

IL&FS ENGINEERING AND CONSTRUCTION COMPANY LIMITED

(Formerly known as Maytas Infra Limited)

Regd Office: 6-3-1186/1&2, IL&FS Engineering House, Begumpet, Hyderabad - 500016, India

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2011

(Rs. In Lakhs, unless otherwise stated)

Particulars	Three months ended	Corresponding three months ended in the previous year	Previous accounting year ended on
	30-Jun-11 (Unaudited)	30-Jun-10 (Unaudited)	31-Mar-11 (Audited)
1. (a) Net Sales/Income from Operations	24,210.79	17,318.01	104,497.66
(b) Other Operating Income	1,106.73	753.90	2,319.03
2. Expenditure			
a. (Increase)/Decrease in work in progress	-	(1,596.51)	9,570.61
b. Consumption of materials	8,387.95	6,863.09	34,592.73
c. Contract Expenses	12,523.76	11,288.17	54,573.17
d. Employees cost	1,854.83	1,457.49	5,822.83
e. Depreciation/ Amortisation	1,516.67	1,616.34	5,696.36
f. Other expenditure	911.11	1,124.79	4,759.74
Total	25,194.32	20,753.37	115,015.44
3. Profit /(Loss) from Operations before Other Income, Interest, Exceptional Items and Prior period Items (1-2)	123.20	(2,681.46)	(8,198.75)
4. Other Income	709.43	183.10	2,688.67
5. Net Profit /(Loss) before Interest, Exceptional Items and Prior period Items (3+4)	832.63	(2,498.36)	(5,510.08)
6. Interest	2,324.19	2,544.09	6,748.45
7. Net Loss after Interest but before Exceptional Items and Prior period Items (5-6)	(1,491.56)	(5,042.45)	(12,258.53)
8. Exceptional items (Net)	29.77	578.86	12,908.19
9. Net Profit / (Loss) from Ordinary Activities before tax and Prior period Items (7+8)	(1,461.79)	(4,463.59)	649.66
10. Tax expense			-
- Taxes for earlier years	-	-	(606.92)
Total Tax Expense/(Credit)	-	-	(606.92)
11. Net Profit / (Loss) from Ordinary Activities after tax and before Prior period items (9-10)	(1,461.79)	(4,463.59)	1,256.58
12. Prior Period Items Expenses (Net)	-	-	(1,172.37)
13. Company's share in Profit in Integrated Joint Ventures	51.18	117.11	206.85
14. Net Profit / (Loss) for the Period	(1,410.61)	(4,346.48)	291.06
15. Paid-up equity share capital	7,737.00	5,885.09	7,737.00
(Face Value of each Share : Rs 10 each)			
16. Reserves excluding Revaluation Reserves as per balance sheet of Previous accounting year	-	-	19,717.93
17. Earnings Per Share (EPS) share of Rs. 10 each			
Basic and diluted (Rs.)	(2.51)	(7.39)	(2.64)
18. Public Shareholding			
- No. of shares	50,627,394	37,072,232	55,590,401
- Percentage of shareholding	65.44%	62.99%	71.85%
19. 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	26,742,631	21,778,624	21,779,624
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the Company)	34.56%	37.01%	28.15%

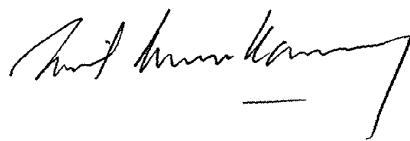
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Notes :

- 1) The above financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on August 10, 2011. These financial results were subjected to limited review by the Statutory Auditors of the Company
- 2) The Open Offer, pursuant to allotment of equity shares to SBG Projects Investment Limited (SBGPIL), was commenced on March 30, 2011 and closed on April 18, 2011. SBGPIL and Infrastructure Leasing & Financial Services Ltd. (IL&FS) acquired 14,563,755 equity shares of the Company in the Open Offer. Consequently, SBGPIL and IL&FS currently hold 25,059,881 and 26,742,631 equity shares of the company constituting 32.39% and 34.56% respectively

The Hon'ble Company Law Board (CLB) passed an Order on November 4, 2010 stating that the sole Management Control of the Company should vest with IL&FS as per the CLB Order dated August 31, 2009. Further the Securities Exchange Board of India has advised that the entire shareholding of SBGPIL should be classified under public holding. Therefore, the Promoters' shareholding stated in the financial results is only that of IL&FS

- 3) The Company's business activity falls within a single business segment in terms of Accounting Standard 17 on Segment Reporting
- 4) Prior to April 01, 2009 the erstwhile promoters had given certain inter Corporate Deposits (ICD) aggregating to Rs.34,378 lakhs to various companies. Of the foregoing, documentary evidences had been established that, for an amount of Rs 32,378 lakhs, Satyam Computer Services Limited (SCSL) is the ultimate beneficiary and for which a claim together with interest receivable had been lodged by the Company. SCSL had accounted certain liability in its Audited Consolidated Statement of Assets and Liabilities as at March 31, 2011 as "Amounts Pending Investigation Suspense Account (Net) Rs. 123,040 lakhs". Management is of the opinion that the claim made by the Company on SCSL is included in the amount disclosed by them in their Audited Accounts. The Company is confident of recovering the Inter Corporate Deposits together with interest due thereon. In continuation of previous year, the Auditors have qualified their Review Report for the quarter ended June 30, 2011 in respect of the recovery of the aforesaid ICD of Rs.34,378 lakhs
- 5) In the earlier year, pursuant to the Debt Restructuring Programme, the Company had settled an irrevocable trust, namely, Maytas Investment Trust (Trust). During the current quarter, the Company has made a contribution of Rs.7,300 lacs to the Trust towards purchase of additional PTCs. The Company is liable for short fall, if any, that may arise in eventual settlement of the PTCs of other contributories. The Company does not currently envisage any shortfall on this account
- 6) During the quarter, the Board of Directors of the Company, subject to the approval of Shareholders, recommended for issue and allotment of Bonus Cumulative Redeemable Preference Shares (CRPS) of Rs. 100 each to its Optionally Convertible Cumulative



Redeemable Preference Shareholders (OCCRPS) and CRPS Shareholders in the ratio of 1:16.67 and 1:24:33 respectively in accordance with the CDR scheme

- 7) The Board of Directors of the Company, subject to the approval of Shareholders and other competent authorities, has undertaken Capital Restructuring scheme u/s 100-104 and 391-394 of the Companies Act, 1956. The Company is in the process of obtaining necessary statutory approvals
- 8) The Auditors of the Company have qualified their review report for the Quarter ended June 30, 2011, that the financial results includes the Company's share of profits(net) aggregating to Rs. 51.18 Lakhs from Integrated Joint Ventures in which the Company is a co-venturer, based on Management Certified accounts of the Joint Ventures. The Management has represented that the Integrated Joint Ventures do not present reviewed financial results on a quarterly basis and accordingly amounts included herein has not been subject to review by the Auditors. Further, the results do not include Company's share of profit/(loss) from one of the Joint Venturer's as they have not prepared their financials statements for the quarter ended June 30, 2011
- 9) Exceptional items (Net) :

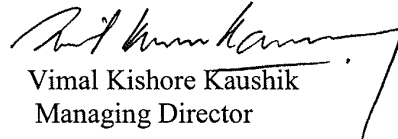
	For the quarter ended on 30-06-2011 (Unaudited)	For the quarter ended on 30-06-2010 (Unaudited)	For the year ended on 31-03-2011 (Audited)
1. Gain on One Time Settlement with banks	-	5,098.88	11,021.10
2. Interest others	-	-	1,574.87
3. Compensation on Settlement	-	-	1,342.89
4. Liabilities no longer required written back	317.00	-	2,015.63
5. Bad debts written back	487.88	-	-
6. Reversal / (Provision) for Performance Bank Guarantee invoked	-	-	1,640.89
7. Write offs / Provision for Advances, Debtors and Current Assets	(775.11)	(3,290.75)	(2,677.07)
8. Stock and Work-in-progress written off	-	(1,115.85)	(1,879.37)
9. Others	-	(113.42)	(130.75)
Total	29.77	578.86	12,908.19

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- 10) During the last quarter of the previous year, the Company had changed its accounting policy for recognition of revenue in case of long term construction contract with respect to the computation of percentage of completion method and re estimated life for certain category of fixed assets. In lieu of these changes, figures for the corresponding previous quarter ended June 30, 2010 are not comparable
- 11) Subsequent to the quarter end, the Company has registered a subsidiary in Saudi Arabia known as Maytas Infra Saudi Arabia Co
- 12) During the quarter, the Company has received Nil investor complaints. There were no pending complaints to be resolved as on April 1, 2011 or as on June 30, 2011
- 13) Previous year/period figures have been regrouped and/or rearranged wherever necessary

Place: Mumbai
Date : August 10, 2011

By order of Board
For IL&FS Engineering and Construction Company Limited


Vimal Kishore Kaushik
Managing Director