

To  
Resolution Professional  
Nicco Corporation Limited

1. We have audited the financial results of **Nicco Corporation Limited** for the quarter and twelve months ended 31<sup>st</sup> March 2017 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. 816.20 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 unprovided 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.11059.92 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 twelve months' result , in our opinion and to the best of our information and according to the explanations given to us these quarterly and twelve 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 twelve months ended on 31<sup>st</sup> March 2017.

Place: Kolkata  
Date: May 30, 2017

For G. BASU & CO.  
Chartered Accountants  
R1 No.-301174E  
  
(PRIYABRATA BAGCHI)  
Partner  
(M. No.-051524)



FOR THE QUARTER ENDED 31ST MARCH 2017

S.No.	PARTICULARS	Rs. in Lacs				
		1	2	3	4	5
		ended 31.03.2017 Audited	ended 31.12.2016 Audited	ended 31.03.2016 Audited	ended 31.03.2017 Audited	ended 31.03.2016 Audited
1	Income from operations					
(a)	Net Sales/Income from operations (Net of Excise duty)					557
(b)	Other operating income					
	Total Income from operations (net)					2
2	Expenditure					559
(a)	Cost of Materials consumed					
(b)	Purchase of stock-in-trade					331
(c)	Changes of inventories of finished goods, work-in-progress and stock-in-trade			8		27
(d)	Employee benefit expense	55	60	112	224	595
(e)	Depreciation and amortisation expense	87	102	99	383	366
(f)	Other Expenditure	56	21	76	246	555
	Total expenses	198	183	295	853	1,957
3	Profit/(loss) from operations before other income, finance costs and Exceptional Items (1-2)					
4	Other Income	(198)	(183)	(295)	(853)	(1,397)
5	Profit/(loss) from ordinary activities before finance costs and Exceptional Items (3+4)	1,275	86	101	1,680	447
6	Finance Costs	1,077	(97)	(194)	827	(951)
7	Profit/(loss) from ordinary activities after finance costs but before exceptional items (5-6)	849	876	790	3,534	3,894
8	Exceptional items	228	(973)	(984)	(2,707)	(4,845)
9	Profit / Loss from ordinary activities before Tax (7+8)	8	(37)		(153)	
		236	(1,010)	(984)	(2,860)	(4,845)
10	Tax Expense					
	Deferred Tax					
	Income Tax					
11	Net Profit / Loss from ordinary activities after Tax ( 9 - 10)	236	(1,010)	(984)	(2,860)	(4,845)
12	Extra ordinary items (net of tax expenses)			242		242
13	Net Profit / Loss for the period (11 - 12)	236	(1,010)	(1,226)	(2,860)	(5,087)
14	Paid up Equity Share Capital (Face Value of Rs 2/- each)	2,738	2,738	2,738	2,738	2,738
15	Reserves excluding Revaluation Reserve				(31,104)	(28,244)
16.i	Earning per Share (in Rs)					
	Before Extra Ordinary Items					
	Basic	0.15	(0.76)	(0.92)	(2.17)	(3.80)
	Diluted	0.15	(0.76)	(0.92)	(2.17)	(3.80)
16.ii	After Extra Ordinary Items					
	Basic	0.15	(0.76)	(0.92)	(2.17)	(3.80)
	Diluted	0.15	(0.76)	(0.92)	(2.17)	(3.80)
	Note					

1. 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. Mr. Banerjee has assumed the status of Resolution Professional (RP) pursuant to notification of his appointment in the meeting of dated 15.02.2017 of Committee of Creditors constituted u/s 21 of IBC 2016.
2. 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.
3. 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.
4. 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.
5. 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.
6. 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.
7. Audit observations.
- a) 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.
- b) Retention of deferred tax asset upto 31.03.2011 on un absorbed 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.
- c) Note no. 2 is explanatory to audit comment in these regards in para 3 (c) and 3 (d) of audit report.
- d) 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.
- e) 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.
- f) Amount withheld by customers towards late delivery are not that material prima facie.
- g) Since the company has conveyed stock exchange to submit standalone financial results only, no Consolidated Financial Statements (CFS) have been prepared.
- h) Previous year/period figures have been regrouped and rearranged wherever necessary in terms of current period grouping.

KARTICK KUMAR CHATTERJEE

MANAGING DIRECTOR

SIBAJI CHATTERJEE

CHIEF FINANCIAL OFFICER

RAHUL BANERJEE

COMPANY SECRETARY

KUNAL BANERJEE  
RESOLUTION PROFESSIONAL

For G. BASU & Co

CHARTERED ACCOUNTANTS

KUNAL BANERJEE

BA (Econ), FCA, FCMA, FCMA (SL), CMA (USA)  
INSOLVENCY PROFESSIONAL  
IBBI / IPA-003 / IP-N00011 / 2016-17 / 10089

PLACE: KOLKATA  
DATE: THE 30 TH DAY OF MAY, 2017

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

(PRIYABRATA BAGCHI)  
Partner  
(M. No.-051524)



**NICCO CORPORATION LIMITED**  
STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2017

Rs. In Lacs

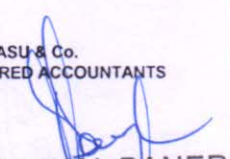
	31ST MARCH 2017	31ST MARCH 2016
<b>1 Shareholder's Funds :</b>		
(a) Share Capital	4,921.91	4,921.91
(b) Reserves and Surplus	(29,760.88)	(26,646.52)
<b>Sub-total - Shareholders' funds</b>	<b>(24,838.97)</b>	<b>(21,724.61)</b>
<b>2 Share Application money Pending Allotment</b>	<b>74.00</b>	<b>74.00</b>
<b>3 Non - Current Liabilities :</b>		
(a) Long Term Borrowings	15.15	39.51
(b) Other Long Term Liabilities	70.01	324.33
(c) Long Term Provisions	82.48	97.17
<b>Sub-total - Non-Current Liabilities</b>	<b>167.65</b>	<b>461.01</b>
<b>4 Current Liabilities :</b>		
(a) Short Term Borrowings	17,468.66	17,579.16
(b) Trade Payables	2,798.47	4,685.05
(c) Other Current Liabilities	22,232.07	17,945.87
(d) Short Term Provisions	481.95	438.08
<b>Sub-total - Current Liabilities</b>	<b>42,981.14</b>	<b>40,648.16</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>18,383.82</b>	<b>19,458.56</b>
<b>B ASSETS :</b>		
<b>1 Non - Current Assets :</b>		
(a) Fixed Assets	3,633.32	4,270.89
(b) Non - Current Investments	279.78	279.78
(c) Deferred Tax assets ( Net )	5,085.13	5,085.13
(d) Long Term Loans And Advances	475.73	487.58
(e) Other Non - Current Assets	617.13	617.05
<b>Sub - total - Non - Current Assets</b>	<b>10,091.09</b>	<b>10,740.43</b>
<b>2 Current Assets :</b>		
(a) Current Investments		
(b) Inventories	782.09	906.42
(c) Trade Receivables	3,874.87	4,387.94
(d) Cash And Cash Equivalents	2,717.24	2,535.77
(e) Short Term Loans And Advances	813.18	776.94
(f) Other Current Assets	105.34	111.07
<b>Sub - total - Current Assets</b>	<b>8,292.72</b>	<b>8,718.13</b>
<b>TOTAL - ASSETS</b>	<b>18,383.82</b>	<b>19,458.56</b>

FOR NICCO CORPORATION LIMITED

  
**KARTICK KUMAR CHATTERJEE**  
MANAGING DIRECTOR & CEO

  
**RAHUL BANERJEE**  
CO. SECRETARY

  
**SIBAJI DATTA**  
CHIEF FINANCIAL OFFICER

  
For G. BASU & Co.  
CHARTERED ACCOUNTANTS

PLACE : KOLKATA  
DATE: THE 30 TH DAY OF MAY, 2017

**KUNAL BANERJEE**  
RESOLUTION PROFESSIONAL  
BA (ECON), FCA, FCMA, CMA (SL), CMA (USA)  
**INSOLVENCY PROFESSIONAL**  
IBBI / IPA-003 / IP-N00011 / 2016-17 / 10089

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

  
**(PRIYABRATA BAGCHI)**  
Partner  
(M. No.-051524)



NICCO CORPORATION LIMITED  
Registered Office : NICCO HOUSE, 2 Hare Street, Kolkata - 700 001  
AUDITED FINANCIAL RESULTS

FOR THE QUARTER ENDED 31ST MARCH 2017

Particulars	Qtr. ended 31.03.2017 Audited	Rs. in Lacs	
		Y-T-D 31.03.2017 Audited	Qtr. ended 31.03.2016 Audited
Total Income from operations (net)	-	-	-
Net Profit / Loss from ordinary activities after Tax	236	(2,860)	(984)
Net Profit / Loss for the period after Tax (after extra ordinary items)	236	(2,860)	(984)
Equity Share Capital	2738	2738	2,738
Reserves excluding Revaluation Reserve	(31,104)	(31,104)	(25,794)
Earning per Share (in Rs) Before Extra Ordinary Items			
Basic	0.15	(2.17)	(0.92)
Diluted	0.15	(2.17)	(0.92)
After Extra Ordinary Items			
Basic	0.15	(2.17)	(0.92)
Diluted	0.15	(2.17)	(0.92)

Note:

- 1 a) 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. Mr. Banerjee has assumed the status of Resolution Professional (RP) pursuant to notification of his appointment in the meeting of dated 15.02.2017 of Committee of Creditors constituted u/s 21 of IBC 2016.
- b) 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.
- c) 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.
- 2 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 enjoining 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.
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- 4 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
- 5 Audit observations:
  - a) 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.
  - b) Retention of deferred tax asset upto 31.03.2011 on un absorbed loss and depreciation is attributed to management affirmation of virtual certainty of future profit
  - c) Note no. 2 is explanatory to audit comment in these regards in para 3 (c) and 3 (d) of audit report.
  - d) 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.
  - e) 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.
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  - g) Since the company has conveyed stock exchange to submit standalone financial results only, no Consolidated Financial Statements (CFS) have been prepared.
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PLACE: KOLKATA

DATE: THE 30 TH DAY OF MAY, 2017

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

(PRIYABRATA BAGCHI)  
Partner  
(M. No.-051524)

I Statement on Impact of Audit Qualifications (for audit report with modified opinion) Impact of Audit qualification

Particulars	Rs. In Lacs	
	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (as reported after adjusting for qualifications)
Turnover/Total Income	1,680.11	1,680.11
Total Expenditure	4,539.65	5355.85
Net Profit/(Loss) after tax	(2,859.54)	(3,675.74)
Earnings Per Share (Rs.)	(2.17)	(2.77)
Total Assets	18,383.82	13,298.82
Total Liabilities	43,222.79	41,039.79
Net Worth	(26,182.05)	(28,365.05)
Any other financial item(s) (as felt by the management)	Nil	Nil

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II Audit Qualification (each audit qualification separately):

- Non redemption of Preference Shares - Refer point No. 3(b) of Note 1 to Audited Annual Report.
- Non-recognition of Deferred Tax Asset - Refer point No. 3(a) of Note 21C to Audited Annual Report.
- Non-provision of component Depreciation - Refer point No 3(e) of Note 21C to Audited Annual Report.
- Non-provision of Interest - Refer point No.3 (c) of Note 21C to Audited Annual Report.

b. Type of Audit Qualification: Qualified Opinion

c. Frequency of qualification: Repetitive 2 (since above 5 years)

d. For Audit Qualification(s) where the impact is quantified by the auditor, management's Views:

The net worth of the Company has been fully eroded hence the matter has been referred to Hon'ble National Company Law Tribunal who vide their Order dated 18/01/2017 appointed Mr. Kunal Banerjee as Interim Resolution Professional who vide COC meeting dated 15/02/2017 has been appointed as Resolution Professional.

In view of the above position and the uncertainty involved in the ultimate outflow, the Company has not provided for unpaid interest. The bank Accounts have also been classified as NPA.

e. For Audit Qualification(s) where the impact is not quantified by the auditor: Yes except one.

(i) Management's estimation on the impact of audit qualification: Rs. 816.20L

(ii) If management is unable to estimate the impact of audit qualification: Non provision of against depreciation as per foot note [4] of Schedule -II of The Companies Act, 2013.

(iii) Auditor's Comments on (i) or (ii) above:

III Signatories:  
Kartick Kumar Chatterjee - Managing Director & CEO:

Sibaji Datta - CFO

Kunal Banerjee - Resolution Professional

Auditor

For G. BASU & CO.  
Chartered Accountants  
R. No.-101174E

(PRIYABRATA BAGCHI)  
Partner  
(M. No.-051524)



## KUNAL BANERJEE

BA (Econ), FCA, FCMA, FCMA (SL), CMA (USA)

RP Regn. No. IBBI/IPA-003/IP-N00011/2016-17/10089

Appointed vide order dated 18/01/17 passed in CP No. 03/2017

In the matter of NICCO Corporation Limited by Hon'ble NCLT, Kolkata

Office of Resolution Professional

NICCO Corporation Limited,

NICCO House, 2 Hare Street

Kolkata – 700 001.

Mobile: 99030-73369

email: kunalbanerjee.ipnicco@gmail.com

### Resolution Professional's Report

#### In the matter of Nicco Corporation Ltd pending before Hon'ble National Company Law Tribunal, Kolkata vide C.P. No 03/2017

The enclosed Financial Statement comprising of Balance Sheet as at 31-03-2017 and the Profit & Loss Statement, the Cash Flow Statement for the year ended 31-03-2017 of NICCO Corporation Ltd(which is under Insolvency Resolution Process in terms of The Insolvency and Bankruptcy Code 2016) have been perused by me prima facie with the objective to ensure that information that are required to be disclosed under Schedule II of the Companies Act, 2013 have been duly disclosed, based on the Representation Letter submitted by the MD-CEO, CFO & Company Secretary of Corporate Debtor and that the provisions of Accounting Standards issued by the Institute of Chartered Accountants of India have been duly complied with, unless otherwise stated in the Notes to Accounts.

It is observed that:

- Leasehold land Balance amount of Rs.12.54 Lakhs was not amortized.
- These financial statements should be read in conjunction with the Significant Accounting Policies, Notes forming part of the Accounts and Report of the Statutory Auditors.

It is to be noted that the Insolvency Resolution Process has commenced on and from 18<sup>th</sup> January, 2017, and accordingly the Resolution Professional (RP) is not in a position to authenticate the financial transactions prior to his engagement and accordingly it rests on the Management of the Corporate Debtor.

Pursuant to the Direction of the Hon'ble NCLT vide its Order dated 9<sup>th</sup> February 2017 and reiterated vide direction dated 30<sup>th</sup> May, 2017 the RP has signed the accompanying Financial Statements as 'Identified Document' for submission to various Statutory Authorities which have been prepared, submitted and approved by MD & CEO, CFO and signed by Company Secretary of the Corporate Debtor.

RP is not taking any responsibility about its authenticity nor shoulders any responsibility in this regard.

**Date: May 30, 2017**

**Place: Kolkata**

**KUNAL BANERJEE**

BA (Econ), FCA, FCMA, FCMA (SL), CMA (USA)

INSOLVENCY PROFESSIONAL

IBBI / IPA-003 / IP-N00011 / 2016-17 / 10089