

Shriram epc
Engineering the future
Shriram EPC Limited

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Unaudited Financial Results for the Quarter and Half Year ended September 30, 2012 (Standalone)

(Rupees in lakhs)

Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year ended
		30-Sep-12 Unaudited	30-Jun-12 Unaudited	30-Sep-11 Unaudited	30-Sep-12 Unaudited	30-Sep-11 Unaudited	31-Mar-12 Audited
1	Income from Operations						
	a) Net Sales / Income from Operations	37,119.12	40,824.10	21,240.44	77,943.22	50,966.83	1,37,507.22
	b) Other Operating Income	565.31	260.45	402.62	825.76	540.75	712.81
	Total Income from Operations (Net) (a + b)	37,684.43	41,084.55	21,643.06	78,768.98	51,507.58	1,38,220.03
2	Expenses						
	a) Erection, Construction & Operation Expenses	23,164.86	28,729.61	23,349.92	51,894.47	49,460.29	1,10,768.14
	b) Purchase of Stock in Trade	6,218.31	-	-	6,218.31	-	7,004.09
	c) Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	(1,828.46)	2,578.19	(7,819.68)	749.73	(11,508.88)	(11,535.07)
	d) Employee Benefits Expenses	1,045.38	1,047.11	737.62	2,092.49	1,372.04	3,066.99
	e) Depreciation and Amortisation Expenses	298.93	297.84	305.14	596.77	624.91	1,215.32
	f) Other Expenses	1,841.85	2,381.40	696.78	4,223.25	1,807.26	6,668.61
	Total Expenditure	30,740.87	35,034.15	17,269.78	65,775.02	41,755.62	1,17,188.08
3	Profit from Operations before Other Income, finance costs & Exceptional Items (1-2)	6,943.56	6,050.40	4,373.28	12,993.96	9,751.96	21,031.95
4	Other Income	1,102.92	829.50	643.00	1,932.42	1,541.53	2,568.56
5	Profit from Ordinary Activities before Finance Costs & Exceptional Items (3+4)	8,046.48	6,879.90	5,016.28	14,926.38	11,293.49	23,600.51
6	Finance Costs	7,478.38	6,739.04	4,058.64	14,217.42	9,153.75	19,687.19
7	Profit from ordinary activities after Finance costs but before Exceptional Items (5-6)	568.10	140.86	957.64	708.96	2,139.74	3,913.32
8	Exceptional Items	-	-	-	-	-	-
9	Profit from Ordinary activities before tax (7+8)	568.10	140.86	957.64	708.96	2,139.74	3,913.32
10	Tax expenses	141.82	45.36	328.93	187.18	722.02	1,362.57
11	Net Profit from Ordinary Activities after Tax (9-10)	426.28	95.50	628.71	521.78	1,417.72	2,550.75
12	Extraordinary Items (Net of Tax expenses)	-	-	-	-	-	-
13	Net Profit for the period (11-12)	426.28	95.50	628.71	521.78	1,417.72	2,550.75
14	Paid up Equity Share Capital (Face value of Rs.10/- per equity share)	4,434.90	4,434.67	4,431.63	4,434.90	4,431.63	4,434.43
15	Reserves excluding Revaluation Reserves as per Balance Sheet	-	-	-	-	-	46,314.34
16	Earnings per Share (not annualised) (Rs. per Equity Share)						
	a) Before Extraordinary Items	-	-	-	-	-	-
	b) After Extraordinary Items						
	a) Basic	0.96	0.22	1.42	1.18	3.20	5.75
	b) Diluted	0.96	0.22	1.41	1.18	3.18	5.75
A	PARTICULARS OF SHAREHOLDING						
1	Public Shareholding						
	--- Number of shares	2,72,98,567	2,70,71,447	2,69,14,879	2,72,98,567	2,69,14,879	2,68,98,211
	--- Percentage of shareholding	61.55	61.04	60.73	61.55	60.73	61.04
2	Promoters and Promoter group shareholding						
	a) Pledged / encumbered						
	- Number of shares	NIL	2,21,294	49,35,580	NIL	49,35,580	25,11,080
	- Percentage of Shares (as a % of the total shareholding of Promoter and Promoter Group)	-	1.28	28.36	-	28.36	14.39
	- Percentage of Shares (as a % of the total share capital of the Company)	-	0.50	11.14	-	11.14	5.66
	b) Non encumbered						
	- Number of shares	1,70,50,417	1,70,53,993	1,24,65,791	1,70,50,417	1,24,65,791	1,49,34,993
	- Percentage of Shares (as a % of the total shareholding of Promoter and promoter group)	-	98.72	71.64	-	71.64	85.61
	- Percentage of Shares (as a % of the total share capital of the Company)	38.45	38.46	28.13	38.45	28.13	38.46

Particulars	Quarter Ended 30-Sept-12
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 results for Quarter and Half Year ended 30 September, 2012 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 7th November, 2012.
- The results for the Quarter and Half Year ended 30th September, 2012 have been subjected to a limited review by the statutory auditors.
- The Company had executed an EPC contract for Sree Jayajothi Cements Ltd. (SJCL) in an earlier year and dues from this customer as of 30th September, 2012 is Rs.30,809.52 Lakhs, which have been outstanding for a considerable period of time. These amounts are secured by way of a Subservient Charge on the assets of SJCL. The Company has drawn up a proposal for recovering its dues from SJCL over a period of time and is confident of recovering the dues in full from SJCL and does not expect any loss in realising its dues. In addition the company also has investment in equity shares of SJCL amounting to Rs.10,823.45 Lakhs in Equity Shares (including Rs.9,323.45 Lakhs invested during the first quarter). Further, the Company during the first quarter has invested Rs.25,676.56 Lakhs in 12% Optionally Convertible Debentures of Spark Environmental Technology Limited (Spark), a fellow shareholder of SJCL. The money invested in Spark has been invested in its entirety, in equity shares of SJCL. As these investments are of long term and strategic in nature, the diminution in their value is not considered as other than temporary in nature and hence no provision is considered necessary in this regard. These matters have been qualified in the auditors' report for the Quarter and Half year ended 30th September, 2012.
- Other income for the half year includes Rs.1384.42 lakhs represents interest on debentures issued by Spark Environmental Technologies Limited, which is receivable on maturity as per the terms.
- Though the Company had obtained its Shareholders' approval through Postal Ballot on 21st August, 2008, for transfer of 250 KW Wind Turbine Business to its 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 Half Year ended 30th September, 2012.
- The Company operates in three segments i.e. Contracts, Windmill and Trading.
- 2250 options were exercised and shares allotted under ESOP Scheme 2007 to the eligible employees during the Quarter ended 30th September, 2012.
- The figures of the earlier periods have been regrouped to be in conformity with the new format prescribed, under Clause 41 of the Listing Agreement.

Segment Reporting under Clause 41 of the Listing Agreement with Stock Exchange for the Quarter and Half Year ended September 30, 2012

(Rupees in lakhs)

Particulars	Quarter Ended			Half Year Ended		Year ended
	30-Sep-12 Unaudited	30-Jun-12 Unaudited	30-Sep-11 Unaudited	30-Sep-12 Unaudited	30-Sep-11 Unaudited	31-Mar-12 Audited
1. Segment Revenue :						
(Net Sales/Income from each Segment Gross of Excise)						
a. Contracts	31,828.86	37,756.72	20,058.24	69,585.58	50,702.97	1,28,098.40
b. Windmill	(505.29)	3,463.27	2,157.45	2,957.98	2,224.45	11,320.12
c. Trading	6,309.98	-	-	6,309.98	-	839.22
Sub-total	37,633.55	41,219.99	22,215.69	78,853.54	52,927.42	1,40,257.74
Less : Intersegmental Revenue	-	-	-	-	-	-
Net Sales/Income from Operations	37,633.55	41,219.99	22,215.69	78,853.54	52,927.42	1,40,257.74
2. Segment Results :						
(Profit +) / Loss (-) before Tax and Finance Costs from each segment)						
a. Contracts	5,457.79	6,248.33	3,870.72	11,706.12	8,511.03	19,856.09
b. Windmill	(283.55)	118.30	(48.11)	(165.25)	(148.48)	(569.96)
c. Trading	91.67	-	-	91.67	-	72.90
Sub-total	5,265.91	6,366.63	3,822.61	11,632.54	8,362.55	19,359.03
Less : (i) Finance Costs (Net of amounts identified with "Construction Contracts" Segments)	5,119.44	4,629.34	2,114.64	9,748.78	4,051.86	10,009.98
(ii) Other un-allocable expenditure net of un-allocable income	(421.63)	1,596.43	750.33	1,174.80	2,170.95	5,435.73
Total Profit Before Tax	568.10	140.86	957.64	708.96	2,139.74	3,913.32
3. Capital Employed						
(Segment Assets - Segment Liabilities)						
a. Contracts	9,543.87	4,059.96	26,618.40	9,543.87	26,618.40	8,863.19
b. Windmill	8,264.62	15,214.00	4,283.83	8,264.62	4,283.83	12,297.09
c. Trading	11,776.00	10,666.44	808.72	11,776.00	808.72	10,805.10
d. Unallocated Assets less Unallocated Liabilities	21,687.93	20,906.11	18,517.96	21,687.93	18,517.96	18,783.39
Total	51,272.42	50,846.51	50,228.91	51,272.42	50,228.91	50,748.77

STATEMENT OF ASSETS & LIABILITIES

(Rupees in lakhs)

S. No.	PARTICULARS	30-Sep-12 Unaudited	31-Mar-12 Audited	S. No.	PARTICULARS	30-Sep-12 Unaudited	31-Mar-12 Audited
A	EQUITY AND LIABILITIES			B	ASSETS		
1	Shareholders' funds			1	Non Current Assets		
	a) Share Capital	4,434.90	4,434.43		a) Fixed Assets	12,443.72	12,625.13
	b) Reserves and Surplus	46,837.51	46,314.34		b) Non Current Investments	64,059.12	28,981.59
	Sub total - Shareholders' funds	51,272.41	50,748.77		c) Long term Loans and Advances	2,395.75	1,955.65
2	Share application money pending allotment	-	-		d) Other Non current assets	11,438.29	9,100.66
3	Non Current Liabilities				Sub total - Non Current Assets	90,336.88	52,663.03
	a) Long -Term borrowings	3,158.50	2,931.98		Current Assets		
	b) Deferred tax liabilities (Net)	3,048.70	3,073.33		a) Current Investments	-	-
	c) Other long term liabilities	13.39	13.39		b) Inventories	27,950.07	27,802.03
	d) Long Term provisions	188.14	174.23		c) Trade Receivables	1,03,393.61	1,23,304.99
	Sub total - Non Current Liabilities	6,408.73	6,192.93		d) Cash and Cash Equivalents	7,258.83	36,280.01
4	Current Liabilities				e) Short term Loans and advances	64,260.58	70,371.23
	a) Short term borrowings	1,81,236.29	1,76,418.38		f) Other Current Assets	33,967.09	16,063.43
	b) Trade payables	45,484.04	53,571.98		Sub total - Current Assets	2,36,830.18	2,73,821.69
	c) Other current liabilities	42,038.65	38,813.57		Total Assets	3,27,167.06	3,26,484.72
	d) Short term provisions	726.94	739.09				
	Sub total - Current Liabilities	2,69,485.92	2,69,543.02				
	Total - Equity and Liabilities	3,27,167.06	3,26,484.72				

Shriram EPC Limited
T.Shivaraman
Managing Director & CEO

Place : Chennai - 600 008
Date : 07th November 2012