



Punj Lloyd Limited

Regd. Office : Punj Lloyd House, 17-18, Nehru Place, New Delhi 110 019

PUNJ LLOYD

AUDITED RESULTS FOR THE YEAR ENDED 31ST MARCH, 2006

							(Rs. Million)
	Particulars	Standalone				Consolidated	
		Nine Months Ended 31.12.2005 (Unaudited) Ref. Note 6	Quarter ended 31.03.06 (Unaudited) Ref. Note 7	Year Ended 31.03.2006 (Audited)	Year Ended 31.03.2005 (Audited)	Year Ended 31.03.2006 (Audited)	Year Ended 31.03.2005 (Audited)
1	Net Sales / Income from Operations	9,504.02	4,178.12	13,682.15	14,294.29	16,846.46	17,900.10
2	Other Income	275.48	72.74	348.21	629.86	319.42	1,303.25
3	Total Expenditure	8,705.11	3,702.44	12,407.55	13,353.41	15,104.49	16,202.86
	a. Consumption of Raw Material	2,999.51	1,517.50	4,517.01	3,775.00	5,506.66	4,824.06
	b. Contractor Charges	1,488.42	1,488.42	2,976.84	2,652.32	3,498.39	3,724.21
	c. Staff Cost	1,015.08	371.18	1,386.26	1,723.64	1,861.97	2,125.30
	d. Other Expenditure	3,202.11	325.33	3,527.44	5,202.46	4,237.47	5,529.29
4	Interest	362.97	105.02	467.99	737.98	626.70	966.55
5	Depreciation	439.89	152.02	591.90	717.82	603.70	839.06
6	Profit(+)/Loss(-) before Tax (1+2-3-4-5)	271.54	291.38	562.92	114.94	830.99	1,194.88
7	Provision for Taxation incl. Deferred Tax (Net)	110.01	101.44	211.45	33.51	291.47	193.78
8	Net Profit (+) / Loss (-) (6 - 7)	161.53	189.94	351.47	81.43	539.52	1,001.11
9	Add: Share of Profits of Associates	-	-	-	-	7.75	2.58
10	Add: Share of Loss transferred to Minority	-	-	-	-	7.34	2.37
11	Profit For the Year after Minority Interest and Share of Profits of Associates	161.53	189.94	351.47	81.43	554.61	1,006.06
12	Paid-up equity share capital (Face Value of Rs 10/- each)	522.20	522.20	522.20	243.17	522.20	243.17
13	Reserves excluding revaluation reserves	-	-	10,028.14	4,456.70	10,607.76	4,727.00
14	Basic EPS (in Rs.)	3.97	4.36	8.08	2.31	12.74	28.50
	Diluted EPS (in Rs.)	3.67	4.13	7.64	-	12.06	-
	(Face Value of Rs 10/- each)						
15	Non - promoter Shareholding						
	No. of Shares	23,670,577	23,600,937	23,600,937	5,494,753	23,600,937	5,494,753
	% of holding	45.33	45.20	45.20	22.60	45.20	22.80

NOTES

1 During the year, the Company successfully completed its initial public offering. This comprised of 9,172,937 equity shares of Rs 10/- each at a premium of Rs 690/- per share including offer for sale of 817,763 equity shares by the selling shareholders. Equity shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange w.e.f. 6th January, 2006.

2 Utilization of IPO funds :			
Particulars	Projected Utilization as per the Prospectus dated 19.12.05	Actual as on 31.03.06	
Investment in Capital Equipment	1,500.00	705.23	
Prepayment of Debts	3,000.00	3,064.17	
Equity Investment in Infrastructure Projects, WOS and JVs	500.00	203.51	
General Corporate Purposes	522.92	522.92	
Offer related expenses	325.70	305.01	
	5,848.62	4,800.93	
Unspent IPO proceeds will be used for Investment in Capital Equipment and Equity Investment in Infrastructure Projects, WOS & JVs.			

3 During the year, the Company has introduced Employee Stock Option Scheme named "Stock Option Plan, 2005", the Remuneration Committee of the Company, on 11.11.05 had approved grant of 8,00,000 stock options at a price of Rs. 630. As at 31.03.06, 643,489 options have been granted to the eligible employees. The stock options shall vest in the ratio of 10%, 20%, 30% and 40% at the end of one, two, three and four years from the date of grant respectively. As on 31.03.06, no stock option has been vested.

4 The status of investor complaints received by the Company is as follows:				
Particulars	Pending as on 01.01.06	Received during the quarter	Disposed during the Quarter	Pending as on 31.03.06
No of Complaints	Nil	627	627	Nil

5 SEGMENT REPORTING		STANDALONE			Consolidated	
Particulars	Quarter ended 31.03.06 (Unaudited) Ref. Note 7	Year Ended 31 .03.2006 (Audited)	Year Ended 31.03.2005 (Audited)	Year Ended 31.03.2006 (Audited)	Year Ended 31.03.2005 (Audited)	
i) EXTERNAL SEGMENT REVENUE						
a. Engineering & Construction	3,387.74	13,550.94	14,286.47	16,700.86	17,794.41	
b. Internet Services	80.85	323.41	332.60	329.50	418.68	
c. Corporate un-allocable	39.00	156.01	305.31	135.53	1,066.50	
Total	3,507.59	14,030.36	14,924.38	17,165.89	19,279.59	
Less : Internal Segment	-	-	0.23	-	76.25	
Segment Revenue	3,507.59	14,030.36	14,924.15	17,165.89	19,203.34	
ii) SEGMENT RESULT						
a. Engineering & Construction	483.39	1,933.58	1,261.57	2,449.20	1,812.60	
b. Internet Services	(11.45)	(45.82)	(94.65)	(73.77)	(103.26)	
Total	471.94	1,887.76	1,166.92	2,375.43	1,709.34	
Less : Interest and Finance Charges	(148.33)	(593.30)	(1,061.59)	(794.06)	(1,333.35)	
Less : Other Un-allocable Expenditure net off Un-allocable income	(182.88)	(731.54)	9.62	(750.38)	818.89	
Total Profit before Tax	140.73	562.92	114.94	830.99	1,194.88	
iii) CAPITAL EMPLOYED						
(Segment assets - Segment liabilities)						
a. Engineering & Construction	11,794.46	11,794.46	8,860.19	15,383.69	10,772.39	
b. Internet Services	793.05	793.05	1,293.95	868.71	1,322.40	
Total	12,587.50	12,587.50	10,154.14	16,252.40	12,094.79	
Capital employed excludes assets and liabilities not allocable to specific segment.						

6 Nine months unaudited figures for the period ended 31.12.05 are drawn from audited figures of six months ended 30.09.05 and pro-rata figures of six months period ended on 31.03.06

7 Three months unaudited figures for period ended 31.03.06 are drawn from pro-rata figures of six months period ended on 31.03.06

8 This being the first year of listing, the figures for corresponding quarter ended on 31.03.05 are not available for the purpose of comparison.

9 The Board have recommended a dividend @10% on the Equity Share Capital of the Company for the financial year ended 31.03.06

10 a) The Company has acquired a 100% subsidiary in Singapore viz Creighton Pte. Ltd.. The name of the company was subsequently changed to Punj Lloyd Pte. Ltd.

b) The Company has through its wholly owned subsidiary in Singapore, Punj Lloyd Pte. Ltd., has acquired a majority stake in SembCorp Engineers & Constructors from SembCorp Industries.

11 The Company has issued Zero Coupon Foreign Currency Convertible bonds of US\$ 125 million on 7th April 2006.

12 The auditors of the company have qualified the Audited Account as at 31st March 2006 of the Company for followings :

a) Included in sundry debtors is an amount of Rs 301.02 million (previous year Rs 281.10 million) related to contract work with Spie Capag-Petrofac International Limited (SCPIL) in Georgia branch. Additionally sundry debtors include an amount of Rs.77.00 million (previous year Rs 75.50 million) from SCPIL for expenses incurred on behalf of SCPIL. Further the terms of the related contract are currently in dispute. Accordingly, the auditors were unable to satisfy themselves as to the recoverability of the sundry debtors amounting to Rs 378.02 million (previous year Rs 356.60 million). Also the Company has raised variation orders of Rs 1,490.00 million (previous year Rs 1,457.00 million) on SCPIL and SCPIL have raised debit notes of Rs 477.40 million (previous year Rs 466.70 million) on the Company. These variation orders and debit notes are being disputed and have not been agreed between the Company and SCPIL. However, the ultimate outcome of the dispute cannot presently be determined by the Company because of the significance of this matter, Auditors do not express an opinion on the impact of the above uncertainty on the financial statements. Previous year audit report was also qualified in respect of the same matter. b) The Company has taken a credit for interest of Rs 14.63 million (in addition to credit taken of Rs 65.66 million in previous year) on the amount withheld by a customer, which is not in accordance with Accounting Standard 9 on Revenue Recognition. Previous year audit report was also qualified in respect of the same matter.

The impact for (a) above on the company's profit is not presently ascertainable. Had the impact of para (b) above been considered, profit for the year after tax would have been Rs 298.20 million instead of Rs 351.47 million, profit for the quarter ended 31.03.06 would have been Rs 176.62 million instead of Rs 189.94 million, profit for the nine months ended 31.12.05 would have been Rs 121.58 million instead of Rs 161.53 million. The reserve and surplus at the end of year would have been Rs 10119.76 million instead of Rs 10,173.03 million and at the end of previous year Reserve & Surplus would have been Rs 4,535.67 million instead of Rs 4,579.23 million.

The settlement with the clients referred in (a) and (b) above is in advanced stage of discussions through arbitrations and mutual settlement. The company expects, these qualification will be reversed on reaching settlement with clients.

13 Previous period/year figures have been regrouped, wherever considered necessary.

14 The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 27.06.06

For Punj Lloyd Limited

sd/-

Chairman & Managing Director

Place : New Delhi

Date : 27.06.06