

Euro Ceramics Ltd.

CIN : L26914MH2002PLC135548

December 13, 2017



To,
The Manager - CRD
BSE Limited
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. December 13, 2017

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. Wednesday, December 13, 2017; *inter-alia*, considered and approved the Standalone Unaudited Financial Results of the Company for the quarter and six months ended September 30, 2017.

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

- a. Standalone Unaudited Financial Results for the quarter and six months ended September 30, 2017.
- b. Limited Review Report on the Standalone Unaudited Financial Results for the quarter and six months ended September 30, 2017 received from the Statutory Auditors of the Company.

The meeting of the Board of Directors commenced at 5PM and concluded at 7.30PM.

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

Regd. Office : 208, Sangam Arcade, Vallabhghai Road, Vile Parle (West), Mumbai - 400056. INDIA.
Tel.: +91-22-4019 4019 • Fax : +91-22-4019 4020 • Email : sales@eurocl.com • Web : www.eurocl.com

Plant : Survey No. 510, 511, 512, 517/1, Bhachau, Dudhai Road, Bhachau (Kutch), Gujarat, Pin : 370140.
Tel.: +91-2837-224751 / 224752 / 224753



EURO CERAMICS LTD.

Regd. Office : 208, Sangam Arcade, Vallabhkhai Road, Vile Parle (West), Mumbai 400 056

(CIN- L26914MH2002PLC135548)

Website - www.eurovitrified.com, email - sales@eurocl.com, Ph-022 40194019, Fax - 022 40194020

(Rs. in Lakhs except EPS)

Statement of Standalone Unaudited Financial Results for the Quarter and Half Year Ended September 30, 2017

Sr. No.	Particulars	Quarter Ended			Half Year Ended	
		30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	INCOME					
a	Revenue from operations	240.74	982.07	1,492.25	1,222.81	2,849.45
b	Other Income	4.50	1.32	4.71	5.81	11.46
	Total Income	245.24	983.39	1,496.96	1,228.62	2,860.91
2	Expenses					
a	Cost of Materials consumed	151.87	522.09	463.25	673.96	1,370.82
b	Purchase of stock-in-trade	5.76	65.50	31.99	71.27	67.72
c	Changes in inventories of finished goods, work-in-progress and	(64.68)	222.87	(7.09)	158.18	(520.12)
d	Excise duty on Sale of Goods	-	94.59	159.96	94.59	298.20
e	Employee benefits expense	91.62	87.02	180.56	178.64	319.27
f	Finance Cost	15.47	13.26	5.29	28.72	34.56
g	Depreciation and amortisation expense	496.33	490.88	658.41	987.22	1,320.43
h	Other expenses					
i	Power & Fuel Expenses	17.32	67.09	304.71	84.42	555.42
ii	Other expenses	24.24	98.73	323.11	122.96	703.08
	Total Other expenses	41.56	165.82	627.82	207.38	1,258.50
	Total Expenses	737.93	1,662.03	2,120.19	2,399.96	4,149.38
3	Total Profit / (Loss) before exceptional and tax (1-2)	(492.69)	(678.64)	(623.23)	(1,171.34)	(1,288.47)
4	Exceptional Items	-	-	-	-	-
5	Total Profit / (Loss) Before Tax	(492.69)	(678.64)	(623.23)	(1,171.34)	(1,288.47)
8	Tax expense					
	Current Tax	-	-	-	-	-
	Deferred Tax	-	-	-	-	-
	Total Tax Expenses	-	-	-	-	-
9	Net Profit/(Loss) for the period from continuing operations	(492.69)	(678.64)	(623.23)	(1,171.34)	(1,288.47)
10	Profit (Loss) from discontinuing operations before tax	-	-	-	-	-
11	Tax Expenses of discontinuing operations	-	-	-	-	-
12	Net Profit (Loss) for the period from discontinuing operations after Tax	-	-	-	-	-
13	Share of Profit (Loss) of associates and joint ventures accounted for using equity method	-	-	-	-	-
14	Total Profit (Loss) for period	(492.69)	(678.64)	(623.23)	(1,171.34)	(1,288.47)
15	Other Comprehensive Income (net of taxes)	-	-	-	-	-
16	Total Comprehensive Income	(492.69)	(678.64)	(623.23)	(1,171.34)	(1,288.47)
17	Reserves	-	-	-	-	-
18	Details of Equity Share Capital					
	Paid-up equity share capital	3,373.77	3,373.77	3,373.77	3,373.77	3,373.77
	Face Value of equity share capital (Rs.)	10.00	10.00	10.00	10.00	10.00
19	Earning per equity share					
i	Basic earnings/(loss) per share from continuing and discontinued operations	(1.46)	(2.01)	(1.85)	(3.47)	(3.82)
ii	Diluted earnings/(loss) per share from continuing and discontinued operations	(1.46)	(2.01)	(1.85)	(3.47)	(3.82)

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STATEMENT OF ASSETS AND LIABILITIES
Rs. In Lakhs

Particulars	As at 30-Sept -2017
ASSETS	
Non-current assets	
(a) Property, Plant and Equipment	18,277.88
<u>(b) Financial Assets</u>	
(i) Investments	134.11
(ii) Trade receivables	758.63
(iii) Loans and Advances	-
(iv) Others financial assets	4.38
(c) Deferred tax assets (net)	-
(d) Other non-current assets	697.84
Sub Total - Non Current Assets	19,872.83
(2) Current assets	
(a) Inventories	3,057.13
<u>(b) Financial Assets</u>	
(i) Investments	-
(ii) Trade receivables	721.28
(iii) Cash and cash equivalents	63.65
(iv) Loans	4,852.09
(v) Others	2.01
(c) Current Tax Assets (Net)	-
(d) Other current assets	115.67
Sub Total - Current Assets	8,811.83
Total Assets	28,684.65
EQUITY AND LIABILITIES	
EQUITY	
(a) Equity Share capital	3,373.77
(b) Other Equity	(9,543.69)
Sub Total - Equity	(6,169.92)
LIABILITIES	
Non-current liabilities	
<u>(a) Financial Liabilities</u>	
(i) Borrowings	245.26
Sub Total - Non Current Liabilities	245.26
Current liabilities	
<u>(a) Financial Liabilities</u>	
(i) Borrowings	27,187.91
(ii) Trade payables	3,639.54
(iii) Other financial liabilities (other than those specified in item (c))	2,262.12
(b) Other current liabilities	1,468.84
(c) Provisions	50.90
(d) Current Tax Liabilities (Net)	-
Sub Total - Current Liabilities	34,609.31
Total Equity and Liabilities	28,684.65




Segmentwise Revenue, Results, Assets and Liabilities

(Rs. In Lakhs)

Sr. No.	Particulars	Quarter Ended			Half Year Ended	
		30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	Segment Revenue					
	(a) Tiles	231.82	336.28	299.99	568.10	541.30
	(b) Aluminium Sections	-	-	-	-	-
	(c) Sanitaryware	8.92	645.79	1,192.26	654.71	2,308.15
	(d) Realty	-	-	-	-	-
	Total	240.74	982.07	1,492.25	1,222.81	2,849.45
	Less: Inter-Segment Revenue	-	-	-	-	-
	Net Sales	240.74	982.07	1,492.25	1,222.81	2,849.45
2	Segmental Results					
	(a) Tiles	(363.23)	(781.78)	(597.51)	(1,145.01)	(1,309.23)
	(b) Aluminium Sections	(1.10)	(1.09)	(1.10)	(2.19)	(2.19)
	(c) Sanitaryware	11.63	286.66	166.84	298.28	392.37
	(d) Realty	-	-	-	-	-
	Total	(352.70)	(496.21)	(431.77)	(848.92)	(919.05)
	Less: (i) Interest	15.47	13.26	5.29	28.72	34.56
	(ii) Other Unallocable (Income)/ Expenditure (Net)	124.52	169.17	186.17	293.7	334.86
	(iii) Exceptional/ Extraordinary Items [(gain)/loss]	-	-	-	-	-
	Profit Before Tax	(492.69)	(678.64)	(623.23)	(1,171.34)	(1,288.47)
3	Capital Employed					
	Segment Asset					
	(a) Tiles	45,009.83	45,091.67	45,033.44	45,009.83	45,033.44
	(b) Aluminium Sections	258.31	258.31	258.31	258.31	258.31
	(c) Sanitaryware	1,150.69	1,250.72	12,224.45	1,150.69	12,224.45
	(d) Realty	4,198.83	4,198.83	4,332.42	4,198.83	4,332.42
	(e) Unallocable	7,289.99	7,426.51	8,696.85	7,289.99	8,696.85
	Total	57,907.65	58,226.04	70,545.47	57,907.65	70,545.47
	Segment Liabilities					
	(a) Tiles	12,703.20	13,310.20	28,918.51	12,703.20	28,918.51
	(b) Aluminium Sections	12.23	12.23	17.09	12.23	17.09
	(c) Sanitaryware	1,451.88	860.09	496.24	1,451.88	496.24
	(d) Realty	-	-	-	-	-
	(e) Unallocable	20,687.25	20,978.00	27,745.97	20,687.25	27,745.97
	Total	34,854.56	35,160.52	57,177.81	34,854.56	57,177.81
	Total Capital Employed	23,053.09	23,065.52	13,367.66	23,053.09	13,367.66

Ura



NOTES

- 1 The above Results for the quarter and half year ended September 30, 2017 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on December 13, 2017. The Statutory Auditors have carried out limited review of the results for quarter and half year ended September 30, 2017.
- 2 The Company has presented, its Unaudited Standalone Financial Results under Indian Accounting Standards ("Ind AS") which was applicable to the Company w.e.f April 1, 2017 and accordingly the financial results for the quarter ended and half year ended September 30, 2017 have been prepared in accordance with recognition and measurement principles laid down in the Ind AS 34 - Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- 3 Figures for the quarter and half year ended September 30, 2016 have been restated as required in terms of Ind AS which have been approved by the Company's Board of Directors but have not been subjected to a limited review. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs. The statement does not include Ind AS compliant results for the previous year ended 31st March, 2017 and have not been subjected to limited review or audit, as the same is not mandatory as per SEBI's Circular CIR/CFD/FAC/62/2016 dated 5th July, 2016.
- 4 Reconciliation between Standalone Unaudited Financial Results, as previously reported and as restated under Ind AS for the quarter and half year ended September 30, 2016 are as under:

Particulars	(Rs. In Lakhs) Quarter ended September 30, 2016	(Rs. In Lakhs) Half year ended September 30, 2016
Net Profit/(Loss) as per previous GAAP (Indian GAAP)	(623.23)	(1,288.47)
Fair Value adjustments of assets and liabilities as per Ind AS	3.86	7.94
Net Profit/(Loss) as per Ind AS	(619.37)	(1,280.53)
Other Comprehensive Income (Net of Tax)	-	-
Total Comprehensive Income	(619.37)	(1,280.53)

- 5 As per IND AS 108, the Company has four reportable segments namely Tiles, Aluminium Extruded Sections, Sanitaryware & Realty.
- 6 Other Income includes Rental Income and Interest Income.
- 7 The Company has made settlement arrangement with its secured lenders in FY 2016-17 and accordingly some of the lenders had been settled completely and rest of the lenders, had given deferred payment schedule with some upfront payment. Accordingly the Company has not provided the interest amounting to Rs.281.51 Lakhs and Rs.560.12 Lakhs, on the balance amount outstanding post settlement, for the quarter and half year ended September 30, 2017 respectively. Also, interest amounting to Rs.880.11 Lakhs pertaining to FY 2016-17 has not been provided in the books. Had the same been accounted for, the net loss (after tax) and current liability for the quarter and half year ended September 30, 2017 would have increased by that amount.
- 8 The Company's current liabilities exceeds its current assets and net worth of the Company has been fully eroded.
- 9 The Deferred Tax provision as per IND AS 12 has not been made on account of losses and absence of reasonable certainty of earning future taxable income in the Company.
- 10 Revenue from operations for period upto June 30, 2017 includes excise duty, which is discontinued effective July 1, 2017 upon implementation of Goods and Service Tax (GST) in India. In accordance with 'Ind AS 18 - Revenue', GST is not included in revenue from operations. In view of the aforesaid restructuring of Indirect Taxes, revenue from operations for the quarter ended September 30, 2017 are not comparable with previous periods.
- 11 Previous Period/Year's figures have been regrouped / reclassified wherever necessary.
- 12 The format for un-audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated 30th November, 2015 has been modified to comply with requirement of SEBI's Circular CIR/CFD/FAC/62/2016 dated 5th July, 2016, applicable to the companies that are required to comply with Ind AS.

Place : Mumbai
Date : December 13, 2017



For Euro Ceramics Ltd

Viral T. Nandu
Viral T. Nandu
Chairman & Whole Time Director
DIN - 01767620

The Board of Directors
Euro Ceramics Limited
208, Sangam Arcade,
Vallabhbhai Road, Vile Parle (W),
Mumbai – 400 056

1. We have reviewed the unaudited financial results of Euro Ceramics Limited (the “Company”) for the quarter and the half year ended September 30, 2017 which are included in the accompanying ‘Statement of Standalone Unaudited Financial Results for the Quarter and Half year ended September 30, 2017’ and the statement of assets and liabilities on that date together with the notes thereon (the “Statement”). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations, 2015”) and SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, which has been initialled by us for identification purposes. The Statement is the responsibility of the Company’s management and has been approved by the Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company’s opening unaudited Balance Sheet as at 01-Apr-2016 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor 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 Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Basis for Qualified Conclusions
 - a. As referred in Note No. 7, the Company has made settlement arrangement with its secured lenders in FY 2016-17 and accordingly some of the lenders had been settled completely and rest of the lenders, had given deferred payment schedule with some upfront payment. Accordingly the Company has not provided the interest amounting to Rs. Rs.281.51 Lakhs and Rs.560.12 Lakhs, on the balance amount outstanding post settlement, for the quarter and half year ended September 30, 2017 respectively. Had the same been accounted for, the net loss (after tax) and current liability for the quarter and half year ended September 30, 2017 would have increased by that amount.
 - b. As referred in Note No.8, the Company’s current liabilities exceeds its current assets and net worth of the Company has been fully eroded, these 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.



4. 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 Statement has not been prepared in all material respects in accordance with Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 and SEBI circular CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Mumbai
December 13, 2017

For Rasesh Shah & Associates
Firm Registration Number: 108671W
Chartered Accountants

A handwritten signature in blue ink, appearing to read "MShah".

Mehul Shah
Partner
Membership Number: 137148