

ARTSON ENGINEERING LIMITED

Registered Office: 11th Floor, Hiranandani Knowledge Park, Technology Street, Powai, Mumbai- 400 076

Corporate Identity Number : L27290MH1978PLC020644

Tel: +91 22 6625 5600 ; Fax: +91 22 6625 5614 ; E-mail: artson@artson.net, artson@vsnl.com ; Website: www.artson.net

Audited Financial Results for the Quarter and Financial Year Ended 31st March 2014

PART I

Statement of Audited Financial Results for the Quarter and Financial Year Ended 31 March 2014.

(Rs. lakhs)

Particulars	Quarter Ended			Year Ended	
	31 March 2014	31 December 2013	31 March 2013	31 March 2014	31 March 2013
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1 Income from Operations					
a Net Sales/ income from operations (net of Excise duty)	2,795.02	1,750.14	1,851.94	7,867.60	5,736.67
b Other operating income	(1.23)	11.78	17.60	36.21	163.22
Total income from operations (net)	2,793.79	1,761.92	1,869.54	7,903.81	5,899.89
2 Expenses					
a Cost of materials consumed/project execution expenses	2,105.30	2,419.30	2,671.17	7,032.40	7,331.90
b Purchases of stock-in-trade	-	-	-	-	-
c Changes in work-in-progress and contract-in-progress	449.02	(811.01)	690.86	(149.26)	41.97
d Employee benefits expense	140.62	227.40	231.88	769.98	954.64
e Depreciation and amortization expense	40.07	37.98	44.78	151.42	185.26
f Other expenses	227.30	76.89	203.08	491.87	565.95
Total expenses	2,962.31	1,950.56	3,841.77	8,296.41	9,079.72
3 Profit/(Loss) from operations before other income, finance cost and exceptional items (1-2)	(168.52)	(188.64)	(1,972.23)	(392.60)	(3,179.83)
4 Other income	31.36	4.78	(2.39)	57.50	24.87
5 Profit/(Loss) from ordinary activities before finance cost and exceptional items (3+4)	(137.16)	(183.86)	(1,974.62)	(335.10)	(3,154.96)
6 Finance cost (see note 2)	96.83	85.58	195.49	485.10	727.97
7 Profit/(Loss) from ordinary activities after finance cost but before exceptional items (5-6)	(233.99)	(269.44)	(2,170.11)	(820.20)	(3,882.93)
8 Exceptional Items (see note 5)	-	-	(58.06)	(13.14)	(58.06)
9 Profit/(Loss) from ordinary activities before tax (7+8)	(233.99)	(269.44)	(2,228.17)	(833.34)	(3,940.99)
10 Tax expense (see note 6)	-	-	-	-	(1.20)
11 Net Profit/(Loss) from ordinary activities after tax (9-10)	(233.99)	(269.44)	(2,228.17)	(833.34)	(3,939.79)
12 Extraordinary Item	-	-	-	-	-
13 Net Profit/(Loss) for the period (11-12)	(233.99)	(269.44)	(2,228.17)	(833.34)	(3,939.79)
14 Paid-up equity share capital					
3,69,20,000 equity shares of Rs.1/- each fully paid up	369.20	369.20	369.20	369.20	369.20
15 Reserves excluding revaluation reserves as per balance sheet of previous accounting year				(5,907.25)	(1,967.45)
16 i Earnings Per Share (EPS) (before extraordinary items, not annualised) (Rs.)					
Basic and Diluted	(0.63)	(0.73)	(6.04)	(2.26)	(10.67)
ii Earnings Per Share (EPS) (after extraordinary items, not annualised) (Rs.)					
Basic and Diluted	(0.63)	(0.73)	(6.04)	(2.26)	(10.67)

See accompanying note to the financial results

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PART II

SELECT INFORMATION FOR THE QUARTER AND THE YEAR ENDED 31 MARCH, 2014

Particulars	Quarter Ended			Year Ended	
	31 March 2014	31 December 2013	31 March 2013	31 March 2014	31 March 2013
A Particulars of Shareholding					
1 Public shareholding					
Number of shares	92,30,000	92,30,000	92,30,000	92,30,000	92,30,000
Percentage of shareholding	25.00%	25.00%	25.00%	25.00%	25.00%
2 Promoters and Promoter Group Shareholding					
a Pledged / Encumbered					
Number of shares	-	-	-	-	-
Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	-	-	-	-	-
Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-
b Non-encumbered					
Number of shares	2,76,90,000	2,76,90,000	2,76,90,000	2,76,90,000	2,76,90,000
Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
Percentage of shares (as a % of the total share capital of the Company)	75.00%	75.00%	75.00%	75.00%	75.00%

B Investor Complaints

PARTICULARS

Quarter Ended

31 March 2014

Pending at the beginning of the quarter
 Received during the quarter
 Disposed off during the quarter
 Remaining unresolved at the end of the quarter

Nil
 Nil
 Nil
 Nil

Notes:

- The above Audited Financial Results, reviewed by the Audit Committee, have been approved by the Board of Directors at its meeting held on 14 May 2014, in terms with Clause 41 of the Listing Agreement.
- 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 14 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. In view of this, and based on written confirmation from the Holding Company, no provision has been made for interest payable to it for the nine months ended 31 March 2014 amounting to Rs. 302.56 lakhs (includes Rs. 99.38 lakhs for the quarter ended 31 March 2014). The Management is considering various alternatives for achieving profitability and positive cash flow. 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 and the Auditors of the Company have put an "emphasis of matter" paragraph on the aforesaid matter in the Auditor's Report for the year ended 31 March 2014.
- The Company operates in only one business segment i.e. Engineering & Construction for EPC projects. Therefore, segment-wise reporting under Clause 41 of the Listing Agreement is not applicable.
- The figures of the quarters ended 31 March 2014 and 31 March 2013 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current and the previous financial year.
- Exceptional item represents Loss on fixed assets discarded.
- Deferred Tax Asset is not recognised during the current quarter/ year considering the reasonable / virtual uncertainty to earn future Taxable Income.

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7. Statement of Assets and Liabilities		(Rs. lakhs)	
Particulars	As at		
	31 March 2014 (Audited)	31 March 2013 (Audited)	
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
a Share capital	369.20	369.20	
b Reserves and surplus	(6,740.59)	(5,907.25)	
c Money received against share warrants	-	-	
Sub total - Shareholders' funds	(6,371.39)	(5,538.05)	
2 Share application money pending allotment			
	-	-	
3 Non-current Liabilities			
a Long-term borrowings	4,030.39	3,730.39	
b Deferred tax liabilities (net)	-	-	
c Other long-term liabilities	177.32	213.22	
d Long-term provisions	26.64	30.91	
Sub total - Non-current Liabilities	4,234.35	3,974.52	
4 Current Liabilities			
a Short-term borrowings	2,021.45	2,827.85	
b Trade payables	2,869.21	1,851.78	
c Other current liabilities	4,196.65	3,306.37	
d Short-term provisions	23.59	12.11	
Sub total - Current Liabilities	9,110.90	7,998.11	
TOTAL- EQUITY AND LIABILITIES	6,973.86	6,434.58	
B ASSETS			
1 Non Current Assets			
a Fixed assets	915.53	1,024.50	
b Non-current investments	-	-	
c Deferred tax assets (net)	-	-	
d Long-term loans and advances	1,445.36	1,440.57	
e Other non-current assets	146.18	371.05	
Sub total - Non-current Assets	2,507.07	2,836.12	
2 Current Assets			
a Current investments	-	-	
b Inventories	1,809.13	1,015.98	
c Trade receivables	1,006.39	1,665.56	
d Cash and Bank balances	225.78	177.47	
e Short-term loans and advances	506.93	170.67	
f Other current assets	918.56	568.78	
Sub total - Current Assets	4,466.79	3,598.46	
TOTAL ASSETS	6,973.86	6,434.58	
8 The figures of the previous period have been regrouped / reclassified / restated wherever necessary in order to make them comparable with figures for the current year ended 31 March, 2014			
For and on behalf of the Board			
Sd/-			
VINAYAK DESHPANDE			
Chairman			
Mumbai, 14 May 2014.			