

EURO CERAMICS LTD.

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

Standalone Financial Results for the Quarter and Nine months ended 31st December 2014

(Rs. in Lacs)

Sr. No.	Particulars	Quarter Ended			Nine months Ended		Year Ended
		31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	(a) Net Sales/Income from Operations (Net of excise duty)	1,046.56	1,027.23	2,101.86	3,155.97	6,405.55	7,662.85
	(b) Other Operating Income	-	-	-	-	-	-
	Total Income from operations (net)	1,046.56	1,027.23	2,101.86	3,155.97	6,405.55	7,662.85
2	Expenses						
	(a) Cost of Materials Consumed	513.17	295.73	1,270.58	1,279.79	4,383.63	4,657.08
	(b) Purchase of stock in trade	39.64	43.88	27.04	101.69	82.53	121.29
	(c) (Increase) / Decrease in Inventories of finished goods & work-in-progress and stock in trade	39.83	135.70	774.46	(23.08)	300.49	635.26
	(d) Employees Benefit Expenses	125.20	118.05	221.48	401.60	732.26	881.78
	(e) Power and Fuel Expenses	210.18	261.07	173.41	878.34	987.73	1,252.79
	(f) Depreciation and amortisation expenses	991.25	991.44	743.33	2,963.64	2,241.49	2,961.61
	(g) Other expenses	134.36	158.07	193.05	521.05	996.94	1,165.64
	Total expenses	2,053.63	2,003.94	3,403.35	6,123.04	9,725.07	11,675.43
3	Profit / (Loss) from Operations before other income, finance cost and exceptional items (1-2)	(1,007.07)	(976.71)	(1,301.49)	(2,967.07)	(3,319.52)	(4,012.58)
4	Other Income	20.05	1.17	11.96	27.85	665.94	676.96
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(987.02)	(975.54)	(1,289.53)	(2,939.22)	(2,653.58)	(3,335.63)
6	Finance Costs	19.71	27.03	22.08	66.08	158.53	164.35
7	Profit / (Loss) from ordinary activities after finance costs and exceptional items (5+6)	(1,006.73)	(1,002.57)	(1,311.61)	(3,005.29)	(2,812.11)	(3,499.98)
8	Exceptional items	-	3,409.67	-	3,409.67	-	-
9	Profit / (Loss) from ordinary activities before tax (7+8)	(1,006.73)	(4,412.24)	(1,311.61)	(6,414.96)	(2,812.11)	(3,499.98)
10	Tax expenses	-	-	-	-	(1.76)	(1.76)
11	Profit / (Loss) from ordinary activities after tax (9+10)	(1,006.73)	(4,412.24)	(1,311.61)	(6,414.96)	(2,810.35)	(3,498.22)
12	Extraordinary items (Net of tax expenses)	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11+12)	(1,006.73)	(4,412.24)	(1,311.61)	(6,414.96)	(2,810.35)	(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) *	(1,006.73)	(4,412.24)	(1,311.61)	(6,414.96)	(2,810.35)	(3,498.22)
17	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	3373.77	3,373.77	2,857.80	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	(2.98)	(13.08)	(4.59)	(19.01)	(9.83)	(13.00)
	(b) Diluted	(2.98)	(13.08)	(3.89)	(19.01)	(8.33)	(13.00)
19.ii	EPS (After extraordinary items) (of Rs. 10/- each) (not to be annualised)						
	(a) Basic	(2.98)	(13.08)	(4.59)	(19.01)	(9.83)	(13.00)
	(b) Diluted	(2.98)	(13.08)	(3.89)	(19.01)	(8.83)	(13.00)
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding:						
	- Number of shares	26,233,160	26,233,160	21,044,406	26,233,160	21,044,406	26,204,111
	- Percentage of shareholdings	77.76	77.76	73.64	77.76	73.64	77.67
2	Promoters and Promoters group Shareholding**						
	(a) Pledged / Encumbered						
	- Number of shares	7,504,557	7,504,047	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)	100.00	100.00	99.61	100.00	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	26.26	22.24
	(b) Non-encumbered						
	- Number of shares	510	510	29,559	510	29,559	29,559
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	0.39	-	0.39	0.39
	- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-

Particulars	31-Dec-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	Quarter Ended			Nine months Ended		Year Ended
		31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	(a) Tiles	477.67	450.33	1,640.46	1,383.56	5,334.43	5,997.36
	(b) Aluminium Sections	-	-	-	-	-	-
	(c) Sanitaryware	568.89	576.90	461.40	1,772.41	1,071.13	1,665.49
	(d) Realty	-	-	-	-	-	-
	Total	1,046.56	1,027.23	2,101.86	3,155.97	6,405.55	7,662.85
	Less: Inter-Segment Revenue	-	-	-	-	-	-
	Net Sales	1,046.56	1,027.23	2,101.86	3,155.97	6,405.55	7,662.85
2	Segmental Results						
	(a) Tiles	(783.93)	(761.38)	(1,027.41)	(2,430.47)	(2,198.17)	(2,714.13)
	(b) Aluminium Sections	(3.97)	(3.97)	(6.48)	(11.87)	(22.59)	(26.59)
	(c) Sanitaryware	(48.83)	(16.48)	(17.23)	58.26	(296.00)	(214.38)
	(d) Realty	-	-	-	-	-	(3.51)
	Total	(836.73)	(781.83)	(1,051.11)	(2,384.07)	(2,516.75)	(2,958.61)
	Less: (i) Interest	19.71	27.03	22.08	66.08	158.53	164.35
	(ii) Other Unallocable (Income)/ Expenditure (Net)	150.30	193.71	238.42	555.14	136.83	377.02
	(iii) Exceptional Items	-	3,409.67	-	3,409.67	-	-
	Profit Before Tax	(1,006.74)	(4,412.24)	(1,311.61)	(6,414.96)	(2,812.11)	(3,499.98)
3	Capital Employed (Segment Assets Less Segment Liabilities)						
	(a) Tiles	15,996.21	16,024.33	16,231.99	15,996.21	16,231.99	16,194.71
	(b) Aluminium Sections	248.25	243.23	240.90	248.25	240.90	243.24
	(c) Sanitaryware	11,498.10	11,611.69	11,383.77	11,498.10	11,383.77	11,532.16
	(d) Realty	4,358.89	4,358.89	7,775.45	4,358.89	7,775.45	7,768.56
	(e) Unallocable	(20,357.66)	(20,478.88)	(21,718.56)	(20,357.66)	(21,718.56)	(20,540.81)
	Total Capital Employed	11,743.79	11,759.26	13,913.55	11,743.78	13,913.55	15,197.86

NOTES

1	The above Un-audited financial results for the quarter and nine months ended 31st December 2014 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 14th February 2015 and have undergone limited review by the statutory auditor of the Company.
2	Pursuant to the Companies Act 2013, the Company has revised the depreciation rates w.e.f. 1st April 2014, 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 as calculated on SLM Method, for the quarter and nine months ended 31st December 2014 is higher by Rs. 253.81 lacs and Rs.758.79 Lacs respectively. 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 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 31st December, 2014, the Company's current liabilities exceeds its current assets by Rs.44,013.36 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 and the hearings of which are in process for determination of sickness; has not provided for interest on financing facilities amounting to Rs.2,249.61 lakhs and Rs.6,457.73 lakhs for the quarter and nine months ended 31st December, 2014 respectively. Had the same been accounted for, the net loss (after tax) for the quarter and nine months ended 31st December, 2014 would have increased by that amount respectively. The corresponding liability on account of non provision of interest, would have also been increased by Rs. 2,249.61 lakhs and Rs. 6,457.73 lakhs for the quarter and nine months ended 31st December, 2014 respectively.
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.

Place : Mumbai
Date : 14th February, 2015

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

Nenshi L. Shah
Nenshi L. Shah
Managing Director



Deepak Maru & Co.

Chartered Accountants

701, 7th Floor, Topiwala Centre,

Goregaon (W), Mumbai – 400062

Tel.: 022- 28791349 / 022-28791350

Certificate No.: J-DMC/0022/2014-15

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 31st December 2014

We have reviewed the accompanying statement of unaudited financial results of EURO CERAMICS LIMITED for the period ended 31st December 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 not been able to renegotiate, restructure nor obtain replacement financing and 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 31st December, 2014, the Company's current liabilities exceeds its current assets by Rs. 44,013.36 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



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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 31st December 2014, 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.2,249.61 lakhs and Rs.6,457.73 lakhs for the quarter and nine months ended 31st December, 2014 respectively. Had the same been accounted for; the net loss (after tax) for the quarter and nine months ended 31st December, 2014 would have increased by that amount respectively. The corresponding liability on account of non provision of interest would have also been increased by Rs. 6,457.73 lakhs for nine months ended 31st December, 2014.

As referred in Note No.8 of the accompanying statement, 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.

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 February, 2015

