

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 June, 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.3327 lac as at 30-06-2012 (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.3327 lac for the period ended 30-06-2012 (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.

Place : Mumbai
Date : 14.08.2012

For B.K. SHROFF & CO.,
Chartered Accountants
Reg. No.302166E

B.K. Shroff

PARTNER
Membership No.6329

INDO COUNT INDUSTRIES LIMITED

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED ON 30-06-2012

Figures are Rupees in Crore

Sr No	Particulars	Quarter ended :			Year ended
		30/06/2012 Unaudited	30/06/2011 Unaudited	31/03/2012 Audited	31/03/2012 Audited
1	Income from operations				
	(a) Net Sales (including export incentives) (Net of excise duty)	237.34	154.87	206.02	749.25
	(b) Other operating income	7.05	7.61	5.33	27.53
	Total Income from operations (net) (a+b)	244.39	162.48	211.35	776.78
2	Expenditure				
	(a) Cost of materials sold	158.06	130.24	136.06	515.72
	(b) Purchases of stock-in-trade	0.33	1.46	0.86	6.73
	(c) Changes in inventories of finished goods, work in progress and stock- in-trade	(1.46)	(12.84)	(7.76)	(2.17)
	(d) Employee benefits expense	11.32	7.95	11.62	36.68
	(e) Depreciation	4.34	4.38	4.44	17.69
	(f) Other expenditure	39.36	17.04	38.25	113.16
	(g) Power and Fuel	11.33	10.57	11.36	40.97
	Total expenses (a+b+c+d+r+f+g)	223.28	158.80	194.83	728.76
3	Earnings before interest,depreciation ,tax and amortisation (EBIDTA)	25.45	8.06	20.95	65.70
4	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	21.11	3.68	16.52	48.02
5	Other income	-	-	-	-
6	Profit / (Loss) from ordinary activities before finance costs and exceptional items	21.11	3.68	16.52	48.02
7	Finance costs	10.50	7.72	8.59	35.01
8	Profit / (Loss) from ordinary activities after finance costs but before exceptional items	10.61	(4.04)	7.93	13.01
9	Exceptional items	(5.94)	(0.14)	(4.69)	(12.35)
10	Profit / (Loss) from ordinary activities before tax	4.67	(4.18)	3.24	0.66
11	Tax expenses :				
	Current Income Tax	-	-	-	-
	Tax of earlier years	0.00	0.00	(0.25)	(0.25)
	Deferred Tax	(1.50)	1.32	(1.06)	(0.28)
12	Net Profit / (Loss) from ordinary activities after tax	3.17	(2.86)	1.93	0.13
13	Extraordinary items (net of tax expense Rs.-----)	-	-	-	-
14	Net profit / (Loss) for the period	3.17	(2.86)	1.93	0.13
15	Paid up equity share capital (Face Value of Rs 10/- each)	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)	0.89	(0.82)	0.54	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)	0.89	(0.82)	0.54	0.04

INDO COUNT INDUSTRIES LIMITED

Sr No	PART II Particulars	Quarter ended :			Year ended
		30/06/2012	30/06/2011	31/03/2012	31/03/2012
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- No of shares	16,294,559	16,283,559	16,295,859	16,295,859
	- Percentage of shareholding	45.92%	45.89%	45.93%	45.93%
2	Promoters and Promoters group Shareholding				
	a) Pledged / Encumbered				
	- Number of shares	6,295,495	4,128,828	6,295,495	6,295,495
	- % of shares (as % of the total number of shareholding of Promoter and Promoter group)	32.81%	21.51%	32.81%	32.81%
	- % of shares (as % of the total share capital of the Company)	17.74%	11.64%	17.74%	17.74%
	b) Non encumbered				
	- Number of shares	12,891,580	15,069,247	12,890,280	12,890,280
	- % of shares (as % of the total number of shareholding of Promoter and Promoter group)	67.19%	78.49%	67.19%	67.19%
	- % of shares (as % of the total share capital of the Company)	36.33%	42.47%	36.33%	36.33%
		STAND ALONE			
	Segment Reporting :-				
		Quarter ended :			Year ended
		30/06/2012	30/06/2011	31/03/2012	31/03/2012
1	Segment Revenue				
	a) Textiles	196.24	111.23	176.47	585.30
	b) Consumer Durable Goods/Electronics	41.10	43.64	29.55	163.95
	Total	237.34	154.87	206.02	749.25
2	Segment Results (Profit before interest,tax&exceptional items)				
	a) Textiles	19.15	1.20	14.73	39.55
	b) Consumer Durable Goods/Electronics	1.96	2.48	1.79	8.47
	Total	21.11	3.68	16.52	48.02
3	Capital employed (assets - liabilities)				
	a) Textiles	177.13	252.88	186.53	186.53
	b) Consumer Durable Goods/Electronics	27.63	19.80	25.70	25.70
	Total	204.76	272.68	212.23	212.23

NOTES

- 1) The above financial results for the quarter ended 30-06-2012, 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 14th August, 2012.
- 2) 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.33.27 Crore as at 30-06-2012. As AS 30 is not mandatory, the Company has not provided for the Loss in its Books of Accounts.
- 3) The Company has only two reportable segments i.e. Textiles and Consumer Durable Goods / Electronics.
- 4) In terms of clause 41 (I) (e) of the Listing Agreement, the Company has exercised an option to publish standalone quarterly financial results.
- 5) Previous period's figures have been regrouped wherever necessary.
- 6) Details of Investor Complaints for the Quarter ended 30-06-2012: Beginning – Nil, Received – 1, Resolved –1, Pending

FOR INDO COUNT INDUSTRIES LIMITED

Director

Place: Mumbai
Date : 14-08-2012

Anil Kumar
Director