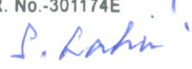


To
Interim Resolution Professional
Nicco Corporation Limited

1. We have audited the financial results of **Nicco Corporation Limited** for the quarter and nine months ended 31st December 2016 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (listing Obligations and Disclosure Requirements) Regulations 2015. These 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, referred to under section 133 of Companies Act, 2013 read with rule - 7 of Companies (Accounts) Rules 2014 and other accounting principles generally accepted in India.
2. 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.
3. Attention is invited to the following:
 - a) Retention of net deferred tax asset of Rs. 5085.13 lakhs which includes recognition of deferred tax against unabsorbed loss and unabsorbed depreciation up-to 31.03.2011.
 - b) Pending redemption of 21,83,000 number of cumulative preference shares of Rs.100 each.
 - c) Non provision of interest of Rs. 624 lakhs- against interest bearing dues.
 - d) Consideration of annualized Interest @11% p.a. as against 17% p.a. charged by bank on the ground of default and irregularity. Quantum lying un provided for not being readily ascertainable.
 - e) Non provision against depreciation on component of fixed assets warranting separate accounting under footnote (4) of Schedule - II of Companies Act, 2013.
 - f) Non provision against debt for Rs.1905.87 lakhs barred by time limitation.
 - g) Dues withheld by customers towards late delivery are pending identification and provision
4. Subject to 3 above with consequent impact thereof on quarterly and nine months' result , in our opinion and to the best of our information and according to the explanations given to us these quarterly and nine monthly financial results.
 - (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations , 2015 in this regard; and
 - (ii) give a true and fair view of the net loss and other financial information for the quarter and nine months ended on 31st December 2016.

Place: Kolkata
Date: February14, 2017

For G. BASU & CO.
Chartered Accountants
R. No.-301174E

(S. LAHIRI)
Partner
(M. No.-051717)

FOR THE QUARTER ENDED 31ST DECEMBER 2016

Sl. No.	PARTICULARS	Rs. in Lacs					
		1	2	3	4	5	6
		ended 31.12.2016 Audited	ended 30.09.2016 Audited	ended 31.12.2015 Audited	ended 31.12.2016 Audited	ended 31.12.2015 Audited	ended 31.03.2016 Audited
1	Income from operations						
(a)	Net sales/Income from operations (Net of Excise duty)	-	-	186	-	557	557
(b)	Other operating income	-	-	-	-	2	2
	Total Income from operations (net)	-	-	186	-	559	559
2	Expenditure						
(a)	Cost of Materials consumed	-	-	98	-	331	331
(b)	Purchase of stock-in-trade	-	-	-	-	27	27
(c)	Changes of inventories of finished goods, work-in-progress and stock-in-trade	-	-	24	-	75	83
(d)	Employee benefit expense	60	74	147	169	482	595
(e)	Depreciation and amortisation expense	102	102	91	296	266	366
(f)	Other Expenditure	58	65	186	190	479	555
	Total expenses	220	241	547	655	1,661	1,957
3	Profit/(loss) from operations before other income, finance costs and Exceptional Items (1-2)	(220)	(241)	(360)	(655)	(1,101)	(1,397)
4	Other Income	86	228	105	405	345	447
5	Profit/(loss) from ordinary activities before finance costs and Exceptional Items (3+4)	(134)	(13)	(255)	(249)	(756)	(951)
6	Finance Costs	676	861	968	2,685	3,104	3,894
7	Profit/(loss) from ordinary activities after finance costs but before exceptional items (5-6)	(1,010)	(874)	(1,223)	(2,935)	(3,860)	(4,845)
8	Exceptional items	-	(124)	-	(124)	-	-
9	Profit / Loss from ordinary activities before Tax (7+8)	(1,010)	(998)	(1,223)	(3,059)	(3,860)	(4,845)
10	Tax Expense						
	Deferred Tax	-	-	-	-	-	-
	Income Tax	-	-	-	-	-	-
11	Net Profit / Loss from ordinary activities after Tax (9 - 10)	(1,010)	(998)	(1,223)	(3,059)	(3,860)	(4,845)
12	Extra ordinary items (net of tax expenses)		-		-		242
13	Net Profit / Loss for the period (11 - 12)	(1,010)	(998)	(1,223)	(3,059)	(3,860)	(5,087)
14	Paid up Equity Share Capital (Face Value of Rs 2/- each)	2,738	2,738	2,738	2,738	2,738	2,738
15	Reserves excluding Revaluation Reserve				(31,341)	(27,018)	(28,244)
16.i	Earning per Share (in Rs)						
	Before Extra Ordinary Items						
	Basic	(0.76)	(0.75)	(0.91)	(2.32)	(2.88)	(3.80)
	Diluted	(0.76)	(0.75)	(0.91)	(2.32)	(2.88)	(3.80)
16.ii	After Extra Ordinary Items						
	Basic	(0.76)	(0.75)	(0.91)	(2.32)	(2.88)	(3.80)
	Diluted	(0.76)	(0.75)	(0.91)	(2.32)	(2.88)	(3.80)

Note

- The Company initiated Insolvency Resolution Process u/s 10 of the Insolvency and Bankruptcy Code (IBC), 2016 The National Company Law Tribunal (NCLT) in C.P. No 03/2017 appointed Mr. Kunal Banerjee, Insolvency Professional as Interim Resolution Professional (IRP) vide its order dated 18/01/2017. The Corporate Insolvency Resolution Process has commenced from 18.01.2017.
- Pursuant to Section 17 of the IBC, 2016 the powers of the Board of Directors has been suspended and vested with IRP. Consequently the quarterly results are signed by Mr. Kunal Banerjee, IRP in terms of the IBC 2016 and clarification obtained from NCLT, Kolkata vide its order dated 09.02.2017.
- The Committee of Creditors (COC) has been constituted u/s 21 of the IBC 2016 and the first meeting of the COC is scheduled to be held on 15.02.2017.
- Annualised interest on bank borrowing has been considered @ 11% p.a. as per last CDR approval as against 17% p.a. charged by bank on the ground of irregularity in accounts considering management expectation of obtention of Committee of Creditors (COC). NCLT for rehabilitation of the company enjoying concessional rate of interest. In view of the scheme to be proposed before NCLT (for rehabilitating the company) to apply for waiver of interest on unsecured loan, no provision has been made in this regard.
- Temporary suspension of work has been declared for two units at Baripada and Shyamnagar w.e.f. 23.04.2015 due to acute fund constraint and allied labour issues, the former being poised for disposal.
- Issue of equity shares against proceeds of application money from Nicco Restructuring Employees Trust Fund (NRETF) amounting to Rs. 74 lacs is pending approval of price of issue from appropriate authorities. As such the diluted impact of such shares could not be ascertained for computation of EPS.
- Exceptional item of Rs. 37 Lac represents -
 - Provision against shortfall in planned assets in The National Insulated Cable Co. of India Ltd. Employees Provident Fund Rs. 29 Lac (Dr.) vis-a-vis liability accrued thereon.
 - Provision for shortfall in planned asset of super annuation fund Rs. 8 Lac (Dr.) vis-a-vis liabilities accrued thereon.
- Audit observations.
 - 21,83,000, 5% cumulative redeemable preference shares of Rs. 100/- each are overdue for redemption. Renewal/restructuring of the same, would be considered in proposed rehabilitation scheme.
 - Retention of deferred tax asset upto 31.03.2011 on an unabsorbed loss and depreciation is attributed to management affirmation of virtual certainty of future profit and expectation of positive outcome in proceedings before National Company Law Tribunal (NCLT). However no further deferred tax asset, whatever may be contributory of it, has been recognised as a measure of abundant prudence after relevant date.
 - Note no. 2 is explanatory to audit comment in these regards in para 3 (c) and 3 (d) of audit report.
 - Due to suspension of work in units, depreciation on components of fixed assets could not be separately ascertained based on technical evaluation as required under footnote '4' of schedule II of Companies Act, 2013.
 - Debt, referred as doubtful are deemed realisable by us for which followup continue in respect of concerned parties and payments also continues to be received from time to time.
 - Amount withheld by customers towards late delivery are not that material prima facie.
 - Since the company has conveyed stock exchange to submit standalone financial results only, no Consolidated Financial Statements (CFS) have been prepared.
 - Previous year/period figures have been regrouped and rearranged wherever necessary in terms of current period grouping.

KARTICK KUMAR CHATTERJEE

MANAGING DIRECTOR

SIBAJI DATTA

CHIEF FINANCIAL OFFICER

RAHUL BANERJEE

COMPANY SECRETARY

For G. BASU & Co.

For G. BASU & CO.
Chartered Accountants
R. No. 301174E

KUNAL BANERJEE
INTERIM RESOLUTION PROFESSIONAL
BA (Econ), FCA, FCMA, FCMA (SL), CMA (USA)
INSOLVENCY PROFESSIONAL

(S. LAHIRI)
Partner
(M. No.-051717)

PLACE: KOLKATA
DATE: THE 14 TH DAY OF FEBRUARY, 2017

Regn. No. IBBI / IPA-03 / 2016-17 / 12

FOR THE QUARTER ENDED 31ST DECEMBER 2016

Particulars	Rs. in Lacs		
	Qtr ended 31.12.2016 Audited	Y-T-D 31.12.2016 Audited	Qtr ended 31.12.2015 Audited
Total Income from operations (net)	-	-	186
Net Profit / Loss from ordinary activities after Tax	(1,010)	(3,059)	(1,223)
Net Profit / Loss for the period after Tax (after extra ordinary items)	(1,010)	(3,059)	(1,223)
Equity Share Capital	2738	2738	2,738
Reserves excluding Revaluation Reserve	(31,341)	(31,341)	(25,794)
Earning per Share (in Rs)			
Before Extra Ordinary Items			
Basic	(0.76)	(2.32)	(0.91)
Diluted	(0.76)	(2.32)	(0.91)
After Extra Ordinary Items			
Basic	(0.76)	(2.32)	(0.91)
Diluted	(0.76)	(2.32)	(0.91)

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- The Company initiated Insolvency Resolution Process u/s 10 of the Insolvency and Bankruptcy Code (IBC), 2016. The National Company Law Tribunal (NCLT) in C.P. No.03/2017 appointed Mr. Kunal Banerjee, Insolvency Professional as Interim Resolution Professional (IRP) vide its order dated 18/01/2017. The Corporate Insolvency Resolution Process has commenced from 18.01.2017.
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SIBAJI DATTA

CHIEF FINANCIAL OFFICER

RAHUL BANERJEE

COMPANY SECRETARY

For G. BASU & Co.

CHARTERED ACCOUNTANTS

For G. BASU & CO.

Chartered Accountants

R. No. 301174E

(S. LAHIRI)

Partner

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Regn. No. IBBI / IPA-03 / 2016-17 / 12