



UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2016, PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS (IND AS)

(Rupees in crores except per share data)

Sr. No.	Particulars	Quarter ended			Year to date		Year ended
		30 September 2016	30 June 2016	30 September 2015	30 September 2016	30 September 2015	31 March 2016
		(Unaudited)	(Unaudited)	Refer Note 2	(Unaudited)	Refer Note 2	Refer Note 2
1	Income from operations						
	a) Revenue from operations	205.79	204.93	209.55	410.72	415.48	1,063.82
	b) Other operating income	-	-	-	-	-	-
	Total income from operations	205.79	204.93	209.55	410.72	415.48	1,063.82
2	Expenses						
	a) Cost of materials consumed	101.82	97.42	100.60	199.24	183.37	467.19
	b) Purchase of stock-in-trade	-	-	-	-	-	-
	c) Changes in inventories of finished goods, work-in-progress & stock-in-trade	(7.73)	0.83	(2.23)	(6.90)	(4.27)	(0.22)
	d) Employee benefits expense	41.36	38.42	36.28	79.78	75.99	154.37
	e) Depreciation and amortisation expense	5.51	5.80	6.28	11.31	12.71	25.14
	f) Exchange (gain) / loss	(0.68)	(2.45)	0.52	(3.13)	(0.68)	(1.31)
	g) Excise duty on sales	9.12	8.24	7.91	17.36	15.63	40.21
	h) Other expenditure	55.82	55.68	59.39	111.50	121.20	288.16
	Total expenses	205.22	203.94	208.75	409.16	403.95	973.54
3	Profit / (loss) from operations before other income, finance costs & exceptional items (1-2)	0.57	0.99	0.80	1.56	11.53	90.28
4	Other income	5.97	4.35	5.22	10.32	8.29	17.04
5	Profit / (loss) from ordinary activities before finance costs & exceptional items (3+4)	6.54	5.34	6.02	11.88	19.82	107.32
6	Finance costs	0.26	0.44	0.59	0.70	1.15	2.03
7	Profit / (loss) from ordinary activities after finance costs but before exceptional items (5-6)	6.28	4.90	5.43	11.18	18.67	105.29
8	Exceptional items	-	-	-	-	-	-
9	Profit / (loss) from ordinary activities before tax (7-8)	6.28	4.90	5.43	11.18	18.67	105.29
10	Less : Tax expense						
	- Current year	3.24	1.10	0.57	4.34	5.06	23.01
	- Prior years	(0.00)	(0.31)	(0.04)	(0.31)	(0.05)	(0.08)
11	Net profit / (loss) from ordinary activities after tax (9-10)	3.04	4.11	4.90	7.15	13.66	82.36
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	Net profit / (loss) for the period	3.04	4.11	4.90	7.15	13.66	82.36
14	Minority Interest	(0.00)	-	(0.11)	(0.00)	0.01	0.01
15	Net Profit / (Loss) after taxes and minority interest (13-14)	3.04	4.11	5.01	7.15	13.65	82.35
16	Other comprehensive income						
	i. Items that will not be reclassified to profit or loss (net of tax)	(0.61)	0.24	(0.75)	(0.37)	(0.30)	0.04
	ii. Items that will be reclassified to profit or loss (net of tax)	(0.42)	0.12	0.27	(0.30)	0.45	0.64
	Total other comprehensive income (net of tax)	(1.03)	0.36	(0.48)	(0.67)	0.15	0.68
17	Total comprehensive income for the period (13+14) (Comprising profit (loss) and other comprehensive income for the period)	2.01	4.47	4.53	6.48	13.80	83.03
18	Paid-up equity share capital (Face value Rs.2 per share)	35.68	35.61	35.58	35.68	35.58	35.59
19	Reserve excluding revaluation reserves as per balance sheet of previous accounting year.						619.69
20	i. Basic EPS (Face value Rs. 2/- per share) (Before extra ordinary items)	0.17	0.23	0.28	0.40	0.77	4.63
	Diluted EPS (Face value Rs. 2/- per share) (Before extra ordinary items)	0.17	0.23	0.27	0.40	0.77	4.61
	ii. Basic EPS (Face value Rs. 2/- per share) (After extra ordinary items)	0.17	0.23	0.28	0.40	0.77	4.63
	Diluted EPS (Face value Rs. 2/- per share) (After extra ordinary items)	0.17	0.23	0.27	0.40	0.77	4.61

Notes:

- These financial results are prepared in accordance with Indian Accounting Standards (Ind AS) as notified under Companies' (Indian Accounting Standards) Rules, 2015. In preparing its corresponding quarter ended 30 September 2015, corresponding half year ended 30 September 2015 and year ended 31 March 2016, the group has adjusted amounts reported previously in results prepared in accordance with Indian Generally Accepted Accounting Principles (Indian GAAP). An explanation of how the transition from Indian GAAP to Ind AS has impacted the group's financial performance and financial position is set out in Annexure A.
- The quarter ended 30 September 2015, half year ended 30 September 2015 and year ended 31 March 2016 have not been subjected to limited review / audit under Ind AS. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.
- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 20 October 2016.
- The company operates only in one segment, i.e. "Process and Project Engineering".
- During the quarter ended 30 September 2016, Company allotted 3,30,917 equity shares to its employees under Employee Stock Option Plan.

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2016, PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS (IND AS) ...CONTD.

STATEMENT OF ASSETS AND LIABILITIES

(Rupees in crores)

Sr. No.	Particulars	As at	
		30 September 2016	31 March 2016
		(Unaudited)	Refer Note 2
	ASSETS		
(1)	Non-current assets		
	(a) Property, plant and equipment	200.56	206.96
	(b) Capital work-in-progress	9.46	0.76
	(c) Investment property	13.69	13.69
	(d) Goodwill	62.62	62.62
	(e) Other intangible assets	2.26	2.76
	(f) Intangible assets under development	0.07	0.07
	(g) Financial assets		
	(i) Investments	0.01	10.01
	(ii) Loans	6.19	5.99
	(iii) Others	14.33	10.73
	(h) Deferred tax assets (net)	9.23	7.39
	(i) Other non-current assets	12.71	12.65
	Total non-current assets	331.14	333.63
(2)	Current assets		
	(a) Inventories	103.84	100.81
	(b) Financial assets		
	(i) Investments	157.78	121.65
	(ii) Trade receivables	265.06	367.10
	(iii) Cash and cash equivalents	66.33	81.85
	(v) Loans	0.56	1.06
	(vi) Others	13.21	25.57
	(c) Current tax asset (Net)	10.47	5.99
	(d) Other current assets	156.28	120.08
	Total current assets	773.53	824.11
	TOTAL ASSETS	1,104.67	1,157.74
	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity share capital	35.68	35.59
	(b) Other equity	629.46	619.69
	Equity attributable to equity holders of the parent	665.14	655.28
	Non-controlling interests	0.28	0.28
	Total equity	665.42	655.56
(1)	LIABILITIES		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	0.10	0.12
	(b) Provisions	16.43	13.02
	Total non-current liabilities	16.53	13.14
(2)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	13.19	15.91
	(i) Trade payables	163.55	207.15
	(ii) Other financial liabilities	17.22	16.29
	(b) Other current liabilities	214.89	233.45
	(c) Provisions	13.87	16.24
	Total current liabilities	422.72	489.04
	Total liabilities	439.25	502.18
	TOTAL EQUITY AND LIABILITIES	1,104.67	1,157.74

Place : Pune

Date : 20 October 2016

GAJANAN NABAR
CEO & MANAGING DIRECTOR
DIN :00714569

Reconciliation of equity as previously reported under Indian GAAP to Ind AS
(Rupees in crores)

Sr. No.	Particulars	Note No.	Consolidated		
			As at		
			30 September 2015	31 March 2016	1 April 2015
(A)	Equity as per Indian GAAP		635.83	661.39	637.00
	Ind AS adjustments:				
(B)	Impact on retained earnings				
	Proposed dividend	1	-	-	34.60
	Change in parent's ownership interest that does not result in change in contro	2	(21.06)	(21.06)	-
	Amortisation of goodwill arising on consolidation	3	4.28	9.32	-
	Share based payment transactions - Employee Stock Option Plan (ESOP)	4	(4.23)	(5.98)	(2.36)
	Fair valuation of investment in mutual fund:	5	4.07	5.70	3.65
	Contract revenue - combining of contract:	6	(3.86)	(0.97)	(8.54)
	Others	8	(2.85)	1.31	0.95
	Deferred tax impact on above Ind AS adjustment	9	2.32	(0.12)	2.61
	Total impact on retained earnings		(21.33)	(11.80)	30.92
(C)	Impact on other components of equity				
	Share based payment reserve	4	4.23	5.98	2.36
	Total impact on other components of equity		4.23	5.98	2.36
(D)	Impact on equity (B) + (C)		(17.10)	(5.82)	33.28
(E)	Equity as per Ind AS (A) + (D)		618.73	655.57	670.28

Reconciliation of profit as previously reported under Indian GAAP to Ind AS
(Rupees in crores)

Sr. No.	Particulars	Note No.	Consolidated		
			Quarter ended	Half year ended	Year ended
			30 September 2015	30 September 2015	31 March 2016
(A)	Net profit as per Indian GAAP		4.75	9.93	69.45
(B)	Ind AS adjustments:				
	Amortisation of goodwill arising on consolidation	3	2.23	4.28	9.32
	Contract revenue - combining of contracts	6	(1.03)	4.68	7.56
	Share based payment transactions - Employee Stock Option Plan (ESOP)	4	(0.96)	(1.87)	(3.62)
	Fair valuation of investment in mutual funds	5	(0.35)	0.42	2.05
	Actuarial gains/ loss on post-employment defined benefit plans	7	1.14	0.46	(0.07)
	Others	8	(1.15)	(3.80)	0.36
	Deferred tax impact on above Ind AS adjustments	9	0.38	(0.45)	(2.70)
	Total Ind AS adjustments		0.26	3.72	12.90
(C)	Net profit for the period as per Ind AS (A+ B)		5.01	13.65	82.35
(D)	Other comprehensive income (net of deferred tax)	7, 10	(0.48)	0.15	0.68
(E)	Total comprehensive income as per Ind AS (C) + (D)		4.53	13.80	83.03

ANNEXURE A...CONTD..

EXPLANATION (RECONCILIATION) OF TRANSITION TO INDIAN ACCOUNTING STANDARDS (IND AS)

Notes:

- 1 Under Indian GAAP, dividend proposed after the date of the financial statements but prior to the approval of financial statements is considered as an adjusting event, and a provision for dividend is recognised in the financial statements of the period to which the dividend relates. Under Ind AS, dividend declaration is considered as a non-adjusting event and provision for dividend is recognised only in the period when the dividend is approved by the shareholders in annual general meeting.
- 2 Under Indian GAAP, purchase consideration paid in excess of book value of net assets acquired for additional ownership interest in subsidiary is recognised as goodwill. Under Ind AS, changes in parent's ownership interest in a subsidiary that does not result in a change of control are accounted for as equity transactions (transactions between shareholders).
- 3 Under Indian GAAP the group has amortised goodwill arising on consolidation over the period of 10 years. Under Ind AS, goodwill is not amortised but tested for impairment.
- 4 Under Indian GAAP, the group uses intrinsic value approach to measure the cost of share based payments. Under this approach, if the exercise price for employee stock option is not less than the market price of the underlying shares on the date of the grant, no compensation cost is recorded. Under Ind AS, costs of share based payments are recorded based on the fair value of employee stock option. Under this approach, the instrument would have a value even if the exercise price is equal to the market price of the underlying shares on the date of grant
- 5 Under Indian GAAP, current investments in mutual funds are measured at cost or net realisable value, whichever is lower. Under Ind AS, investments in mutual funds are classified as 'Fair value through profit or loss' and are measured at fair value at each reporting date. The subsequent changes in the fair value of such investments are recognised in statement of profit and loss.
- 6 Under Indian GAAP, there is no specific guidance with respect to combining of contracts for revenue recognition in consolidated financial statements. Ind AS requires combining of contracts, if the group of contracts are closely related and negotiated as a single package; the contracts are performed concurrently or in a continuous sequence. Accordingly, percentage of completion method is applied on combined contracts for determining consolidated revenue.
- 7 Under Indian GAAP, actuarial gains and losses and return on plan assets on post-employment defined benefit plans are recognised immediately in statement of profit and loss. Under Ind AS, remeasurements which comprise of actuarial gains and losses, return on plan assets and changes in the effect of asset ceiling, if any, with respect to post-employment defined benefit plans are recognised immediately in other comprehensive income (OCI). Further, remeasurements recognised in OCI are never reclassified to statement of profit and loss.
- 8
- (a) Under Indian GAAP, the premium or the discount on foreign exchange forward derivative contracts related to underlying receivables and payables are amortised over the period of the contracts. In case of foreign exchange forward derivative contracts entered into at highly probable future transactions or firm commitments, mark to market losses (gains are ignored), if any, are recognised in the statement of profit and loss at the reporting date. Under Ind AS, all the foreign exchange forward derivative contracts are recorded at fair value with the subsequent changes in fair value recognised in the statement of profit and loss.
- (b) Under Indian GAAP, interest-free lease security deposits paid are reported at their transaction values. Under Ind AS, interest-free security deposits are measured at fair value on initial recognition and at amortised cost on subsequent recognition. The difference between the transaction value and fair value of the lease deposit at initial recognition is treated as prepaid rentals. This amount is recognised in statement of profit and loss on a straight line basis over the lease term.
- (c) Under Indian GAAP, there is no specific guidance for contracts that involve leases of land. Under Ind AS, lease of land is recognised as operating or finance lease as per definition and classification criteria stated in standard on leases. Accordingly, as on the date of transition the leases of land have been classified as operating / finance lease as the case may be
- 9 Under Indian GAAP, deferred taxes are recognised using income statement approach i.e. reflecting the tax effects of timing differences between accounting income and taxable income for the period. Under Ind AS, deferred taxes are recognised using balance sheet approach i.e. reflecting the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes using the income tax rates enacted or substantively enacted at reporting date. Also, deferred taxes are recognised on account of the above mentioned changes.
- 10 Under Indian GAAP, foreign exchange differences arising on translation of non-integral foreign operations are recognised directly in 'Foreign currency translation difference reserve'. Under Ind AS, foreign exchange differences arising on translation of foreign operations whose functional currency is different from that of a parent are recognised in 'Other comprehensive income' and are accumulated as part of 'Foreign currency translation difference reserve'. Such differences are reclassified from equity statement of profit and loss on disposal of the net investment.