



21 October 2016

Corporate Relationship Department
BSE Limited
P. J. Towers, 25th Floor,
Dalal Street,
Mumbai 400001

Scrip Code: 522134

Dear Sirs,

UNAUDITED FINANCIAL RESULTS

Pursuant to Regulation 30(6) and 33(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, the Unaudited Financial Results for the 2nd Quarter and half year ended 30th September 2016 together with Limited Review Report thereon are enclosed.

These Unaudited Financial Results have been approved by the Board of Directors of the Company at its Meeting held on Friday, 21 October 2016.

This is for your information and records.

Thanking you,

Yours faithfully
For **ARTSON ENGINEERING LIMITED**

A handwritten signature in blue ink, appearing to read "Rajesh Mandale". The signature is written in a cursive style and is positioned above the printed name of the signatory.

RAJESH MANDALE
Chief Financial Officer

Encl. as above

Corporate Identity Number : L27290MH1978PLC020644

ARTSON ENGINEERING LIMITED

A subsidiary of

TATA PROJECTS LIMITED

Regd. Office : 11th Floor, Hiranandani Knowledge Park, Technology Street, Powai, Mumbai 400 076

Tel.: +91 22 6625 5600 • Fax : +91 22 6625 5614

E-mail : artson@artson.net • Website : www.artson.net

ARTSON ENGINEERING LIMITED

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Unaudited Financial Results for the Quarter and Half-Year Ended 30 September 2016

(₹ Lakhs)

Particulars	Quarter Ended			Half-Year Ended	
	30 September 2016	30 June 2016	30 September 2015	30 September 2016	30 September 2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1 Income from Operations					
a Income from operations	2,694.22	2,113.67	2,701.75	4,807.89	4,943.37
b Other operating income	18.93	30.15	22.19	49.08	29.07
Total income from operations (net)	2,713.15	2,143.82	2,723.94	4,856.97	4,972.44
2 Expenses					
a Cost of materials consumed/project execution expenses	1,843.07	1,702.38	1,915.91	3,545.45	3,716.31
b Purchases of stock-in-trade	-	-	-	-	-
c Changes in work-in-progress and contract-in-progress	291.70	54.97	368.42	346.67	360.55
d Excise Duty on sale of goods	92.00	47.78	134.05	139.78	233.12
e Employee benefits expense	207.07	181.09	157.39	388.16	289.56
f Depreciation and amortisation expense	21.12	22.94	38.99	44.06	77.18
g Provision for Doubtful Debts / Advances (written back)	-	-	(21.86)	-	(25.98)
h Other expenses	134.59	119.42	62.52	254.01	141.24
Total expenses	2,589.55	2,128.58	2,655.42	4,718.13	4,791.98
3 Profit/(Loss) from operations before other income, finance cost and exceptional items (1-2)	123.60	15.24	68.52	138.84	180.46
4 Other income	6.46	83.82	14.37	90.29	15.20
5 Profit/(Loss) from ordinary activities before finance cost and exceptional items (3+4)	130.06	99.05	82.89	229.13	195.66
6 Finance cost (see note 2)	81.37	111.67	89.59	193.04	177.89
7 Profit/(Loss) from ordinary activities after finance cost but before exceptional items (5-6)	48.69	(12.61)	(6.69)	36.09	17.78
8 Exceptional items	-	-	-	-	-
9 Profit/(Loss) from ordinary activities before tax (7+8)	48.69	(12.61)	(6.69)	36.09	17.78
10 Tax expense (see note 4)	-	-	-	-	-
11 Net Profit/(Loss) from ordinary activities after tax (9-10)	48.69	(12.61)	(6.69)	36.09	17.78
12 Extraordinary Item / Prior period expenses	-	-	-	-	-
13 Net Profit /(Loss) for the period (11-12)	48.69	(12.61)	(6.69)	36.09	17.78
14 Other comprehensive income	4.24	4.24	2.40	8.48	4.80
15 Total Comprehensive Income (13+14)	52.93	(8.37)	(4.29)	44.57	22.58
16 Paid-up equity share capital					
3,69,20,000 equity shares of Re 1/- each fully paid up	369.20	369.20	369.20	369.20	369.20
17 i Earnings Per Share (EPS) (before extraordinary items, not annualised) (Rs.)					
Basic and Diluted	0.14	(0.02)	(0.01)	0.12	0.06
ii Earnings Per Share (EPS) (after extraordinary items, not annualised) (Rs.)					
Basic and Diluted	0.14	(0.02)	(0.01)	0.12	0.06

See accompanying notes to the financial results

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Notes:

- 1 The above Unaudited Financial Results, reviewed by the Audit Committee, have been approved by the Board of Directors at its meeting held on 21 October 2016 and the same had been subjected to a Limited Review by the Statutory Auditors.
- 2 The Company is registered with the Board for Industrial and Financial Reconstruction (BIFR) as a sick company and BIFR has vide its order dated 18 December 2007 sanctioned the rehabilitation scheme ("the Sanctioned Scheme"). While most of the provisions of the Sanctioned Scheme have been implemented, the Company was not able to achieve positive net worth as at 31 March 2013, accordingly, the Company has filed application on 17 October 2013 to BIFR seeking an extension and modification of the Sanctioned Scheme. The modification also includes conversion of Loans of Rs.4418 lakhs (including interest up to 31 March 2013 and loan of Rs. 300 lakhs taken during the three months period ended 30 June 2013, but excluding interest of Rs. 94.27 lakhs for the three months period ended 30 June 2013) of the Holding Company as on 31 March 2013 into 4% Optionally Convertible Cumulative Redeemable Preference Shares of Re. 1/-each, which is pending for approval from BIFR. The Hon'ble Delhi High Court had passed an order on 14 October 2015 in the matter of Writ Petition filed by the Company directing BIFR to keep the hearing on 4 November 2015 or any such date convenient to BIFR. In response, BIFR has informed the Hon'ble Delhi High Court that the hearing on 4 November 2015 was not granted as there was no quorum. On 18 July 2016 hearing was held and the order is awaited. In view of this, and based on written confirmation from the Holding Company, no provision has been made for interest payable to it amounting to Rs. 1310.71 lakhs for the period 1 July 2013 to 30 September 2016 (includes Rs.101.59 lakhs for the quarter ended 30 September 2016). The Management is considering various alternatives for achieving profitability. The Company has achieved positive cash flow since the quarter ended 30 September 2015. Based on the current order book position, operating results for the current year and considering the continued support of the Holding Company, barring unforeseen circumstances, the Management is confident about the Company's ability to continue as a going concern.
- 3 The Company operates in only one business segment viz. Supply of steel structure and site services for mechanical works.
- 4 Provision for Tax is not made in lieu of carry forward losses and provisions u/s 115JB of the Income Tax Act, 1961 in respect of MAT is not applicable to sick Company.
- 5 The Company adopted Indian Accounting Standards (Ind AS) from 01 April 2016. The figures for the quarter ended and half year ended 30 September 2015 are also Ind AS compliant. They have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that financial results provide a true and fair view of the company's affairs. The Statement does not include India AS compliant results for the previous year ended 31 March 2016 as the same are not mandatory as per SEBI's circular dated 5 July 2016.
- 6 Reconciliation between standalone financial results, as previously reported in accordance with the Accounting Standard framework (referred to as 'Previous IGAAP') and Ind AS for the quarter presented are as under:


	Quarter ended 30-9-2016 (₹ lakhs)	Quarter ended 30-9-2015 (₹ lakhs)
Profit after tax as reported under the Previous IGAAP	76.38	21.28
1. Amortisation of financial gain due to Corporate Guarantee by Holding Company	(23.46)	(25.58)
2. Actuarial (gain)/loss on employee defined benefit plans recognised in Other Comprehensive Income	(4.24)	(2.40)
Net profit after tax as per Ind AS	48.68	(6.69)
Other Comprehensive Income	4.24	2.40
Total Comprehensive Income as per Ind AS	52.92	(4.29)

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7. Statement of assets and liabilities	
(₹ Lakhs)	
ASSETS	30 September 2016
Non-current assets	
(a) Property, plant and equipment	365.10
(b) Intangible assets	8.83
(c) Financial Assets	
(i) Investments	-
(ii) Trade receivables	118.01
(iii) Other financial assets	73.43
(d) Deferred tax assets (net)	-
(e) Other non-current assets	926.41
Total non-current assets	1491.78
Current assets	
(a) Inventories	1984.75
(b) Financial Assets	
(i) Investments	-
(ii) Trade receivables	4524.62
(iii) Cash and cash equivalents	472.46
(iv) Other financial assets	711.90
(c) Current tax assets (Net)	512.66
(d) Other current assets	598.62
Total current assets	8805.01
Total assets	10296.79
EQUITY AND LIABILITIES	30 September 2016
Equity	
(a) Equity Share Capital	369.20
(b) Other Equity	(6265.85)
Equity attributable to owners of the Company	(5896.65)
Total Equity	(5896.65)
Liabilities	
Non-current liabilities	
(a) Financial Liabilities	
(i) Borrowings	5160.39
(ii) Trade payables	-
(iii) Other financial liabilities	-
(b) Provisions	20.81
(c) Deferred tax liabilities (net)	-
(d) Other non-current liabilities	182.71
Total non-current liabilities	5363.91
Current liabilities	
(a) Financial Liabilities	
(i) Borrowings	698.70
(ii) Trade payables	3904.43
(iii) Other financial liabilities	842.64
(b) Provisions	14.53
(c) Current tax liabilities (net)	-
(d) Other current liabilities	5369.23
Total current liabilities	10829.53
Total Liabilities	16193.44
Total Equity And Liabilities	10296.79
8 The figures of the previous periods have been regrouped / reclassified / restated wherever necessary.	
For and on behalf of the Board of Directors	
Mumbai, 21 October 2016	 VINAYAK DESHPANDE Chairman

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Extract of Unaudited Financial Results for the Quarter ended 30 September 2016

(₹ In lakhs)

	PARTICULARS	Quarter Ended	
		30 September 2016	30 September 2015
		(Unaudited)	(Unaudited)
1	Total income from operations	2,713.15	2,723.94
2	Net Profit / (Loss) from ordinary activities after tax	48.69	(6.69)
3	Net Profit / (Loss) for the period after tax (after Extraordinary items)	48.69	(6.69)
4	Total Comprehensive Income for the period (Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)	52.93	(4.29)
5	Equity Share Capital	369.20	369.20
6	Earnings Per Share (before extraordinary items) (of Re. 1/- each)		
	Basic and Diluted :	0.14	(0.01)
7	Earnings Per Share (after extraordinary items) (of Re. 1/- each)		
	Basic and Diluted :	0.14	(0.01)

Notes :

- The above is a extract of the detailed format of Quarterly and Annual Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The Full Format of the Quarterly and Annual Financial Results are available on the Exchange website, www.bseindia.com and on the Company's website, www.artson.com.
- Reconciliation between standalone financial results, as previously reported in accordance with the Accounting Standard framework (referred to as 'Previous IGAAP') and Ind AS for the quarter presented are as under:

	Quarter ended 30-9-2016 (₹ lakhs)	Quarter ended 30-9-2015 (₹ lakhs)
Profit after tax as reported under the Previous IGAAP	76.38	21.28
1. Amortisation of financial gain due to Corporate Gurantee by Holding Company	(23.46)	(25.58)
2. Actuarial (gain)/loss on employee defined benefit plans recognised in Other Comprehensive Income	(4.24)	(2.40)
Net profit after tax as per Ind AS	48.68	(6.69)
Other Comprehensive Income	4.24	2.40
Total Comprehensive Income as per Ind AS	52.92	(4.29)

For and on behalf of the Board of Directors


VINAYAK DESHPANDE
 Chairman

Mumbai, 21 October 2016

