IVRCL LIMITED

Regd. Office : M-22/3RT, Vijaya Nagar Colony, Hyderabad-500 057

Unaudited Financial Results for the Quarter and Six Months Ended September 30, 2013

PART I

Statement of Unaudited Results for the Quarter and Six Months Ended September 30, 2013

(₹ in lakhs, except share data)

Sl. No.	Particulars (Refer Notes below)	Quarter Ended			Six Months Ended	9 Months Period Ended
		September 30, 2013	June 30, 2013	September 30, 2012	September 30, 2013	March 31, 2013
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1.	Income from operations					
	a) Net Income from operations	112,426.84	100,478.88	99,472.06	212,905.72	373,400.98
	b) Other operating income	41.74	203.98	-	245.72	2,507.87
	Total income from operations (net)	112,468.58	100,682.86	99,472.06	213,151.44	375,908.85
2.	Expenses					
	a) Construction stores, spares and materials consumed	24,424.72	28,267.61	33,146.47	52,692.33	105,272.20
	b) Purchases of stock-in-trade	-	-		-	58.25
	c) Sub-contracting expense	44,323.90	29,891.90	18,995.61	74,215.80	112,570.01
	d) Masonry, labour and other construction expense	26,938.81	27,618.53	31,137.21	54,557.34	102,753.46
	e) Employee benefits expense	4,836.68	5,901.08	6,102.60	10,737.76	17,742.11
	f) Depreciation and amortisation expense	2,218.63	2,256.67	2,044.35	4,475.30	6,396.74
	g) Other expense	7,276.19	4,378.66	3,175.92	11,654.85	11,126.04
	Total expenses	110,018.93	98,314.45	94,602.16	208,333.38	355,918.75
3.	Profit from operations before other income, finance costs and exceptional items	2,449.65	2,368.41	4,869.90	4,818.06	19,990.10
4.	Other income	1,661.60	770.64	1,054.37	2,432.24	7,886.55
5.	Profit before finance costs and exceptional items	4,111.25	3,139.05	5,924.27	7,250.30	27,876.65
6.	Finance costs	14,888.54	12,792.44	10,162.45	27,680.98	34,788.78
7.	Exceptional items	-	-	-	-	-
8.	Loss from ordinary activities before tax	(10,777.29)	(9,653.39)	(4,238.18)	(20,430.68)	(6,912.13)
9.	Tax (credit) /expense	1,472.05	(805.48)	(279.13)	666.57	3,253.99
10.	Net Loss for the period	(12,249.34)	(8,847.91)	(3,959.05)	(21,097.25)	(10,166.12)
11.	Paid up equity share capital (Face Value of ₹ 2)	6,137.74	6,137.74	6,137.74	6,137.74	6,137.74
12.	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting period				-	210,496.40
13.	Earnings per share (of ₹ 2 each) (not annualised)					
	- Basic & Diluted EPS (in ₹)	(3.99)	(2.88)	(1.29)	(6.87)	(3.31)
14.	a) Debt Equity Ratio				1.72	1.31
	b) Debt Service Coverage Ratio *				(2.09)	(0.10)
	c) Interest Service Coverage Ratio **				0.16	0.73

* Debt Service Coverage Ratio : Profit / (Loss) before interest and tax / Interest on Long-Term Debt and Principal Repayments on Long-Term Debt

** Interest Service Coverage Ratio : Profit / (Loss) before interest and tax / Interest Expense

PART II

Select Information for the Quarter and Six Months Ended September 30, 2013

A. PARTICULARS OF SHAREHOLDING

		Quarter Ended			Six Months Ended	9 Months Period Ended
		September 30, 2013	June 30, 2013	September 30, 2012	September 30, 2013	March 31, 2013
1.	Public Shareholding					
	Number of shares	264,854,482	264,854,482	264,854,482	264,854,482	264,854,482
	Percentage of shareholding	86.30%	86.30%	86.30%	86.30%	86.30%
2.	Promoters and Promoter Group Shareholding					
	(a) Pledged / Encumbered					
	Number of shares		-	-	-	-
	Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)		-	-	-	-
	Percentage of shareholding (as a % of the total share capital of the Company)		-	-	-	-
	(b) Non - encumbered					
	Number of shares	42,032,166	42,032,166	42,032,166	42,032,166	42,032,166
	Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	Percentage of shareholding (as a % of the total share capital of the Company)	13.70%	13.70%	13.70%	13.70%	13.70%

B. INVESTOR COMPLAINTS

Particulars	Quarter Ended September 30, 2013
Pending at the beginning of the quarter	Nil
Received during the quarter	4
Disposed off during the quarter	4
Remaining unresolved at the end of the quarter	Nil

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C. Statement of Assets and Liabilities

(₹ in lakhs)

Particulars	As at September 30, 2013	As at March 31, 2013
Equity and Liabilities		
Shareholders' Funds		
a) Share Capital	6,137.74	6,137.74
c) Reserves and Surplus [including revaluation reserve of ₹ 283.24 lakhs (March 31, 2013: ₹ 283.42 lakhs)]	189,429.31	210,779.82
	195,567.05	216,917.56
Non-Current Liabilities		
a) Long-Term Borrowings	15,855.50	25,530.97
b) Long-Term Provisions	664.09	761.79
	16,519.59	26,292.76
Current Liabilities		
a) Short-Term Borrowings	279,504.84	224,943.49
b) Trade Payables	160,138.36	178,672.75
c) Other Current Liabilities	214,909.43	198,126.15
d) Short-Term Provisions	1,904.41	1,992.64
	656,457.04	603,735.03
	868,543.68	846,945.35
Total Equity and Liabilities		
Assets		
Non-Current Assets		
a) Fixed Assets	61,846.00	65,882.91
b) Non-Current Investments	165,338.81	165,354.43
c) Deferred Tax Asset (Net)	3,065.20	3,065.20
d) Long-Term Loans and Advances	93,917.00	84,543.54
e) Other Non-Current Assets	57,729.38	55,517.60
	381,896.39	374,363.68
Current Assets		
a) Inventories	22,522.77	26,870.73
b) Trade Receivables	204,088.83	186,673.70
c) Cash and Bank Balances	10,313.39	9,238.20
d) Short-Term Loans and Advances	64,243.57	75,439.59
e) Other Current Assets	185,478.73	174,359.45
	486,647.29	472,581.67
	868,543.68	846,945.35
Total Assets		

Notes :

1. The statement of unaudited financial results of the Company for the Quarter and Six Months Ended September 30, 2013 has been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on November 14, 2013.

2. Trade Receivables as at September 30, 2013 include amounts aggregating to:
   a) ₹ 3,470.66 lakhs relating to claims receivable from certain contractee clients. The claims are on account of deviation in design, additional overheads, interest due to overstay and idle cost. The claims are considered realizable based on favourable developments arising out of continuous contract management steps taken by the Company, and
   b) ₹ 18,861.65 lakhs (including ₹ 7,196.55 lakhs which are under arbitration) outstanding for a period of more than three years. The Company is in continuous engagement with the customers for realization of dues.

   The Statutory Auditors have qualified the above receivables in their independent auditor's report. The Board of Directors is of the view that the receivables covered by (a) and (b) above are good and fully recoverable.

3. The Company has investment amounting to ₹ 6,575.25 lakhs in its subsidiary Hindustan Dorr-Oliver Limited. The networth of the subsidiary has been substantially eroded. As the subsidiary is confident of implementing its business plans and improving future operations, provision for diminution in value of investments has not been considered necessary.

4. The Unaudited Financial Results include Managerial Remuneration amounting to ₹ 38.21 lakhs in respect of an executive director which is subject to Central Government's approval and ₹ 1.23 lakhs in respect of two executive directors for which the Company is in the process of making an application to the Central Government. Pending approval from the Central Government, the excess amount of ₹ 207.18 lakhs (including ₹ 167.74 lakhs in respect of previous period) has been accounted as due from directors.

5. In respect of certain customers the Company has initiated legal / arbitration proceedings . The trade receivables and other current assets from such customers as at September 30, 2013 is aggregating to ₹ 23,821.88 lakhs. Management is confident that the outcome of the legal proceedings will be favourable and no provision is considered necessary at this stage.

6. Subsequent to the Settlement Application made during the period ended March 31, 2013 in respect of the search and seizure operations carried out by the Income Tax authorities, the Income Tax Settlement Commission has issued final order under Section 245(D)4 of the Income Tax Act, 1961 based on which the Company has accounted additional tax expense of ₹ 666.57 lakhs and interest on deferred payment of tax amounting to ₹ 1,063.03 lakhs included under "Tax expense" and "Finance Cost" respectively. The aforesaid amounts are gross of interest on tax refunds receivable amount to ₹ 941.34 lakhs.

7. The Company is engaged in one business segment, namely 'Engineering & Construction' only. No separate geographical segment disclosure is considered necessary as the Company is engaged primarily in the business within India where uniform business conditions of significant nature prevail.

8. The audited financial statements for the Period Ended March 31, 2013 were for a period of nine months since the prior period financial statements pertaining to June 30, 2012 were for a period of fifteen months from April 01, 2011 to June 30, 2012. As such there are no separate figures available for six months period ended September,30 2012.

9. Previous periods figures have been regrouped, wherever considered necessary.

By order of the Board

IVRCL LIMITED Hyderabad

E.Sudhir Reddy
Chairman & Managing Director

Place : Hyderabad
Date : November 14, 2013