

Statement of unaudited results for the quarter ended December 31, 2014

PART I

(All amounts are in Lacs of INR, unless otherwise stated)

Particulars	Three months ended			Nine months ended		Year ended
	December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013	March 31, 2014
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(audited)
Income from operations						
Net sales/income from operations	126,352	126,178	202,017	363,277	620,540	822,917
Other operating income	13,150	1,147	392	14,660	23,151	24,495
Total income from operations	139,502	127,325	202,409	377,937	643,691	847,412
Expenses						
Cost of material consumed	68,290	77,006	87,245	204,990	259,071	336,427
Contractor charges	29,004	26,401	48,734	94,375	159,167	212,864
Employee benefit expense	13,686	14,099	20,233	42,901	65,262	82,968
Depreciation and amortisation expense	7,404	8,864	6,698	24,247	17,936	24,476
Other expenses	20,970	20,474	22,319	63,990	88,504	116,058
Total expenses	139,354	146,844	185,229	430,503	589,940	772,793
Profit/(Loss) from operations before other income, finance costs and exceptional items	148	(19,519)	17,180	(52,566)	53,751	74,619
Other income	2,370	1,732	1,381	4,976	2,580	3,697
Profit/(Loss) from ordinary activities before finance costs and exceptional items	2,518	(17,787)	18,561	(47,590)	56,331	78,316
Finance costs	24,291	21,268	18,395	67,098	55,170	77,115
(Loss)/Profit from ordinary activities before exceptional items	(21,773)	(39,055)	166	(114,688)	1,161	1,201
Exceptional items	-	-	-	-	-	-
(Loss)/Profit from ordinary activities before tax	(21,773)	(39,055)	166	(114,688)	1,161	1,201
Tax expense	(6,997)	(12,704)	45	(37,169)	385	420
Net (Loss)/ Profit for the period	(14,776)	(26,351)	121	(77,519)	776	781
Paid-up equity share capital (face value of Rs. 2 each)	6,642	6,642	6,642	6,642	6,642	6,642
Reserves excluding revaluation reserves						368,074
Earnings per share						
Basic (in Rs.)	(4.45)	(7.93)	0.04	(23.34)	0.23	0.24
Diluted (in Rs.)	(4.45)	(7.93)	0.04	(23.34)	0.23	0.24
	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)

PART II

A. Particulars of Shareholding

Particulars	Three months ended			Nine months ended		Year ended
	December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013	March 31, 2014
1. Public shareholding						
Number of shares	209,460,185	208,738,697	208,472,762	209,460,185	208,472,762	208,472,762
Percentage of shareholding	63.07	62.86	62.77	63.07	62.77	62.77
2. Promoters and promoter group shareholding						
a) Pledged / Encumbered						
-Number of shares	82,367,260	82,367,260	7,700,000	82,367,260	7,700,000	76,648,305
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	67.16	66.77	6.23	67.16	6.23	62.00
-Percentage of shares (as a % of the total share capital of the Company)	24.80	24.80	2.32	24.80	2.32	23.08
b) Non-encumbered						
-Number of shares	40,268,300	40,989,788	115,922,983	40,268,300	115,922,983	46,974,678
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	32.84	33.23	93.77	32.84	93.77	38.00
-Percentage of shares (as a % of the total share capital of the Company)	12.13	12.34	34.91	12.13	34.91	14.15

B. The status of investor complaints received by the company is as follows:

Particulars	Pending as on October 01, 2014	Received during the quarter	Disposed off during the quarter	Pending as on December 31, 2014
No. of complaints	Nil	6	6	Nil

TABLE : I

Particulars	Three months ended			Nine months ended		Year ended
	December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013	March 31, 2014
Segment revenue						
Engineering, procurement and construction services	100,234	97,667	176,510	281,786	552,087	722,681
Traded goods	24,699	27,080	23,576	76,809	63,869	92,418
Unallocated	1,419	1,431	1,931	4,682	4,584	7,818
Net sales / income from operations	126,352	126,178	202,017	363,277	620,540	822,917
Segment results						
(Loss)/ Profit before interest and tax for each segment						
Engineering, procurement and construction services	239	(19,488)	15,959	(53,472)	51,057	69,545
Traded goods	66	48	651	194	424	609
Unallocated	967	990	1,528	3,352	3,401	6,272
Total	1,272	(18,450)	18,138	(49,926)	54,882	76,426
Less: (i) Interest	24,291	21,268	18,395	67,098	55,170	77,115
(ii) Other unallocable expenditure net of unallocable income	(1,246)	(663)	(423)	(2,336)	(1,449)	(1,890)
Total (loss)/ profit before tax	(21,773)	(39,055)	166	(114,688)	1,161	1,201
Capital employed (segment assets - segment liabilities)						
Engineering, procurement and construction services	555,471	556,952	610,325	555,471	610,325	625,041
Traded goods	3,527	2,138	(533)	3,527	(533)	3,291
Unallocated	(265,211)	(250,034)	(232,213)	(265,211)	(232,213)	(253,291)
Total	293,787	309,056	377,579	293,787	377,579	375,041

NOTES

- The above unaudited financial results for the quarter and nine months ended December 31, 2014 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on February 13, 2015.
- The auditors of the Company in their report on financial results for the quarter and nine months ended December 31, 2014 have invited attention in respect of certain cost overruns amounting to Rs. 73,580 lacs, arising due to design changes and consequent changes in the scope of work on Heera Redevelopment project with Oil and Natural Gas Corporation Limited. Due to the said reasons certain differences and dispute arose between the parties and several rounds of discussions were held to explore the possibility of amicable resolution of the dispute mutually. The matter was referred to an Outside Expert Committee (OEC). Based on recent developments, the Company has come to the view that the settlement process can be best resolved in finality, expeditiously and with legal enforceability only through arbitration and hence has re-commenced the arbitration proceedings, which were kept in abeyance owing to proceedings by the OEC. As the Company is confident of a satisfactory settlement of the disputes and recovery of the said amount, no adjustments have been considered necessary in these financial results. The auditors of the Company had also invited attention on this matter in their reports on financial results for the quarter and six months ended September 30, 2014 and year ended March 31, 2014.
- The auditors of the Company, based on the report of independent auditors of the Company's branch in Thailand, have invited attention in their report on financial results for the quarter and nine months ended December 31, 2014 on recoverability of claims aggregating to Rs. 39,109 lacs and encashment of the performance bond amounting to Rs. 17,108 lacs by the customer of a project of the said branch. The management is taking appropriate steps for the recovery of the said amounts and is confident of recovery of the amounts exceeding the recognised claims and performance bonds. Accordingly, no adjustments have been considered necessary in these financial results. The auditors of the Company had also invited attention on this matter in their reports on financial results for the quarter and six months ended September 30, 2014 and year ended March 31, 2014.
- The auditors of the Company in their report on financial results for the quarter and nine months ended December 31, 2014 have invited attention to deductions made / amount withheld by some customers aggregating to Rs. 5,391 lacs. The management is taking appropriate steps for recovery of these deductions / withheld amounts and believes that these amounts are fairly stated. The auditors of the Company had also invited attention on this matter in their reports on financial results for the quarter and six months ended September 30, 2014 and year ended March 31, 2014.
- Pursuant to the enactment of Schedule II to the Companies Act, 2013, certain assets required a reassessment of their remaining useful lives from the previous estimates. Accordingly, the management has made the necessary revision with effect from the date of Schedule II becoming effective, i.e., April 1, 2014. The Company, based on the transitional provision under the said schedule, has adjusted the carrying amount of assets, as on April 1, 2014, to the opening balance of retained earnings where the assets have nil remaining useful life on April 1, 2014. The carrying amount of other assets has been depreciated over their remaining useful life and charged to the statement of profit and loss.
- The Company has accounted for deferred tax assets on timing differences including those on unabsorbed depreciation and business losses. The same has been done after considering the estimated margins on unexecuted portion of the projects as at the reporting date. The management is virtually certain that the Company will generate sufficient profits to realise the deferred tax assets.
- Subsequent to the quarter ended December 31, 2014, the Company has sold its entire shareholding in Global Health Private Limited.
- Segment wise revenue, results and capital employed (Refer Table I):
- Tax expenses are net of deferred tax effects and minimum alternative tax credit.
- Other operating income includes exchange differences (net).
- Previous quarters' / nine months' / year's amounts have been regrouped / re-arranged wherever necessary to conform to the current quarter's presentation.

For and on behalf of the Board of Directors of Punj Lloyd Ltd

Place : Gurgaon
Date : February 13, 2015

J P Chalasani
Managing Director & Group CEO