NRC LIMITED - CIN-L17120MH1946PLC005227

Regd. Office: 67, Surajmal Building, 75, Nakhoda Street, Pydhonie, Mumbai - 400 003

Statement of Unaudited Financial Results for the Quarter Ended 30th June, 2014

PART I — **Rs. in Lakhs**

Particulars	Current Quarter Ended 30/06/2014 (Unaudited)	Preceding Quarter ended 31/03/2014 (Audited)	Corresponding Quarter ended 30/06/2013 (Unaudited)	Previous Year ended 31/03/2014 (Audited)
1) **Income from operations**				
a) Net sales/income from operations (Net of excise duty)	—	—	—	—
b) Other operating income	—	—	—	—
Total income from operations (net)	—	—	—	—
2) **Expenses**				
a) Cost of materials consumed	—	—	—	—
b) Power/Plant upkeeping expenses	59.21	80.22	123.00	645.22
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	—	—	—	—
d) Employee benefits expense	114.82	152.15	113.00	518.15
e) Depreciation and amortisation expense	95.18	386.76	374.00	1,506.76
f) Other expenses	102.62	89.02	59.00	260.02
Total Expenses	**371.83**	**708.15**	**669.00**	**2,930.15**
3) Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	**(371.83)**	**(708.15)**	**(669.00)**	**(2,930.15)**
4) Other Income	79.19	217.34	84.00	469.34
5) Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	**(292.64)**	**(490.81)**	**(585.00)**	**(2,460.81)**
6) Finance Costs (refer note 4 (i) (a)) below	—	—	—	—
7) Profit/(Loss) from ordinary activities after finance costs and before exceptional items (5+6)	**(292.64)**	**(490.81)**	**(585.00)**	**(2,460.81)**
8) Exceptional items (reversal of provision for diminution in the value of investments	—	125.00	—	—
9) Profit/(Loss) from ordinary activities before tax (7+8)	**(292.64)**	**(365.81)**	**(585.00)**	**(2,460.81)**
10) Tax expenses	—	—	—	—
11) Net Profit/(Loss) from ordinary activities after tax (9+10)	**(292.64)**	**(365.81)**	**(585.00)**	**(2,460.81)**
12) Net Profit/(Loss) for the period	**(292.64)**	**(365.81)**	**(585.00)**	**(2,460.81)**
13) Paid-up Equity Share Capital (Face value of Rs. 10 each)	3,727	3,727	3,727	3,727
14) Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year		—	—	(53,195.94)
15) Earnings per share (before exceptional items) (of Rs. 10/- each) (not annualised) : Basic and Diluted	(0.79)	(1.32)	(1.57)	(6.61)
16) Earnings per share (after exceptional items) (of Rs. 10/- each) (not annualised) : Basic and Diluted	(0.79)	(0.98)	(1.57)	(6.61)
See accompanying note to the financial results				
PART II				
PARTICULARS OF SHAREHOLDING				
Public shareholding				
-Number of shares	1,93,55,865	1,93,55,865	1,93,55,865	1,93,55,865
-Percentage of shares	51.98%	51.98%	51.98%	51.98%
Promoters and promoter Group Shareholding**				
a) Pledged/Encumbered				
- Number of shares	1,77,95,377	1,77,95,377	1,77,95,377	1,77,95,377
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.52%	99.52%	99.52%	99.52%
- Percentage of shares (as a % of the total share capital of the company)	47.79%	47.79%	47.79%	47.79%
b) Non-encumbered				
-Number of shares	86,171	86,171	86,171	86,171
-Percentage of shares (as a % of the total shareholding of promotor and promotor group)	0.48%	0.48%	0.48%	0.48%
-Percentage of shares (as a % of the total share capital of the company)	0.23%	0.23%	0.23%	0.23%
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			

** Includes 4,60,000 shares transferred in the name of a bank for pledge of the same.

Notes:

1. The above results have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 30th December, 2014.
2. There was no manufacturing operation during the quarter. The lockout declared by Company w.e.f. 15th November, 2009 is still in force; Labour Union challenged the lockout, which is pending at Industrial Court and the consequent liabilities if any is not ascertainable.
3. The Company is a Sick Industrial Undertaking within the meaning of Section 3 (1)(0) of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) and continue to be under the preview of Board of Industrial and Financial Reconstruction (BIFR). Filing of Draft Rehabilitation Scheme (DRS) is pending due to various litigations. BIFR vide its order dated 22.01.2014, directed the Operating Agency (OA) to explore possibility of amicable understanding between the parties on disposal of surplus land. The Labour Union has filed a writ petition in Honorable Bombay High Court, seeking formulation of DRS in time bound manner and instruction in early disposal of surplus land, which is pending. The OA has yet to file DRS.
4. The Auditors have stated in their Limited Review Report dated 30th December, 2014. that they are unable to express an opinion whether the Company can operate as a going concern and its consequential impact on the financial statements, as it is not presently ascertainable. The auditors have further stated that no provisions / adjustments have been made in the financial statements as may arise towards (a) Impairment loss as a result of suspension of production at Company's plants- presently not ascertainable (b) Adjustment arising on receipt of pending confirmations / reconciliations of certain loans and advances, other non-current assets, trade payables, other liabilities and lenders – presently not ascertainable (c) Interest/compound interest /penalty on delayed /non-payment in respect of certain statutory dues/ trade payables / promoters' contribution / Loan from secured and unsecured lenders – presently not ascertainable (d) non provision of Mesene profit (e) and pending approval of managerial remuneration.

   Management comments pertaining to above:

   (i) Pending submission and sanction of the Draft Rehabilitation Scheme (DRS); a) These accounts have been prepared on a going concern basis, prime-facie there is no impairment loss, however the same if any, on evaluation will be accounted for as and when DRS is finally approved. b) In view of expected waiver of the interest / penalty etc on delayed /non-payment of certain statutory dues/ trade payable / promoters' contribution /Loan from secured and unsecured lenders, have not been provided. (c) The Company has challenged the vacation and liability of mesne profit in a Court, which is pending and accordingly the amount of mesne profit is not provided but included in contingent liability.

   (ii) (a) Confirmation / reconciliation of balances of certain Banks, Loans & Advances, Other non-current assets, Trade Payables, Other liabilities and Lenders are also not available. However, necessary action in this regard is already initiated and on receipt of the same, will be reviewed by the Company. Consequential adjustments arising thereon, which are presently not ascertainable, will be made.
5. During the quarter provision made for Managing Director remuneration of Rs. 45.43 Lac. (for the period from 25th January, 2014 to 30th June, 2014 is Rs. 74.58 Lac) is subject to shareholders' and Central Government approval. Shareholders' approval is being taken in ensuing Annual General Meeting. Further, Rs.635.87 paid/provided for earlier years was approved by shareholders but Central Government did not approve the same. The Company is taking necessary steps to secure the approval in this regards.
6. Consequent to the enactment of the Companies Act,2013 (the Act) and its applicability for accounting periods commencing from April 1, 2014,the Company has realigned the remaining useful life of its tangible assets in accordance with the provisions under Schedule II to the Act. Consequently, in case of tangible assets which completed their useful life, the carrying value (net residual value) as at April1, 2014 amounting to Rs.4,904.59 lacs (net of revaluation reserve on building of Rs 1,443.16 lacs) has been adjusted to the accumulated balance of retained earnings (deficit). Depreciation and amortization expenses for quarter ended June, 2014 is lower by Rs.392.62 lacs.
7. Previous periods' / year's figures have been re-grouped / re-arranged wherever necessary to conform to the current periods' / year's presentation.

Mumbai
December 30, 2014

DUNCAN GOENKA

www.nrclimited.com

For **and on behalf of the Board of Directors**

Arun Jain
Managing Director
DIN - 00006007