**Punj Lloyd Ltd**
Corporate Office I, 78 Institutional Area, Sector 32, Gurgaon 122 001, India
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info@punjlloyd.com
www.punjlloyd.com

November 14, 2014

**National Stock Exchange of India Limited**
Exchange Plaza
Bandra Kurla Complex
Bandra (East)
Mumbai – 400051

Symbol: **PUNJLLOYD**

**BSE Limited**
Department of Corporate Services
25th Floor
P J Towers
Dalal Street
Mumbai – 400001

Scrip Code: **532693** / Scrip ID: **PUNJLLOYD**

**Re: Information under Clause 41 of Listing Agreement**

Dear Sir/Madam,

In terms of clause 41 of the Listing Agreement, we are enclosing herewith the Stand Alone Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2014 in the prescribed format, as approved and taken on record by the Board of Directors in their meeting held today i.e. November 14, 2014.

We are enclosing herewith the Limited Review report of the Statutory Auditors of the Company on the Stand Alone Unaudited Financial Results of the quarter and half year ended September 30, 2014.

A copy of the Press Release on the above results is also enclosed herewith.

The above is for your information and record.

Thanking You,

Yours Faithfully,

**For Punj Lloyd Limited**

Dinesh Thairani
Group President – Legal & Company Secretary

Encl.: As above

**Punj Lloyd Limited**
**Registered Office: Punj Lloyd House, 17-18 Nehru Place, New Delhi 110 019**
**Statement of unaudited results for the quarter ended September 30, 2014**
(All amounts are in Lacs of INR, unless otherwise stated)

**Part I**

| Particulars | Three months ended | | | Six months ended | | Year ended |
|---|---|---|---|---|---|---|
| | September 30, 2014 | June 30, 2014 | September 30, 2013 | September 30, 2014 | September 30, 2013 | March 31, 2014 |
| | (unaudited) | (unaudited) | (unaudited) | (unaudited) | (unaudited) | (audited) |
| **Income from operations** | | | | | | |
| Net sales/income from operations | 126,178 | 110,747 | 196,064 | 236,925 | 418,523 | 822,917 |
| Other operating income | 1,147 | 363 | 26,180 | 1,510 | 22,759 | 24,495 |
| **Total income from operations** | **127,325** | **111,110** | **222,244** | **238,435** | **441,282** | **847,412** |
| **Expenses** | | | | | | |
| Cost of material consumed | 77,006 | 59,694 | 96,667 | 136,700 | 171,826 | 336,427 |
| Contractor charges | 26,401 | 38,970 | 53,045 | 65,371 | 110,433 | 212,864 |
| Employee benefit expense | 14,099 | 15,116 | 23,297 | 29,215 | 45,029 | 82,968 |
| Depreciation and amortisation expense | 8,864 | 7,979 | 5,783 | 16,843 | 11,238 | 24,476 |
| Other expenses | 20,474 | 22,546 | 25,088 | 43,020 | 66,185 | 116,058 |
| **Total expenses** | **146,844** | **144,305** | **203,880** | **291,149** | **404,711** | **772,793** |
| **(Loss)/ Profit from operations before other income, finance costs and exceptional items** | **(19,519)** | **(33,195)** | **18,364** | **(52,714)** | **36,571** | **74,619** |
| Other income | 1,732 | 874 | 793 | 2,606 | 1,199 | 3,697 |
| **(Loss)/ Profit from ordinary activities before finance costs and exceptional items** | **(17,787)** | **(32,321)** | **19,157** | **(50,108)** | **37,770** | **78,316** |
| Finance costs | 21,268 | 21,539 | 18,907 | 42,807 | 36,775 | 77,115 |
| **(Loss)/ Profit from ordinary activities before exceptional items** | **(39,055)** | **(53,860)** | **250** | **(92,915)** | **995** | **1,201** |
| Exceptional items | - | - | - | - | - | - |
| **(Loss)/ Profit from ordinary activities before tax** | **(39,055)** | **(53,860)** | **250** | **(92,915)** | **995** | **1,201** |
| Tax expense | (12,704) | (17,468) | 90 | (30,172) | 340 | 420 |
| **Net (Loss)/ Profit for the period** | **(26,351)** | **(36,392)** | **160** | **(62,743)** | **655** | **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 |
| Paid-up debt capital | | | | 162,085 | 148,277 | 164,305 |
| Debenture redemption reserve (included in reserves mentioned above) | | | | 11,287 | 11,287 | 11,287 |
| **Earnings per share** | | | | | | |
| Basic (in Rs.) | (7.93) | (10.96) | 0.05 | (18.89) | 0.20 | 0.24 |
| Diluted (in Rs.) | (7.93) | (10.96) | 0.05 | (18.89) | 0.20 | 0.24 |
| | (Not annualised) | (Not annualised) | (Not annualised) | (Not annualised) | (Not annualised) | (Annualised) |
| Debt Equity Ratio | | | | 0.52 | 0.39 | 0.44 |
| Debt Service Coverage Ratio | | | | (1.33) | 1.70 | 1.59 |
| Interest Service Coverage Ratio | | | | (1.12) | 1.40 | 1.40 |

WALKER CHANDIOK & CO. LLP * CHARTERED ACCOUNTANTS *

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PUNJ LLOYD LTD Punj Lloyd GURGAON

**Part II**

| A. Particulars of Shareholding | | | | | | |
|---|---|---|---|---|---|---|
| | Three months ended | | | Six months ended | | Year ended |
| Particulars | September 30, 2014 | June 30, 2014 | September 30, 2013 | September 30, 2014 | September 30, 2013 | March 31, 2014 |
| 1. Public shareholding | | | | | | |
| Number of shares | 208,738,697 | 208,703,097 | 208,472,762 | 208,738,697 | 208,472,762 | 208,472,762 |
| Percentage of shareholding | 62.86 | 62.84 | 62.77 | 62.86 | 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) | 66.77 | 66.75 | 6.23 | 66.77 | 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 | 40,989,788 | 41,025,388 | 115,922,983 | 40,989,788 | 115,922,983 | 46,974,678 |
| -Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 33.23 | 33.25 | 93.77 | 33.23 | 93.77 | 38.00 |
| -Percentage of shares (as a % of the total share capital of the Company) | 12.34 | 12.36 | 34.91 | 12.34 | 34.91 | 14.15 |

| B. The status of investor complaints received by the Company is as follows: | | | | |
|---|---|---|---|---|
| Particulars | Pending as on July 01, 2014 | Received during the quarter | Disposed off during the quarter | Pending as on September 30, 2014 |
| No. of complaints | - | 14 | 14 | - |

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Notes

1. The above unaudited financial results for the quarter ended September 30, 2014 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on November 14, 2014.

2. Statement of Assets and Liabilities:

(Amount in INR Lacs)

| Particulars | As at | |
|---|---|---|
| | September 30, 2014 (unaudited) | March 31, 2014 (audited) |
| **EQUITY AND LIABILITIES** | | |
| **Shareholders' funds** | | |
| Share capital | 6,642 | 6,642 |
| Reserves and surplus | 302,414 | 368,399 |
| **Sub-total - Shareholders' funds** | **309,056** | **375,041** |
| **Non-current liabilities** | | |
| Long-term borrowings | 102,822 | 124,893 |
| Deferred tax liabilities (net) | - | 12,861 |
| Other liabilities | 1,649 | 2,827 |
| Provisions | 252 | 116 |
| **Sub-total - Non-current liabilities** | **104,723** | **140,697** |
| **Current liabilities** | | |
| Short-term borrowings | 377,211 | 352,189 |
| Trade payables | 232,452 | 230,014 |
| Other liabilities | 358,374 | 302,354 |
| Provisions | 7,753 | 7,831 |
| **Sub-total - Current liabilities** | **975,790** | **892,388** |
| **TOTAL - EQUITY AND LIABILITIES** | **1,389,569** | **1,408,126** |
| **ASSETS** | | |
| **Non-current assets** | | |
| Fixed assets | 130,473 | 151,011 |
| Non-current investments | 157,587 | 157,855 |
| Deferred tax assets (net) | 18,816 | 241 |
| Loans and advances | 52,122 | 56,465 |
| Other assets | 10,696 | 10,779 |
| **Sub-total - Non-current assets** | **369,694** | **376,351** |
| **Current assets** | | |
| Inventories | 15,324 | 12,260 |
| Unbilled revenue (work-in-progress) | 568,536 | 607,353 |
| Trade receivables | 241,067 | 237,772 |
| Cash and bank balances | 21,205 | 17,631 |
| Loans and advances | 162,739 | 145,746 |
| Other assets | 11,004 | 11,013 |
| **Sub-total - Current assets** | **1,019,875** | **1,031,775** |
| **TOTAL - ASSETS** | **1,389,569** | **1,408,126** |

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3. The auditors of the Company in their report on financial results for the quarter ended September 30, 2014 have invited attention in respect of certain cost over-runs 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 have expressed an emphasis on this matter in their report on financial results for the quarter ended June 30, 2014 and year ended March 31, 2014.

4. During the quarter ended September 30, 2014, on a project being executed by the Company's branch in Thailand, the customer has exercised its contractual right to encash the performance bond amounting to Rs. 17,108 lacs. The auditors of the Company in their report on financial results for the quarter ended September 30, 2014 have invited attention in respect of the above matter and on recoverability of other claims from the said contract amounting to Rs. 39,109 lacs, on which the auditors of the Company's branch in Thailand have drawn an emphasis of matter in their report on the branch's financial results for the quarter ended September 30, 2014. The management is taking appropriate steps for the recovery of the said amounts and is confident of recovery of the amounts exceeding the recognized claims and performance bonds. Accordingly, no adjustments have been considered necessary in these financial results. The auditors of the Company have expressed an emphasis on this matter in their report on financial results for the quarter ended June 30, 2014 and year ended March 31, 2014.

5. 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.

6. The auditors of the Company in their report on financial results for the quarter ended September 30, 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 have expressed an emphasis on this matter in their report on financial results for the quarter ended June 30, 2014 and year ended March 31, 2014.

7. 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 realize the deferred tax assets.

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PUNJ LLOYD LTD Punj Lloyd GURGAON

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8. Segment wise revenue, results and capital employed:

| Particulars | Three months ended | | | Six months ended | | Year ended |
|---|---|---|---|---|---|---|
| | September 30, 2014 | June 30, 2014 | September 30, 2013 | September 30, 2014 | September 30, 2013 | March 31, 2014 |
| **Segment revenue** | | | | | | |
| Engineering, procurement and construction services | 97,667 | 83,885 | 168,816 | 181,552 | 375,577 | 722,681 |
| Traded goods | 27,080 | 25,030 | 26,196 | 52,110 | 40,293 | 92,418 |
| Unallocated | 1,431 | 1,832 | 1,052 | 3,263 | 2,653 | 7,818 |
| **Net sales / income from operations** | **126,178** | **110,747** | **196,064** | **236,925** | **418,523** | **822,917** |
| **Segment results** | | | | | | |
| (Loss)/ Profit before interest and tax for each segment | | | | | | |
| Engineering, procurement and construction services | (19,488) | (34,223) | 18,149 | (53,711) | 35,099 | 69,545 |
| Traded goods | 48 | 80 | (281) | 128 | (228) | 609 |
| Unallocated | 990 | 1,395 | 661 | 2,385 | 1,873 | 6,272 |
| **Total** | **(18,450)** | **(32,748)** | **18,530** | **(51,198)** | **36,744** | **76,426** |
| Less: (i) Interest | 21,268 | 21,539 | 18,907 | 42,807 | 36,775 | 77,115 |
| (ii) Other unallocable expenditure net off unallocable income | (663) | (427) | (627) | (1,090) | (1,026) | (1,890) |
| **Total (loss)/ profit before tax** | **(39,055)** | **(53,860)** | **250** | **(92,915)** | **995** | **1,201** |
| **Capital employed (segment assets - segment liabilities)** | | | | | | |
| Engineering, procurement and construction services | 556,952 | 588,622 | 598,892 | 556,952 | 598,892 | 625,041 |
| Traded goods | 2,138 | 644 | 3,725 | 2,138 | 3,725 | 3,291 |
| Unallocated | (250,034) | (253,006) | (225,989) | (250,034) | (225,989) | (253,291) |
| **Total** | **309,056** | **336,260** | **376,628** | **309,056** | **376,628** | **375,041** |

9. Tax expenses are net of deferred tax effects and minimum alternative tax credit.

10. Other operating income includes exchange differences (net).

11. Ratios have been computed as follows:
- Interest Service Coverage Ratio = Profit before Interest, Depreciation and Tax / Interest
- Debt Service Coverage Ratio = Profit before Interest, Depreciation and Tax / (Interest on 'Debt' + Principal repayment of Debt during the period)
- Debt = Long term borrowings, including their current maturities and excluding working capital loans
- Equity = Issued, Subscribed and Paid-Up Share Capital plus Reserves and Surplus (mentioned below)
- Reserves and Surplus = General Reserve, Capital Reserve, Debenture Redemption Reserve, Securities Premium Account, Foreign Currency Translation Reserve and Surplus Closing Balance in the Statement of Profit and Loss.

12. Previous quarters / six 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 Director's of Punj Lloyd Limited

J. P. Chalasani
Managing Director & Group CEO

Place: Gurgaon
Date: November 14, 2014

CHARTERED ACCOUNTANTS * WALKER CHANDIOK & CO. LLP *

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PUNJ LLOYD LTD Punj Lloyd GURGAON

# Walker Chandiok & Co LLP

**Walker Chandiok & Co LLP**
(Formerly Walker, Chandiok & Co)
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**Review Report**

**To the Board of Directors of Punj Lloyd Limited**

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of Punj Lloyd Limited ("the Company") for the quarter ended 30 September 2014 and the year to date results for the period 1 April 2014 to 30 September 2014, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Based on our review conducted as above and upon consideration of reports of other auditors, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. Without qualifying our report, we draw attention to:
   a. note 3 to the Statement, regarding recoverability of claims aggregating to Rs. 73,580 lacs which are subject matter of arbitration.
   b. note 4 to the Statement, regarding recoverability of claims aggregating to Rs 39,109 lacs and enforcement of the performance security amounting to Rs 17,108 lacs by the customer at a project of the Thailand branch, as reported by the independent auditors of the said branch.
   c. note 6 to the Statement in respect of deductions made/ amount withheld by some customers aggregating to Rs 5,391 lacs which are being carried as trade receivables. These amounts are outstanding due to disputes with the customers.

   Pending ultimate outcome of the above matters which is presently unascertainable, no adjustments have been recorded in the accompanying Statement.






Walker Chandiok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

**Review Report to the Board of Directors of Punj Lloyd Limited on the financial results for the quarter and six months ended 30 September 2014 (Cont'd)**

5. We did not review the interim financial results of certain branches, and an unincorporated joint venture, included in the Statement, whose interim financial results reflect total revenues (net of eliminations) of Rs. 52,110 lacs and Rs 91,961 lacs for the quarter and six months ended 30 September 2014, and total assets of Rs. 459,240 lacs (net of eliminations) as at quarter ended 30 September 2014. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management and our report in respect thereof is based solely on the review reports of such other auditors. Our review report is not qualified in respect of this matter.

Walker Chandiok & Co LLP

**For Walker Chandiok & Co LLP**
(Formerly *Walker, Chandiok & Co*)
Chartered Accountants
Firm Registration No: 001076N/N500013

Anupam

per **Anupam Kumar**
Partner
Membership No. 501531

**Place:** Gurgaon
**Date:** 14 November 2014

Punj Lloyd GROUP

**Press Release**

## Punj Lloyd announces Q2FY2015 results

Total income in Q2FY2015 stands at INR 1,291 crores
Strong order backlog at INR 23,355 crores

**New Delhi, November 14, 2014:** Punj Lloyd Limited, the diversified engineering, procurement and construction conglomerate, announced its financial results for the second quarter ended September 30, 2014 for FY15 at the meeting of its Board of Directors today.

### Financial Highlights

(INR in crores)

| | Three months ended | | | Six months ended | |
|---|---|---|---|---|---|
| | Sep 30, 2014 | Sep 30, 2013 | Jun 30, 2014 | Sep 30, 2014 | Sep 30, 2013 |
| | | | | | |
| Gross Income | 1,291 | 2,230 | 1,120 | 2,410 | 4,425 |
| EBIDTA | (89) | 249 | (243) | (333) | 490 |
| (Loss) / Profit after Taxes | (264) | 2 | (364) | (627) | 7 |

**Speaking on the financial performance, Atul Punj, Chairman, Punj Lloyd,** *said, "While the performance reflects the impact of the insufficient order wins in the previous two financial years, there is a positive improvement compared to the previous quarter. This will further improve with the order wins in the current year till date and the expected order inflows in the near future.*

*Furthermore, with the new policies in place and DIPP clearance of the new defence licenses for Punj Lloyd, we are confident that our business shall leverage the growing opportunities in the Indian defence arena."*

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**About Punj Lloyd:**

Punj Lloyd (BSE SCRIP ID: PUNJLLOYD, NSE SYMBOL: PUNJLLOYD) is a diversified international conglomerate offering EPC services in Energy and Infrastructure along with engineering and manufacturing capabilities in the Defence sector. The second largest engineering and construction company in India, Punj Lloyd has operations spread across 24 countries, a mix across the Middle East, Africa, the Caspian, Europe, Asia Pacific and South Asia.

PUNJ LLOYD LIMITED

With a turnover of US $1.8 billion, the Group's three brands - Punj Lloyd and PL Engineering headquartered in India and Sembawang Engineers & Constructors in Singapore, each with its own subsidiaries and joint ventures, converge to offer complementary services, rich experiences and best practices from across the globe. The Group has over 15,000 skilled multicultural workforce worldwide. Known for its capabilities in delivering mega projects 'on time,' thereby ensuring repeat customers, the Group delivers reliable, high-quality solutions for global infrastructure always ensuring integrity, safety and sustainability.

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