

# B. K. SHROFF & CO.

Chartered Accountants

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## Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement

To  
Board of Directors of  
INDO COUNT INDUSTRIES LIMITED

We have audited the quarterly financial results of Indo Count Industries Limited for the quarter ended 31<sup>st</sup> March, 2015 and year to date results for the period 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015 herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public shareholding' made by the management and have not been audited by us. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 133 of the Companies Act, 2013 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) Are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (ii) Give a true and fair view of the net profit and other financial information for the quarter ended 31<sup>st</sup> March, 2015 as well as year to date results for the period 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of *public* shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For B.K.SHROFF & Co.  
Chartered Accountants  
Firm Registration No 302166E

Place: New Delhi  
Date: 09.05.2015



*B.K. Shroff*  
PARTNER  
Membership No. 6329



INDO COUNT INDUSTRIES LIMITED

Figures are rupees in crore except EPS

Part - I : Statement of standalone audited financial results for the year ended 31st March, 2015

| SR No | Particulars   | STANDALONE            |                         |                       |                       |                       | CONSOLIDATED          |                       |
|-------|---|-----------------------|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|       |   | Quarter Ended         |                         | Year Ended            |                       |                       | Year Ended            |                       |
|       |   | 31-03-2015<br>Audited | 31-12-2014<br>Unaudited | 31-03-2014<br>Audited | 31-03-2015<br>Audited | 31-03-2014<br>Audited | 31-03-2015<br>Audited | 31-03-2014<br>Audited |
| 1     | <b>Income from operations</b>   |                       |                         |                       |                       |                       |                       |                       |
| (a)   | Net Sales (including export incentives) (Net of excise duty)  | 444.51                | 413.12                  | 342.61                | 1,615.56              | 1,410.33              | 1,716.89              | 1,467.63              |
| (b)   | Other operating income  | 12.17                 | 15.24                   | 9.53                  | 64.39                 | 30.16                 | 64.91                 | 30.27                 |
|       | <b>Total Income from operations (net) (a+b)</b>   | <b>456.68</b>         | <b>428.36</b>           | <b>352.14</b>         | <b>1,679.95</b>       | <b>1,440.49</b>       | <b>1,781.80</b>       | <b>1,497.90</b>       |
| 2     | <b>Expenditure</b>  |                       |                         |                       |                       |                       |                       |                       |
| (a)   | Cost of materials sold  |                       |                         |                       |                       |                       |                       |                       |
| (b)   | Purchases of stock-in-trade   | 229.05                | 254.30                  | 213.84                | 964.77                | 896.73                | 1,008.73              | 937.44                |
| (c)   | Changes in inventories of finished goods, work in progress and stock- in-trade  | 8.84                  | (25.95)                 | (11.75)               | 0.38                  | 8.79                  | 0.62                  | 8.87                  |
| (d)   | Employee benefits expense   |                       |                         |                       | (31.44)               | (16.46)               | (62.76)               | (56.01)               |
| (e)   | Depreciation  | 20.16                 | 18.76                   | 14.91                 | 72.78                 | 58.33                 | 79.88                 | 64.48                 |
| (f)   | Other expenditure   | 3.82                  | 4.35                    | 4.84                  | 15.40                 | 18.83                 | 15.97                 | 19.56                 |
| (g)   | Power and Fuel  | 95.04                 | 82.93                   | 72.27                 | 311.30                | 255.38                | 371.99                | 287.79                |
|       | <b>Total expenses ( a+b+c+d+e+f+g)</b>  | <b>373.40</b>         | <b>350.37</b>           | <b>308.89</b>         | <b>1,394.08</b>       | <b>1,279.46</b>       | <b>1,484.10</b>       | <b>1,328.36</b>       |
| 3     | <b>Earnings before interest, depreciation ,tax and amortisation (EBIDTA)</b>  | <b>87.10</b>          | <b>82.34</b>            | <b>48.09</b>          | <b>301.27</b>         | <b>179.86</b>         | <b>313.66</b>         | <b>189.10</b>         |
| 4     | <b>Profit / (Loss) from operations before other income, finance costs and exceptional items ( 1-2)</b>  | <b>83.29</b>          | <b>77.99</b>            | <b>43.25</b>          | <b>285.87</b>         | <b>161.03</b>         | <b>297.69</b>         | <b>169.54</b>         |
| 5     | Other income  | -                     | -                       | -                     | -                     | -                     | -                     | -                     |
| 6     | <b>Profit / (Loss) from ordinary activities before finance costs and exceptional items</b>  | <b>83.29</b>          | <b>77.99</b>            | <b>43.25</b>          | <b>285.87</b>         | <b>161.03</b>         | <b>297.69</b>         | <b>169.54</b>         |
| 7     | Finance costs   | 16.61                 | 14.11                   | 15.98                 | 62.53                 | 48.97                 | 65.02                 | 49.89                 |
| 8     | <b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items</b>  | <b>66.68</b>          | <b>63.88</b>            | <b>27.27</b>          | <b>223.35</b>         | <b>112.06</b>         | <b>232.67</b>         | <b>119.65</b>         |
| 9     | Exceptional items   | (25.74)               | -                       | -                     | (25.74)               | -                     | (25.74)               | -                     |
| 10    | <b>Profit / (Loss) from ordinary activities before tax</b>  | <b>40.93</b>          | <b>63.88</b>            | <b>27.27</b>          | <b>197.60</b>         | <b>112.06</b>         | <b>206.93</b>         | <b>119.65</b>         |
| 11    | <b>Tax expenses :</b>   |                       |                         |                       |                       |                       |                       |                       |
|       | Current Income Tax  | 8.58                  | 13.39                   | 5.46                  | 41.44                 | 22.44                 | 43.87                 | 24.33                 |
|       | Deferred Tax  | 4.17                  | 20.26                   | (1.88)                | 50.33                 | 7.13                  | 50.62                 | 8.13                  |
|       | MAT Credit Entitlement  | 0.15                  | (13.39)                 | (5.46)                | (32.71)               | (22.44)               | (32.94)               | (23.20)               |
|       | MAT Credit Entitlement of earlier years   | -                     | -                       | -                     | (0.50)                | -                     | (0.50)                | -                     |
| 12    | <b>Net Profit / (Loss) from ordinary activities after</b>   | <b>28.03</b>          | <b>43.62</b>            | <b>29.15</b>          | <b>139.04</b>         | <b>104.93</b>         | <b>145.88</b>         | <b>110.39</b>         |
| 13    | Extraordinary items ( net of tax expense )  | -                     | -                       | -                     | -                     | -                     | -                     | -                     |
| 14    | <b>Net profit / (Loss) for the period</b>   | <b>28.03</b>          | <b>43.62</b>            | <b>29.15</b>          | <b>139.04</b>         | <b>104.93</b>         | <b>145.88</b>         | <b>110.39</b>         |
| 15    | Minority Interest   | -                     | -                       | -                     | -                     | -                     | 0.21                  | 0.43                  |
| 16    | <b>Profit for the year ( after adjustment for Minority Interest)</b>  | <b>-</b>              | <b>-</b>                | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>145.66</b>         | <b>109.96</b>         |
| 17    | <b>CASH PROFIT</b>  | <b>36.18</b>          | <b>54.84</b>            | <b>26.66</b>          | <b>171.57</b>         | <b>108.46</b>         | <b>179.02</b>         | <b>114.87</b>         |
| 18    | Paid up equity share capital (Face Value of Rs 10/-   | 39.48                 | 36.58                   | 35.48                 | 39.48                 | 35.48                 | 39.48                 | 35.48                 |
| 19    | Reserves excluding revaluation reserve at the last balance sheet date   | -                     | -                       | -                     | 270.76                | 130.63                | 275.75                | 133.12                |
| 20    | 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. | 7.50                  | 11.89                   | 8.20                  | 37.18                 | 29.54                 | 38.95                 | 30.96                 |
|       | 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.                       | 7.50                  | 11.89                   | 8.20                  | 37.18                 | 29.54                 | 38.95                 | 30.96                 |





Part - II : Select Information March, 2015

| Sr        | Particulars   | Quarter Ended |             |             | Year Ended  |             |
|-----------|---|---------------|-------------|-------------|-------------|-------------|
|           |   | 31-03-2015    | 31-12-2014  | 31-03-2014  | 31-03-2015  | 31-03-2014  |
|           |   | Audited       | Unaudited   | Audited     | Audited     | Audited     |
| <b>A</b>  | <b>PARTICULARS OF SHAREHOLDING</b>  |               |             |             |             |             |
| <b>1</b>  | <b>Public shareholding</b>  |               |             |             |             |             |
|           | - No of shares  | 1,62,05,429   | 1,62,82,094 | 1,62,82,094 | 1,62,05,429 | 1,62,82,094 |
|           | - Percentage of shareholding  | 41.05%        | 41.24%      | 45.89%      | 41.05%      | 45.89%      |
| <b>2</b>  | <b>Promoters and Promoters group Shareholding</b>                                       |               |             |             |             |             |
| <b>a)</b> | <b>Pledged / Encumbered</b>   |               |             |             |             |             |
|           | - Number of shares  | 73,95,495     | 73,95,495   | 62,95,495   | 73,95,495   | 62,95,495   |
|           | - % of shares (as % of the total number of Shareholding of Promoter and Promoter group) | 31.78%        | 31.88%      | 32.79%      | 31.78%      | 32.79%      |
|           | - % of shares (as % of the total Share Capital of the Company)                          | 18.73%        | 18.73%      | 17.74%      | 18.73%      | 17.74%      |
| <b>b)</b> | <b>Non encumbered</b>   |               |             |             |             |             |
|           | - Number of shares  | 1,58,79,010   | 1,58,02,345 | 1,29,04,045 | 1,58,79,010 | 1,29,04,045 |
|           | - % of shares (as % of the total number of Shareholding of Promoter and Promoter group) | 68.22%        | 68.12%      | 67.21%      | 68.22%      | 67.21%      |
|           | - % of shares (as % of the total Share Capital of the Company)                          | 40.22%        | 40.03%      | 36.37%      | 40.22%      | 36.37%      |

|          |  | STANDALONE    |               |               |                 |                 | CONSOLIDATED    |                 |
|----------|--|---------------|---------------|---------------|-----------------|-----------------|-----------------|-----------------|
|          |  | Quarter Ended |               |               | Year Ended      |                 | Year Ended      |                 |
|          |  | 31-03-2015    | 31-12-2014    | 31-03-2014    | 31-03-2015      | 31-03-2014      | 31-03-2015      | 31-03-2014      |
| <b>1</b> | <b>Segment Reporting :-</b>                                  |               |               |               |                 |                 |                 |                 |
|          | <b>Segment Revenue</b>                                       |               |               |               |                 |                 |                 |                 |
|          | a) Textiles  | 444.51        | 413.12        | 321.58        | 1,566.53        | 1,280.03        | 1,667.86        | 1,341.88        |
|          | b) Consumer Durable Goods/Electronics                        | -             | -             | 21.03         | 49.03           | 130.30          | 49.03           | 125.75          |
|          | <b>Total</b>   | <b>444.51</b> | <b>413.12</b> | <b>342.61</b> | <b>1,615.56</b> | <b>1,410.33</b> | <b>1,716.89</b> | <b>1,467.63</b> |
| <b>2</b> | <b>Segment Results</b>                                       |               |               |               |                 |                 |                 |                 |
|          | <b>(Profit before interest, tax &amp; exceptional items)</b> |               |               |               |                 |                 |                 |                 |
|          | a) Textiles  | 83.29         | 78.07         | 42.77         | 284.79          | 156.86          | 296.61          | 163.22          |
|          | b) Consumer Durable Goods/Electronics                        | -             | (0.08)        | 0.48          | 1.08            | 4.17            | 1.08            | 6.32            |
|          | <b>Total</b>   | <b>83.29</b>  | <b>77.99</b>  | <b>43.25</b>  | <b>285.87</b>   | <b>161.03</b>   | <b>297.69</b>   | <b>169.54</b>   |
|          | Less : Interest  | 16.61         | 14.11         | 15.98         | 62.53           | 48.97           | 65.02           | 49.89           |
|          | Less : Exceptional Items                                     | (25.74)       | -             | -             | -               | -               | (25.74)         | -               |
|          | <b>Total Profit Before Tax</b>                               | <b>40.93</b>  | <b>63.88</b>  | <b>27.27</b>  | <b>223.35</b>   | <b>112.06</b>   | <b>206.93</b>   | <b>119.65</b>   |
| <b>3</b> | <b>Capital employed ( assets - liabilities)</b>              |               |               |               |                 |                 |                 |                 |
|          | a) Textiles  | 342.72        | 332.76        | 232.09        | 342.72          | 232.09          | 347.71          | 240.04          |
|          | b) Consumer Durable Goods/Electronics                        | 37.17         | 37.23         | 36.10         | 37.17           | 36.10           | 37.17           | 36.10           |
|          | <b>Total</b>   | <b>379.90</b> | <b>369.99</b> | <b>268.19</b> | <b>379.90</b>   | <b>268.19</b>   | <b>384.88</b>   | <b>276.14</b>   |



**INDO COUNT INDUSTRIES LIMITED**

Figures are Rupees in Crore

**Statement of Assets & Liabilities**

|          | Particulars  | STANDALONE          |                     | CONSOLIDATED        |                     |
|----------|--|---------------------|---------------------|---------------------|---------------------|
|          |  | As at<br>31-03-2015 | As at<br>31-03-2014 | As at<br>31-03-2015 | As at<br>31-03-2014 |
|          |  | Audited             | Audited             | Audited             | Audited             |
| <b>A</b> | <b>EQUITY AND LIABILITY</b>  |                     |                     |                     |                     |
| 1        | Shareholders' funds  |                     |                     |                     |                     |
|          | (a) Share Capital  | 41.98               | 37.98               | 41.98               | 37.98               |
|          | (b) Reserves and Surplus   | 360.86              | 232.04              | 381.90              | 251.33              |
|          | <b>Sub-total - Shareholders' funds</b>   | <b>402.84</b>       | <b>270.02</b>       | <b>423.88</b>       | <b>289.31</b>       |
| 2        | Share Application Money pending Allotment  | -                   | 1.10                | -                   | 1.10                |
| 3        | Warrant Application Money Pending Allotment -<br>(Optionally fully convertible warrants) | -                   | 1.25                | -                   | 1.25                |
| 4        | Minority Interest  | -                   | -                   | 5.66                | 5.45                |
| 5        | Non-current liabilities  |                     |                     |                     |                     |
|          | (a) Long-term borrowings   | 67.15               | 97.23               | 67.15               | 97.24               |
|          | (b) Deferred Tax Liabilities (Net)   | 40.12               | -                   | 37.05               | -                   |
|          | (c) Other long term liabilities  | 1.38                | 0.01                | 2.23                | 0.65                |
|          | <b>Sub-total - Non-current liabilities</b>   | <b>108.66</b>       | <b>97.24</b>        | <b>106.43</b>       | <b>97.90</b>        |
| 6        | Current liabilities  |                     |                     |                     |                     |
|          | (a) Short-term borrowings  | 223.86              | 268.63              | 276.98              | 298.55              |
|          | (b) Trade payables   | 181.69              | 189.19              | 187.70              | 199.80              |
|          | (c) Other current liabilities  | 168.15              | 86.73               | 170.41              | 89.16               |
|          | (d) Short-term provisions  | 68.20               | 26.76               | 70.84               | 28.35               |
|          | <b>Sub-total - Current liabilities</b>   | <b>641.89</b>       | <b>571.31</b>       | <b>705.93</b>       | <b>615.86</b>       |
|          | <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>1,153.39</b>     | <b>940.92</b>       | <b>1,241.90</b>     | <b>1,010.87</b>     |
| <b>B</b> | <b>ASSETS</b>  |                     |                     |                     |                     |
| 1        | Non-current assets   |                     |                     |                     |                     |
|          | (a) Fixed assets   | 374.76              | 317.88              | 402.98              | 346.68              |
|          | (b) Non-current investments  | 18.80               | 18.80               | -                   | -                   |
|          | (c) Deferred tax assets (net)  | -                   | 9.79                | -                   | 13.13               |
|          | (d) Long-term loans and advances   | 10.20               | 4.69                | 11.63               | 5.74                |
|          | <b>Sub-total - Non-current assets</b>  | <b>403.77</b>       | <b>351.16</b>       | <b>414.61</b>       | <b>365.55</b>       |
| 2        | Current assets   |                     |                     |                     |                     |
|          | (a) Inventories  | 264.13              | 257.12              | 383.03              | 345.68              |
|          | (b) Trade receivables  | 208.04              | 166.92              | 127.02              | 108.66              |
|          | (c) Cash and cash equivalents  | 16.27               | 11.80               | 50.81               | 31.33               |
|          | (d) Short-term loans and advances  | 125.43              | 75.23               | 128.89              | 78.98               |
|          | (e) Other current assets   | 135.76              | 78.69               | 137.55              | 80.68               |
|          | <b>Sub-total - Current assets</b>  | <b>749.62</b>       | <b>589.76</b>       | <b>827.29</b>       | <b>645.32</b>       |
|          | <b>TOTAL ASSETS</b>  | <b>1,153.39</b>     | <b>940.92</b>       | <b>1,241.90</b>     | <b>1,010.87</b>     |



**NOTES:**

1) The above financial results were reviewed by the Audit Committee and approved by the Board of Directors on 09.05.2015

2) The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year upto March 31, 2015 and the unaudited published year-to-date figures upto December 31, 2014, being the date of the end of the third quarter of the financial year which were subjected to limited review.

3) Effective 1st April, 2014, the company has revised its estimated useful life of fixed assets, wherever appropriate, on the basis of useful life specified in Schedule II of the Companies Act, 2013. The carrying amount as on 1st April, 2014 is depreciated over the revised remaining useful life. As a result of these changes, the depreciation charged for the period ended 31 st March, 2015 is lower by Rs. 4,34,93,480 and the effect relating to the period prior to 1st April, 2014 is Rs. 88,51,641 (net of deferred tax asset of Rs. 42,51,967) which has been adjusted against opening balance of retained earnings, where the remaining useful life of the asset is nil.

4) The Company has changed the method of valuation of raw materials of Spinning division from FIFO (first in first out) basis to weighted average method. The difference in value due to change in method is not significant.

5) Based on reference of Union Bank Of India, the Lead Bank, a financial restructuring package was approved by Empowered Group of Corporate Debt Restructuring( CDR-EG) on July 01, 2008 being the COD of CDR.

The CDR-EG approved the exit of the Company from CDR Mechanism w.e.f. April 01, 2014 in their meeting held on March 26, 2015. Therein, the CDR-EG has accepted total recompense amount of Rs. 24,46,23,385 (net of concessions) as certified by the Concurrent Auditor appointed by the CDR lenders vide their certificate dated February 21, 2015 for nine lenders. In addition, for two lenders, Company settled their dues in January 2015 by paying Rs. 1,28,12,440.

The Company has paid recompense amount (net of concessions agreed by the lenders) shown under Exceptional items. Consequently, the Company is out of CDR mechanism.

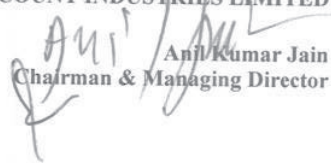
6) Previous period / year's figures have been regrouped/rearranged wherever necessary.

7) Details of investor complaints for the quarter ended 31-03-2015 : begining - Nil, received - 3, resolved - 3, pending- Nil.

**FOR INDO COUNT INDUSTRIES LIMITED**

**Place: Mumbai**

**Date : 09.05.2015**

  
Anil Kumar Jain  
Chairman & Managing Director

