

Shriram epc
Engineering the future
Shriram EPC Limited

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AUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED 31 MARCH 2014

PART I - FINANCIAL INFORMATION

(Rs.in Lakhs)

Particulars	Standalone					Consolidated	
	Quarter Ended			Nine Months Ended	Fifteen Months Ended	Nine Months Ended	Fifteen Months Ended
	31-Mar-14 Audited	31-Dec-13 Unaudited	31-Mar-13 Unaudited				
	Refer Note 9 below						
1 Income from Operations							
a) Net Sales / Income from Operations	13,536.07	19,389.60	31,097.62	49,255.14	1,69,275.49	49,255.14	1,72,351.80
b) Other Operating Income	-	1.16	70.34	253.99	1,237.47	253.99	18,207.29
Total Income from Operations (Net) (a + b)	13,536.07	19,390.76	31,167.96	49,509.13	1,70,512.96	49,509.13	1,90,559.09
2 Expenses							
a) Erection, Construction & Operation Expenses	14,623.65	13,581.01	23,943.65	39,370.33	1,15,214.82	39,370.33	1,32,541.77
b) Purchase of Stock in Trade	-	-	-	-	12,151.74	-	12,151.74
c) Changes in Inventories of Finished Goods, Contract Work in Progress and Stock in Trade	22,935.92	(1,466.65)	(1,145.07)	20,868.09	(4,787.16)	20,868.09	(6,210.11)
d) Employee Benefits Expense	1,451.99	1,282.73	1,128.25	4,090.34	6,079.78	4,090.34	9,191.05
e) Depreciation and Amortization Expense	86.11	132.45	302.30	437.69	1,427.56	437.69	2,305.61
f) Other Expenses	6,569.16	2,870.31	832.15	10,889.37	15,749.63	10,947.64	17,589.05
Total Expenditure	45,666.83	16,399.85	25,061.28	75,655.82	1,45,836.37	75,714.09	1,67,569.11
3 Profit / (Loss) from Operations before Other Income, finance costs & Exceptional Items (1-2)	(32,130.76)	2,990.91	6,106.68	(26,146.69)	24,676.59	(26,204.96)	22,989.98
Other Income	127.90	1,490.19	1,997.66	2,677.59	6,034.80	2,677.59	6,346.91
4 Profit / (Loss) from Ordinary Activities before Finance Costs & Exceptional Items (3+4)	(32,002.86)	4,481.10	8,104.34	(23,469.10)	30,711.39	(23,527.37)	29,336.89
Finance Costs	6,539.64	5,723.27	9,107.82	19,075.02	41,093.80	19,075.18	44,804.62
5 Profit / (Loss) from ordinary activities after Finance costs but before Exceptional Items (5-6)	(38,542.50)	(1,242.17)	(1,003.48)	(42,544.12)	(10,382.41)	(42,602.55)	(15,467.73)
Exceptional Items	-	-	-	-	20,132.53	-	5,324.77
6 Loss from Ordinary activities before tax (7+8)	(38,542.50)	(1,242.17)	(1,003.48)	(42,544.12)	(30,514.94)	(42,602.55)	(20,792.50)
Tax expenses / (benefit)	-	-	(338.28)	1,392.84	(4,228.82)	1,392.84	(4,265.63)
7 Loss from Ordinary Activities after Tax (9-10)	(38,542.50)	(1,242.17)	(665.20)	(43,936.96)	(26,286.12)	(43,995.39)	(16,526.87)
Extraordinary Items (Net of Tax expenses)	-	-	-	-	-	-	-
8 Loss for the period (11-12)	(38,542.50)	(1,242.17)	(665.20)	(43,936.96)	(26,286.12)	(43,995.39)	(16,526.87)
Group's share of loss in Associates	-	-	-	-	-	(6,633.65)	(10,375.04)
Minority Interest	-	-	-	-	-	-	20.31
9 Net Loss after taxes, minority interest and Share of loss of associates (13+14-15)	(38,542.50)	(1,242.17)	(665.20)	(43,936.96)	(26,286.12)	(50,629.04)	(26,881.60)
10 Paid up Equity Share Capital (Face value of Rs 10/- per equity share)	4,435.82	4,435.82	4,435.52	4,435.82	4,435.82	4,435.82	4,435.82
11 Reserves excluding Revaluation Reserves as per Balance Sheet	-	-	-	(23,906.73)	20,030.23	(23,906.73)	20,676.43
12 Earnings per Share (after extraordinary items) (not annualized) (Rs. per Equity Share)							
a) Basic	(86.89)	(2.80)	(1.50)	(99.05)	(59.27)	(114.14)	(60.61)
b) Diluted	(86.89)	(2.80)	(1.50)	(99.05)	(59.27)	(114.14)	(60.61)

PART II - SELECT INFORMATION FOR THE QUARTER / NINE MONTHS ENDED 31 MARCH 2014

Particulars of Shareholding	Standalone					Consolidated	
	Quarter Ended			Nine Months Ended	Fifteen Months Ended	Nine Months Ended	Fifteen Months Ended
	31-Mar-14	31-Dec-13	31-Mar-13				
1 Public Shareholding							
- Number of shares	2,60,23,595	2,60,23,595	2,73,04,704	2,60,23,595	2,60,23,595	2,60,23,595	2,60,23,595
- Percentage of shareholding	58.67	58.67	61.56	58.67	58.67	58.67	58.67
2 Promoters and Promoter group shareholding							
a) Pledged / encumbered							
- Number of shares	-	-	-	-	-	-	-
- Percentage of Shares (as a % of the total shareholding of Promoter and Promoter Group)	-	-	-	-	-	-	-
- Percentage of Shares (as a % of the total share capital of the Company)	-	-	-	-	-	-	-
b) Non encumbered							
- Number of shares	1,83,34,526	1,83,34,526	1,70,50,417	1,83,34,526	1,83,34,526	1,83,34,526	1,83,34,526
- Percentage of Shares (as a % of the total shareholding of Promoter and Promoter Group)	-	-	-	-	-	-	-
- Percentage of Shares (as a % of the total share capital of the Company)	41.33	41.33	38.44	41.33	41.33	41.33	41.33

Particulars	Quarter Ended 31-Mar-14
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	-
Received during the quarter	-
Disposed during the quarter	-
Remaining unresolved at the end of the quarter	-

Notes :

- The standalone and consolidated results for the Quarter and Nine months ended 31 March 2014 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 27 May 2014.
- During the year, the authorized share capital of the Company has been increased from 65,000,000 Equity shares of Rs.10 each and 20,000,000 preference shares of Rs. 100 each to 85,000,000 equity shares of Rs. 10 each and 30,000,000 preference shares of Rs.100 each. The Company has also issued 30,000,000 Cumulative Redeemable Preference Shares of Rs.100 each to Shriram Industrial Holdings Limited (Promoter Company).
- During the quarter, the Company has reviewed the dues relating to projects which are delayed / deferred, and provided for doubtful receivables (including Unbilled Revenue) and write down of Contract Work in Progress aggregating to Rs.29,814 Lakhs.
- Tax Expense of Rs.1,392.84 Lakhs has arisen on reversal of deferred tax asset recognised in the previous accounting period on its realization in the first quarter.
- During the year, Company invested Rs.24.26 lakhs in the wholly owned subsidiary Shriram EPC (FEZ).
- Though the Company had obtained its Shareholders' approval through Postal Ballot on 21 August 2008, for transfer of 250 KW Wind Turbine Business to its erstwhile Joint Venture, Leitwind Shriram Manufacturing Limited (LSML) with effect from 1st April, 2008, the Company would continue to sell the 250 KW Wind Turbines till the time LSML obtains all statutory approvals to manufacture and sell the same. Consequently, the Company has not recognised the Loss / Profit in the standalone results for the Quarter and Nine Months Ended 31 March 2014.
- During the Quarter, a major contract awarded by a customer in Basra, Iraq has been suspended due to a dispute. The Company is in discussions with the customer and is taking appropriate action to resolve the issue.
- The Company operates in three segments i.e., Contracts, Windmill and Trading.
- The figures of the last quarter are the balancing figures between the audited figures in respect of the nine months ended 31 March 2014 and published year to date figures upto the six months ended 31 December 2013.
- Previous period figures have been regrouped / reclassified to be in conformity with current period's classification/disclosure, wherever necessary.

Segment Reporting under Clause 41 of the Listing Agreement with Stock Exchange for the Quarter/ Nine Months Ended 31 March 2014

(Rs.in Lakhs)

Sl. No.	Particulars	Standalone					Consolidated	
		Quarter Ended			Nine Months Ended	Fifteen Months Ended	Nine Months Ended	Fifteen Months Ended
		31-Mar-14 Audited	31-Dec-13 Unaudited	31-Mar-13 Unaudited				
		(Refer Note 9)						
1.	Segment Revenue : (Net Sales/Income from each Segment Gross of Excise)							
a. Contracts	13,388.51	19,142.06	30,310.39	49,216.13	1,57,117.51	49,216.13	1,69,031.64	
b. Windmill	147.56	63.44	1,060.43	293.00	5,573.01	293.00	17,468.25	
c. Trading	-	-	-	-	10,073.22	-	6,309.98	
Sub-total	13,536.07	19,205.50	31,370.82	49,509.13	1,72,763.74	49,509.13	1,92,809.87	
	Less : Intersegmental Revenue	-	-	-	-	-	(276.92)	
	Net Sales /Income from Operations	13,536.07	19,205.50	31,370.82	49,509.13	1,72,763.74	49,509.13	
2.	Segment Results : (Profit (+) / Loss (-) before Tax and Interest from each segment)							
a. Contracts	(17,636.14)	3,337.55	2,983.85	(11,287.14)	30,099.02	(11,287.14)	30,082.27	
b. Windmill	(24.64)	(5.36)	147.40	(30.00)	244.65	(30.00)	(1,415.22)	
c. Trading	-	-	-	-	43.18	-	33.18	
Sub-total	(17,660.78)	3,332.19	3,131.25	(11,317.14)	30,386.85	(11,317.14)	28,700.23	
	Less : (i) Finance Costs (Net of amounts identified with 'Construction Contracts' segment)	5,755.29	2,883.10	6,703.81	13,800.01	13,800.17	37,860.88	
	(ii) Other un-allocable expenditure net of un-allocable income	15,126.43	1,691.26	(2,569.08)	17,426.97	17,485.24	6,307.08	
	(iii) Exceptional Items	-	-	-	20,132.53	-	5,324.77	
	Total Loss Before Tax	(38,542.50)	(1,242.17)	(1,003.48)	(42,544.12)	(42,602.55)	(20,792.50)	
3.	Capital Employed (Segment Assets - Segment Liabilities)							
a. Contracts	(49,789.89)	(13,936.22)	20,193.81	(49,789.89)	40,066.11	(49,789.89)	40,066.16	
b. Windmill	302.02	9,451.25	13,348.47	302.02	9,806.50	302.02	9,761.87	
c. Trading	10,195.62	9,300.01	15,814.25	10,195.62	(387.21)	10,195.62	(342.98)	
d. Unallocated Assets less Unallocated Liabilities	49,821.33	34,256.55	1,694.12	49,821.33	(25,019.35)	46,941.26	(21,208.00)	
Total	10,529.08	39,071.59	51,050.65	10,529.08	24,466.05	7,649.01	28,277.05	

Audited Financial Results for the Nine Months Ended 31 March 2014 - Statement of Assets and Liabilities

PARTICULARS	Standalone		Consolidated		PARTICULARS	Standalone		Consolidated	
	31.03.2014 Audited	30.06.2013 Audited	31.03.2014 Audited	30.06.2013 Audited		31.03.2014 Audited	30.06.2013 Audited	31.03.2014 Audited	30.06.2013 Audited
1 EQUITY AND LIABILITIES					1 ASSETS				
Shareholders' funds					1 Non Current Assets				
a) Share Capital	34,435.82	4,435.82	34,435.82	4,435.82	a) Fixed Assets	6,984.05	5,386.39	6,984.05	5,386.31
b) Reserves and Surplus	(23,906.74)	20,030.22	(26,786.81)	23,841.23	b) Non-Current Investments	4,505.17	4,581.78	1,658.35	8,392.88
c) Application money pending allotment	-	-	-	-	c) Deferred tax assets (Net)	-	1,392.84	-	1,392.84
Subtotal - Shareholders' funds	10,529.08	24,466.04	7,649.01	28,277.05	d) Long term loans and Advances	71,342.47	2,571.09	71,342.47	2,571.09
Non Current Liabilities					e) Other Non current assets	52,146.31	13,092.33	53,810.33	13,092.33
a) Long-Term borrowings	22,171.77	15,843.55	22,171.77	16,005.47	Sub Total - Non-Current Assets	1,34,978.00	27,024.43	1,33,795.20	30,835.45
b) Other long term liabilities	96.83	69.75	96.83	69.75	2 Current Assets				
c) Long Term provisions	258.38	242.32	258.38	242.32	a) Current Investments	44.22	19,851.63	44.22	19,851.63
Subtotal - Non Current Liabilities	22,526.98	16,155.62	22,526.98	16,317.54	b) Inventories	11,426.08	32,386.43	11,426.08	32,386.43
Current Liabilities					c) Trade Receivables	24,607.22	58,234.70	24,607.22	58,234.70
a) Short term borrowings	1,50,248.52	1,39,527.00	1,50,248.52	1,39,968.23	d) Cash and Cash Equivalents	11,875.96	9,037.88	11,911.19	9,037.88
b) Trade payables	34,494.57	40,943.52	34,494.57	40,944.31	e) Short-Term Loans and advances	18,622.79	33,883.00	18,614.21	33,882.98
c) Other current liabilities	23,387.00	23,217.88	23,387.00	22,614.73	f) Other Current Assets	39,937.00	64,198.30	38,272.98	64,198.30
d) Short term provisions	305.12	306.31	305.02	305.52	Sub Total - Current Assets	1,06,513.27	2,17,591.94	1,04,875.90	2,17,591.92
Subtotal - Current Liabilities	2,08,435.21	2,03,994.71	2,08,495.11	2,03,832.79	Total Assets	2,41,491.27	2,44,616.37	2,38,671.10	2,48,427.37
Total - Equity and Liabilities	2,41,491.27	2,44,616.37	2,38,671.10	2,48,427.37					

Shriram EPC Limited

T.Shivaraman
Managing Director & CEO

Place : Chennai
Date : 27 May 2014