Punj Lloyd Limited
Regd. Office: Punj Lloyd House, 17-18 Nehru Place, New Delhi 110 019
CIN: L74899DL1988PLC033314
Statement of unaudited financial results for the quarter and nine months ended December 31, 2018
(All amounts are in Lacs of INR, unless otherwise stated)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2018	September 30, 2018	December 31, 2017	December 31, 2018	December 31, 2017	March 31, 2018
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(audited)
Income from operations						
Net sales/income from operations	47,559	61,630	101,936	212,116	299,929	405,949
Other income	3,545	15,059	15,011	5,913	24,253	21,528
Total income from operations	**51,104**	**76,689**	**116,947**	**218,029**	**324,182**	**427,477**
Expenses						
Cost of material consumed	25,442	10,198	49,914	73,233	169,107	205,635
Contractor charges	14,814	8,537	22,509	37,968	57,114	91,892
Employee benefits expense	12,232	11,219	10,010	35,227	26,480	36,664
Finance cost	24,578	24,583	20,688	72,432	69,429	97,638
Depreciation and amortisation expense	2,095	2,498	3,045	7,184	8,874	12,070
Irrecoverable balances written Off	49,648	148,882	8,493	209,275	22,257	32,847
Bank Guarantee Encashment	55,345	4,474	-	76,097	-	-
Other expenses	26,556	12,855	20,684	34,340	33,627	38,902
Total expenses	**210,710**	**223,246**	**135,343**	**545,756**	**386,888**	**515,648**
Loss from ordinary activities before exceptional items	**(159,606)**	**(146,557)**	**(18,396)**	**(327,727)**	**(62,706)**	**(88,171)**
Exceptional items	-	-	-	-	-	-
Loss from ordinary activities before tax	**(159,606)**	**(146,557)**	**(18,396)**	**(327,727)**	**(62,706)**	**(88,171)**
Income Tax expense	119,900	-	-	119,900	(35)	(119,908)
Profit / (Loss) for the period	**(279,506)**	**(146,557)**	**(18,396)**	**(447,627)**	**(62,671)**	**31,737**
Other comprehensive income (OCI)						
A. OCI to be reclassified to profit or loss in subsequent years:						
Exchange differences on translation of foreign operations	4,473	(4,275)	(834)	476	(3,807)	(5,480)
B. OCI not to be reclassified to profit or loss in subsequent years:						
Re-measurement gains/(losses) on defined benefit plans	-	-	-	-	-	532
Net gain/ (loss) on fair value of equity securities through OCI	-	(34,154)	(24,066)	(39,957)	(23,535)	(30,879)
Other comprehensive income for the period, net of tax	**4,473**	**(38,429)**	**(24,900)**	**(39,481)**	**(27,342)**	**(35,827)**
Total comprehensive income	**(275,033)**	**(184,986)**	**(43,296)**	**(487,108)**	**(90,013)**	**(4,090)**
Paid-up equity share capital (face value of Rs. 2 each)	6,712	6,712	6,712	6,712	6,712	6,712
Reserves excluding revaluation reserves						9,540
Earnings per share						
Basic (in Rs.)	(83.29)	(43.67)	(5.48)	(133.38)	(18.67)	9.46
Diluted (in Rs.)	(83.29)	(43.67)	(5.48)	(133.38)	(18.67)	9.45
	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)

Notes

1. The above unaudited financial results for the quarter and nine months ended December 31, 2018 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 6, 2019.

2. There are delays/ defaults in repayments of substantial dues to lenders, Company's current liabilities exceeded its current assets and net worth of the Company has also eroded as at December 31, 2018. All the Indian lenders have categorized the Company as Non-Performing Asset (NPA) under RBI regulations. Some of the lenders have given their dissent for the proposed "Scheme of restructuring" and few lenders have filed application for insolvency resolution before the National Company Law Tribunal (NCLT) and recovery of its dues before Debt Recovery Tribunal (DRT). Some of the lenders have also issued notice under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002. The Company had submitted a proposal to its lenders for restructuring of its debt which was revised in terms of sustainable and unsustainable debts, Non Fund based limits and promoters contribution and is still under consideration. Restructuring is essential for the company's ability to continue as a going concern and ability to realize its assets and discharge the liabilities in the normal course of business. Clarity on the structure of restructuring proposal is under consideration and lenders response awaited. As per Reserve Bank of India (RBI) guidelines, the restructuring should have been concluded by August 27, 2018 by the lenders. However, the Company has challenged the vires of the RBI Circular dated February 12, 2018 before Honorable Delhi High Court. Various other Companies have also challenged the vires of the RBI Circular dated February 12, 2018 before the Honorable Supreme Court of India. The Honorable Supreme Court of India vide order dated September 11, 2018 has directed status quo be maintained by the parties of the petition. In view of the aforesaid order of the Honorable Supreme Court of India, the Honorable Delhi High Court has directed status quo to be maintained till March 12, 2019 in the writ petition filed by the Company challenging the vires of the RBI circular dated February 12, 2018. The management is confident and hopeful that restructuring proposal of the company shall be approved. During an earlier quarter, the Company has obtained mandatory approvals from the shareholders of the Company for the same. Additionally, to improve operational efficiencies, the Company is taking various measures, including monetizing its identified assets as avenues of raising funds. The present conditions indicate that a material uncertainty exists that cast significant doubt on the Company's ability to continue as a going concern. However, the management is confident that with the above measures, the Company would be able to generate sustainable cash flows, discharge its short term and long-term liabilities and improve its net worth through profitable operations and continue as a going concern. Hence, financial results have been prepared on a going concern basis.

3. Based on the guiding principles given in Ind AS 108 on 'Operating Segments', the Company's business activity falls within a single operating segment viz. Engineering, procurement and construction services. Accordingly the segment disclosure requirements of Ind AS 108 are not applicable.

4. Ind AS 115 "Revenue from Contracts with Customers", mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. The Company has elected the option of using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 01, 2018. Accordingly, comparatives have not been retrospectively adjusted. Further, the applicability of Ind AS 115 did not have any material impact on recognition and measurement of revenue and related items in these financial results.

5(a). Tax expenses are net of deferred tax effects, minimum alternative tax credit and earlier year taxes.

(b). The Company had during the year ended March 31, 2018 recognised Deferred Tax Assets of Rs. 119,900 lacs on business losses and unabsorbed depreciation based on future projections of taxable income. Due to delay in restructuring, the Company has not been able to generate the expected profits in the current period and had to revise its estimates of future taxable income. While the Company is confident of favourable outcome of its restructuring proposal which is still has been pending, hence on a conservative basis considering limitation of carry forward of losses, the Company has during the quarter ended December 31, 2018 derecognised the deferred tax assets of Rs. 119,900 lacs.

6. The Company's current assets include receivables/claims of Rs. 163,371 lacs under receivables/ unbilled revenue (work in progress) which are subject matter of arbitration and the ultimate outcome of the matter is presently unascertainable. As the Company is confident of a satisfactory settlement of the arbitration and recovery of the said amount, no adjustments have been considered necessary in the financial results.

7(a). Previous quarters'/ year's amounts have been regrouped / re-arranged wherever necessary to conform to the current quarter's presentation.

(b). Exchange differences are clubbed under 'Other income' or 'Other expenses' based on the resultant net amount.

For and on behalf of the Board of Directors of Punj Lloyd Limited
Atul Punj
Chairman & Managing Director
and Group Chief Executive Officer
DIN: 00005612

Place: New Delhi
Date: February 6, 2019