

B. K. SHROFF & CO.

Chartered Accountants

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Review Report to the Board of Directors of Indo Count Industries Ltd.

We have reviewed the accompanying statement of unaudited financial results of Indo Count Industries Ltd. for the period ended 30th September, 2012. This statement is the responsibility of the Company's management and has been approved by the Committee of Board of Directors. Our responsibility is to issue a report on these financial statement 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Our observations in relation to such review are as under :

The company has outstanding foreign currency related derivative contracts in the form of options for hedging its business related exposure which are not speculative in nature. The contracts have long dated tenor with multiple contingent / uncertain events. As such ascertainment of fair value of these contracts is not feasible. However, banks estimate the total mark to market (MTM) of all outstanding contracts at approx Rs.155.15 lac as at 30-09-2012 (Previous year Rs.2409 lac). The management is of the opinion that the determination and crystallization of liability is dependent upon the outcome of uncertain future events or actions, not wholly within the control of the company. As adoption of AS-30 is presently not mandatory, the estimated MTM loss of Rs.155.15 lac for the period ended 30-09-2012 (previous year Rs.2409 lac) has not been provided.

Based on our review conducted as above, nothing has come to our attention that caused 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 B.K. SHROFF & CO.

Chartered Accountants

Firm Reg. No.302166E

O.P. Shroff

PARTNER

Membership No.6329

Place : Mumbai
Date : 08-11-2012



INDO COUNT INDUSTRIES LIMITED

**STATEMENT OF STANDALONE UNAUDITED
FINANCIAL RESULTS FOR THE QUARTER AND
HALF YEAR ENDED 30-09-2012**



SR No	Particulars	For the Quarter Ended (Unaudited)			For the Half Year Ended (Unaudited)		Year ended (Audited)
		30-09-2012	30-06-2012	30-09-2011	30-09-2012	30-09-2011	31-03-2012
		Rupees in Crore					
1	Income from operations						
(a)	Net Sales (including export incentives) (Net of excise duty)	295.92	237.34	206.10	533.26	360.05	749.25
(b)	Other operating income	6.68	7.05	7.69	13.73	16.22	27.53
	Total Income from operations (net) (a+b)	302.61	244.39	213.79	547.00	376.27	776.78
2	Expenditure						
(a)	Cost of materials sold	185.85	158.06	118.15	343.91	248.39	515.72
(b)	Purchases of stock-in-trade	0.00	0.33	3.68	0.33	5.13	6.73
(c)	Changes in inventories of finished goods, work in progress and stock-in-trade	0.00	(1.46)	27.03	(1.46)	14.18	(2.17)
(d)	Employee benefits expense	10.30	11.32	7.44	21.63	15.40	36.68
(e)	Depreciation	4.40	4.34	4.41	8.74	8.79	17.69
(f)	Other expenditure	61.32	39.36	33.14	100.68	50.17	113.16
(g)	Power and Fuel	14.22	11.33	8.05	25.55	18.64	40.97
	Total expenses (a+b+c+d+e+f+g)	276.10	223.28	201.90	499.38	360.70	728.76
3	Earnings before interest, depreciation, tax and amortisation (EBIDTA)	30.91	25.45	16.30	56.36	24.36	65.70
4	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	26.51	21.11	11.89	47.62	15.57	48.02
5	Other income	-	-	-	-	-	-
6	Profit / (Loss) from ordinary activities before finance costs and exceptional items	26.51	21.11	11.89	47.62	15.57	48.02
7	Finance costs	9.70	10.50	9.01	20.20	16.73	35.01
8	Profit / (Loss) from ordinary activities after finance costs but before exceptional items	16.81	10.61	2.88	27.42	(1.16)	13.01
9	Exceptional items	(8.45)	(5.94)	(1.56)	(14.39)	(1.71)	(12.35)
10	Profit / (Loss) from ordinary activities before tax	8.36	4.67	1.32	13.03	(2.87)	0.66
11	Tax expenses :						
	Current Income Tax	0.59	-	-	0.59	-	(0.25)
	Tax of earlier years	-	-	-	-	-	(0.28)
	Deferred Tax	2.73	1.50	0.42	4.23	(0.90)	-
	MAT Credit Entitlement	(0.58)	-	-	(0.58)	-	-
12	Net Profit / (Loss) from ordinary activities after tax	5.62	3.17	0.90	8.79	(1.97)	0.13
13	Extraordinary items (net of tax expense Rs.-----)	-	-	-	-	-	-
14	Net profit / (Loss) for the period	5.62	3.17	0.90	8.79	(1.97)	0.13
	Cash Profit	12.76	9.01	5.72	21.77	5.92	18.34
15	Paid up equity share capital (Face Value of Rs 10/- each)	35.48	35.48	35.48	35.48	35.48	35.48
16	Reserves excluding revaluation reserve at the last balance sheet date	-	-	-	-	-	(1.19)
17	Earnings per Share:- a) Basic and diluted EPS before extra ordinary items for the period, for the year to date and for the previous year (not annualised) - Rs.	1.59	0.04	0.25	2.48	(0.55)	0.04
	b) Basic and diluted EPS after extra ordinary items for the period, for the year to date and for the previous year(not annualised)- Rs.	1.59	0.89	0.25	2.48	(0.55)	0.04

Sr No	PART II Particulars	For the Quarter Ended (Unaudited)			For the Half Year Ended (Unaudited)		Year ended (Audited)
		30-09-2012	30-06-2012	30-09-2011	30-09-2012	30-09-2011	31-03-2012
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding						
	- No of shares	16,294,559	16,294,559	16,286,559	16,294,559	16,286,559	16,295,859
	- Percentage of shareholding	45.92%	45.92%	45.90%	45.92%	45.90%	45.93%
2	Promoters and Promoters group Shareholding						
a)	Pledged / Encumbered						
	- Number of shares	6,295,495	6,295,495	6,295,495	6,295,495	6,295,495	6,295,495
	- % of shares (as % of the total number of shareholding of Promoter and Promoter group)	32.81%	32.81%	32.80%	32.81%	32.80%	32.81%
	- % of shares (as % of the total share capital of the Company)	17.74%	17.74%	17.74%	17.74%	17.74%	17.74%
b)	Non encumbered						
	- Number of shares	12,891,580	12,891,580	12,899,580	12,891,580	12,899,580	12,890,280
	- % of shares (as % of the total number of shareholding of Promoter and Promoter group)	67.19%	67.19%	67.20%	67.19%	67.20%	67.19%
	- % of shares (as % of the total share capital of the Company)	36.33%	36.33%	36.36%	36.33%	36.36%	36.33%

INDO COUNT INDUSTRIES LIMITED

SEGMENT-WISE REVENUE, RESULT AND CAPITAL EMPLOYED AS PER CLAUSE 41 OF LISTING AGREEMENT

Sr No	Segment Reporting :-	Rupees in Crore					
		For the Quarter Ended (Unaudited)			For the Half Year Ended (Unaudited)		Year ended (Audited)
		30-09-2012	30-06-2012	30-09-2011	30-09-2012	30-09-2011	31-03-2012
1	Segment Revenue						
	a) Textiles	255.18	196.24	159.98	451.42	270.30	585.30
	b) Consumer Durable Goods/Electronics	40.74	41.10	46.11	81.84	89.75	163.95
	Total	295.92	237.34	206.10	533.26	360.05	749.25
2	Segment Results (Profit before interest, tax & exceptional items)						
	a) Textiles	24.05	19.15	9.74	43.19	10.94	39.55
	b) Consumer Durable Goods/Electronics	2.46	1.96	2.15	4.42	4.63	8.47
	Total	26.51	21.11	11.89	47.62	15.57	48.02
3	Capital employed (assets - liabilities)						
	a) Textiles	170.70	177.13	265.43	170.70	265.43	186.53
	b) Consumer Durable Goods/Electronics	30.05	27.63	21.90	30.05	21.90	25.70
	Total	200.75	204.76	287.33	200.75	287.33	212.23

**INDO COUNT INDUSTRIES LIMITED
STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER, 2012**

Particulars	Rupees in Crore	
	As at 30/09.3/2012 Unaudited	As at 31-03-2012 Audited
EQUITY AND LIABILITY		
Shareholders' funds		
(a) Share Capital	37.98	37.98
(b) Reserves and Surplus	127.30	124.02
Sub-total - Shareholders' funds	165.28	162.00
Non-current liabilities		
(a) Long-term borrowings	155.16	175.44
(b) Other long term liabilities	1.93	2.81
Sub-total - Non-current liabilities	157.09	178.25
Current liabilities		
(a) Short-term borrowings	162.08	141.04
(b) Trade payables	160.20	107.46
(c) Other current liabilities	82.21	68.26
(d) Short-term provisions	0.59	0.00
Sub-total - Current liabilities	405.08	316.76
TOTAL EQUITY AND LIABILITIES	727.46	657.02
ASSETS		
Non-current assets		
(a) Fixed assets	344.71	341.91
(b) Non-current investments	19.47	19.54
(c) Deferred tax assets (net)	16.01	20.24
(d) Long-term loans and advances	3.63	3.07
Sub-total - Non-current assets	383.82	384.77
Current assets		
(a) Inventories	148.19	128.99
(b) Trade receivables	96.53	68.08
(c) Cash and cash equivalents	8.79	5.91
(d) Short-term loans and advances	66.09	49.82
(e) Other current assets	24.05	19.45
Sub-total - Current assets	343.64	272.25
TOTAL ASSETS	727.46	657.02

NOTES

- The above financial results for the quarter ended 30-09-2012, have been reviewed by the Statutory Auditors of the Company as per Listing Agreement with the Stock Exchanges and approved by the Board of Directors on 8th November, 2012.
- The Company has outstanding Foreign Currency Derivative Contracts in the form of Options for hedging its business related exposure which are not speculative in nature. The Contracts have long dated tenor with multiple contingent / uncertain events. As such ascertainment of fair value of these Contracts is not feasible. Banks estimate MTM loss on these Contracts at Rs. 1.55 Crore as at 30-09-2012. As AS 30 is not mandatory, the Company has not provided for the Loss in its Books of Accounts.
- The Company has only two reportable segments i.e. Textiles and Consumer Durable Goods / Electronics.
- In terms of clause 41 (I) (e) of the Listing Agreement, the Company has exercised an option to publish standalone quarterly financial results.
- Subject to necessary permission, the Company proposes to issue upto 11,00,000 equity shares of Rs. 10/ each for cash at par to the promoters on preferential basis.
- Previous period's figures have been regrouped wherever necessary.
- Details of Investor Complaints for the Quarter ended 30-09-2012: Beginning - Nil, Received - 3, Resolved -3, Pending Nil.

FOR INDO COUNT INDUSTRIES LIMITED

Director

Place: Mumbai
Date : 08-11-2012