76)
11	Profit / (Loss) from ordinary activities after tax (9+10)	(995.99)	(687.87)	(1,132.34)	(3,498.22)
12	Extraordinary items (Net of tax expenses)	-	-	-	-
13	Net Profit / (Loss) for the period (11+12)	(995.99)	(687.87)	(1,132.34)	(3,498.22)
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) *	(995.99)	(687.87)	(1,132.34)	(3,498.22)
17	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	3,373.77	3,373.77	2,857.80	3,373.77
18	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	(7,343.11)
19.i	EPS (before extraordinary items) (of Rs. 10/- each) (not annualised)				
	(a) Basic	(2.95)	(2.56)	(3.96)	(13.00)
	(b) Diluted	(2.95)	(2.56)	(3.36)	(13.00)
19.ii	EPS (After extraordinary items) (of Rs. 10/- each) (not to be annualised)				
	(a) Basic	(2.95)	(2.56)	(3.96)	(13.00)
	(b) Diluted	(2.95)	(2.56)	(3.36)	(13.00)



Sr. No.	Particulars	Standalone			
		Quarter Ended			Year Ended
		30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
		Unaudited	Audited	Unaudited	Audited
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding:				
	- Number of shares	26,233,370	26,204,111	21,044,406	26,204,111
	- Percentage of shareholdings	77.76	77.67	73.64	77.67
2	Promoters and Promoters group Shareholding**				
	(a) Pledged / Encumbered				
	- Number of shares	7,504,047	7,504,047	7,504,047	7,504,047
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	99.61	99.61	99.61
	- Percentage of shares (as a % of the total share capital of the Company)	22.24	22.24	26.26	22.24
	(b) Non-encumbered				
	- Number of shares	300	29,559	29,559	29,559
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0	0.39	0.39	0.39
	- Percentage of shares (as a % of the total share capital of the Company)	0	0.09	0.10	0.09

	Particulars	30-Jun-14
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	NIL
	Received during the quarter	NIL
	Disposed of during the quarter	NIL
	Remaining unresolved at the end of the quarter	NIL



Segmentwise Revenue, Results and Capital Employed

(Rs. in Lacs)

Sr. No.	Particulars	STANDALONE			
		Quarter Ended		Year Ended	
		30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
		Unaudited	Audited	Unaudited	Audited
1	Segment Revenue				
	(a) Tiles	455.56	662.93	1,382.92	5,997.36
	(b) Aluminium Sections	-	-	-	-
	(c) Sanitaryware	626.62	594.36	244.91	1,665.49
	(d) Realty	-	-	-	-
	Total	1,082.18	1,257.30	1,627.83	7,662.85
	Less: Inter-Segment Revenue	-	-	-	-
	Net Sales	1,082.18	1,257.30	1,627.83	7,662.85
2	Segmental Results				
	(a) Tiles	(885.16)	(515.96)	(659.31)	(2,714.13)
	(b) Aluminium Sections	(3.93)	(4.00)	(7.42)	(26.59)
	(c) Sanitaryware	123.57	81.62	(291.85)	(214.38)
	(d) Realty	-	(3.51)	-	(3.51)
	Total	(765.52)	(441.86)	(958.57)	(2,958.61)
	Less: (i) Interest	19.34	5.82	45.32	164.35
	(ii) Other Unallocable (Income)/ Expenditure (Net)	211.13	240.20	130.22	377.02
	Profit Before Tax	(995.99)	(687.87)	(1,134.10)	(3,499.98)
3	Capital Employed (Segment Assets Less Segment Liabilities)				
	(a) Tiles	16,167.14	16,194.71	17,122.64	16,194.71
	(b) Aluminium Sections	243.24	243.24	246.81	243.24
	(c) Sanitaryware	11,589.97	11,532.16	11,281.06	11,532.16
	(d) Realty	7,768.56	7,768.56	7,765.57	7,768.56
	(e) Unallocable	(20,588.85)	(20,540.81)	(22,312.65)	(20,540.81)
	Total Capital Employed	15,180.06	15,197.86	14,103.42	15,197.86

NOTES

1	The above Un-audited financial results for the quarter ended 30th June 2014 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 14th August 2014 and have undergone limited review by the statutory auditor of the Company. The figures for the quarter ended 31st March, 2014 are the balancing figures between the Audited figures in respect of the full financial year ended 31st March, 2014 and the year to date figures upto the third quarter for that financial year.
2	During the quarter the Company has revised the Depreciation Rates based on the maximum useful life of its various Fixed Assets as prescribed in Part-C of Schedule -II to the Companies Act 2013. As a result depreciation for the quarter ended 30th June 2014 is calculated on SLM method is higher by Rs. 251.21 lacs. Similarly in case of Fixed Assets whose useful life has already been completed as on 31st March 2014, the carrying value (net of residual value) of those Fixed Assets amounting to Rs. 1.63 lacs have been debited to the opening balance of General Reserve Account.
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 one year. The Company has been unable to renegotiate, restructure nor obtain replacement financing and some of the bankers have initiated legal proceeding for recovery from the Company with the Debt Recovery Tribunal. In addition to this, the Company has continuously been incurring substantial losses since past few years and as of 30th June, 2014, the Company's current liabilities exceeds its current assets by Rs. 40,573.07 lakhs. Further, the 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.
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, & the hearings of which are in process for determination of sickness; has not provided for interest on financing facilities amounting to Rs.2,034.59 lakhs for the quarter ended 30th June, 2014. Had the same been accounted for, the net loss (after tax) for the quarter ended 30th June, 2014, would have been increased by Rs.2,034.59 lakhs. The corresponding liability on account of non-provision of interest would have been increased by Rs.2,034.59 lakhs as at 30th June,2014
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.
8	The Company has not provided for impairment on its assets as per 'Accounting Standard 28 - Accounting for Impairment of Assets' as notified under the Companies (Accounting Standards) Rules, 2006. The effect of such impairment has not been quantified by the management and hence the same is not ascertainable.
9	Previous Period/Year's figures have been regrouped / reclassified wherever necessary.

By Order of the Board of Directors
For Euro Ceramics Ltd.

Nenshi L. Shah
Nenshi L. Shah
Managing Director

Place : Mumbai
Date : 14th August, 2014



Deepak Maru & Co.

Chartered Accountants

2/5, Ground Floor, Gajanan Colony,

Goregaon (W), Mumbai – 400062

Tel.: 022- 30284747 / 022-30284748

Certificate No.: J-DMC/0005/2014-15

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

Dear Sirs,

Sub: Limited Review Report for the quarter ended 30th June 2014

We have reviewed the accompanying statement of unaudited financial results of EURO CERAMICS LIMITED for the period ended 30th June 2014 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 audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ Committee of 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.

As referred in Note No.5, the Company's financing arrangements have expired and the amount outstanding is overdue for repayment for more than one year. The Company has been unable to renegotiate, restructure nor obtain replacement financing and some of the bankers have initiated legal proceeding for recovery from the Company with the Debt Recovery Tribunal. In addition to this, the Company has continuously been incurring substantial losses since past few years and as of 30th June, 2014, the Company's current liabilities exceeds its current assets by Rs. 40,578.07 lakhs. Further, the 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



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business. The financial results do not disclose the fact that the fundamental accounting assumption of going concern is under doubt.

As referred in Note No.6 of the accompanying statement, for the quarter ended 30th June, 2014, no provision has been made by the Company for interest cost accrued and due on loans and other facilities amounting to Rs. 2,034.59 lakhs for the quarter ended 30th June, 2014. Had the same been accounted for, the net loss (after tax) for the quarter ended 30th June, 2014 and the corresponding liabilities, would have been higher by Rs. 2,034.59 lakhs.

Based on our review conducted as above, and **subject to** the effect of the matters stated in above paragraph, 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 Clause 41 of the Listing Agreement 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 : 14th August, 2014

