



**PART I : Statement of Audited Financial Results for the Quarter and Year ended March 31, 2016**

(Rs. in lakhs)

Sl. No.	Particulars (Refer Notes below)	Standalone				
		Quarter ended			Year ended	
		March 31, 2016	December 31, 2015	March 31, 2015	March 31, 2016	March 31, 2015
		Refer Note 18	UNAUDITED	Refer Note 18	AUDITED	AUDITED
1.	<b>Income from operations</b>					
	a) Net income from operations	65,225.80	44,812.83	1,02,754.85	2,36,167.77	3,11,741.69
	b) Other operating income	-	-	-	-	-
	<b>Total income from operations (net)</b>	<b>65,225.80</b>	<b>44,812.83</b>	<b>1,02,754.85</b>	<b>2,36,167.77</b>	<b>3,11,741.69</b>
2.	<b>Expenses</b>					
	a) Construction stores, spares and materials consumed	10,633.66	10,085.69	11,358.39	48,321.88	54,966.57
	b) Sub-contracting expense	45,335.03	24,587.52	54,685.73	1,21,568.44	1,41,962.46
	c) Masonry, labour and other construction expense	15,293.30	17,113.62	18,304.45	73,281.26	69,816.41
	d) Employee benefits expense	3,248.54	3,687.87	4,150.99	15,125.02	18,917.03
	e) Depreciation and amortisation expense	2,025.36	1,968.58	2,066.32	8,019.70	9,035.89
	f) Other expense	800.71	1,563.54	13,733.80	17,637.32	29,007.07
	<b>Total expenses</b>	<b>77,336.60</b>	<b>59,006.82</b>	<b>1,04,299.68</b>	<b>2,83,953.62</b>	<b>3,23,705.43</b>
3.	<b>(Loss) / Profit from operations before other income, finance costs and exceptional items</b>	<b>(12,110.80)</b>	<b>(14,193.99)</b>	<b>(1,544.83)</b>	<b>(47,785.85)</b>	<b>(11,963.74)</b>
4.	Other income	(47.83)	428.47	1,529.90	2,014.62	4,351.25
5.	<b>(Loss) / Profit before finance costs and exceptional items</b>	<b>(12,158.63)</b>	<b>(13,765.52)</b>	<b>(14.93)</b>	<b>(45,771.23)</b>	<b>(7,612.49)</b>
6.	Finance costs	18,332.41	16,619.19	15,493.30	66,481.54	65,292.37
7.	<b>(Loss) / Profit after finance costs and before exceptional items</b>	<b>(30,491.04)</b>	<b>(30,384.71)</b>	<b>(15,508.23)</b>	<b>(1,12,252.77)</b>	<b>(72,904.86)</b>
8.	Exceptional items	(417.29)	-	-	(2,529.65)	(5,681.45)
9.	<b>Loss from ordinary activities before tax</b>	<b>(30,073.75)</b>	<b>(30,384.71)</b>	<b>(15,508.23)</b>	<b>(1,09,723.12)</b>	<b>(67,223.41)</b>
10.	Tax expense	(3,679.20)	-	-	(3,679.20)	-
11.	<b>Net Profit / (Loss) for the year/period</b>	<b>(26,394.55)</b>	<b>(30,384.71)</b>	<b>(15,508.23)</b>	<b>(1,06,043.92)</b>	<b>(67,223.41)</b>
12.	Paid up equity share capital (Face Value of Rs. 2)	14,573.67	10,936.70	9,182.77	14,573.67	9,182.77
13.	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting period				30,184.38	1,04,157.69
14.	<b>Earnings per share (of Rs. 2 each) (not annualised for the quarterly results)</b>					
	EPS (in Rs.)					
	- Basic & Diluted					
	before exceptional item	(5.84)	(6.09)	(4.50)	(21.49)	(21.13)
	after exceptional item	(5.05)	(6.09)	(4.50)	(20.30)	(19.49)



## Statement of Assets and Liabilities

Particulars	Standalone	
	As at March 31,	
	2016	2015
<b>Equity and Liabilities</b>		
<b>Shareholders' Funds</b>		
a) Share Capital	14,573.67	9,182.77
b) Reserves and Surplus	30,466.72	1,04,440.39
	<b>45,040.39</b>	<b>1,13,623.16</b>
<b>Minority Interest</b>		
<b>Non-Current Liabilities</b>		
a) Long-Term Borrowings	1,60,736.30	2,04,198.39
b) Other Long Term Liabilities	1,074.26	1,193.12
c) Long-Term Provisions		
	<b>1,61,810.56</b>	<b>2,05,391.51</b>
<b>Current Liabilities</b>		
a) Short-Term Borrowings	2,23,533.77	2,24,207.05
b) Trade Payables	1,40,750.63	1,46,423.17
c) Other Current Liabilities	2,65,164.47	1,86,025.83
d) Short-Term Provisions	11,145.66	11,446.27
	<b>6,40,594.53</b>	<b>5,68,102.32</b>
	<b>8,47,445.48</b>	<b>8,87,116.99</b>
<b>Total Equity and Liabilities</b>		
<b>Assets</b>		
<b>Non-Current Assets</b>		
a) Fixed Assets	39,278.41	47,683.19
b) Goodwill on consolidation		
c) Non-Current Investments	1,87,625.94	1,82,113.63
d) Deferred Tax Asset (Net)		3,065.20
e) Long-Term Loans and Advances	71,290.50	71,017.46
f) Other Non-Current Assets	60,169.28	49,190.73
	<b>3,58,364.13</b>	<b>3,53,070.21</b>
<b>Current Assets</b>		
a) Inventories	12,880.45	16,723.44
b) Trade Receivables	1,47,099.92	1,74,175.79
c) Cash and Bank Balances	9,694.45	12,432.73
d) Short-Term Loans and Advances	79,713.96	85,197.96
e) Other Current Assets	2,39,692.57	2,45,516.86
	<b>4,89,081.35</b>	<b>5,34,046.78</b>
	<b>8,47,445.48</b>	<b>8,87,116.99</b>
<b>Total Assets</b>		

## Notes:

- The statement of audited financial results of the Company for the Quarter and year ended March 31, 2016 has been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on May 30, 2016.
- 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.
- The statutory auditors of the Company have qualified their opinion in respect of following matters:
- During the year the Company has incurred a Net Loss of Rs. 1,06,043.92 lakhs resulting in to accumulated losses of Rs. 2,04,014.17 lakhs and substantial erosion of its Net worth. The Company has obligations towards borrowings and statutory dues as at March 31, 2016. The Company's current liabilities exceed current assets. These matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. The Lenders of the Company had in earlier year approved a Corporate Debt Restructuring Scheme (CDR) with certain reliefs in relation to repayment timelines of loans and accumulated unpaid interest with certain conditions. This restructuring envisages certain sacrifices from lenders and commitments from the promoters in terms of infusion of additional funds and sale of its stake in certain subsidiaries undertaking BOT and other projects. The efforts to raise additional funds, however, could not materialise during the year. The Joint Lenders Forum have approved and implemented the Strategic Debt Restructuring (SDR) involving conversion of part of their debt into equity share capital to facilitate majority shareholding by the Joint Lenders Forum (JLF). Accordingly, 26,95,44,648 no. of equity shares have been allotted to the JLF converting a debt amounting to Rs 37,358.47 Lakhs in to equity share capital (including securities premium). The Company is confident of implementing the divestment plan and approved restructuring scheme with lenders and meeting its obligations in due course of time. Accordingly financial statements have been prepared as a Going Concern.
  - In connection of certain unbilled revenue, trade receivables, including bank guarantees encashed by the customers and withheld amount aggregating to Rs.1,60,041.74 lakhs, which are subject matters of various disputes / arbitration proceedings/ negotiations with the customers and contractors due to termination / foreclosure of contracts and other disputes. The management of the Company is confident of positive outcome of litigations/ resolutions of disputes and recovering the aforesaid dues.
  - In respect of invocation of corporate guarantees of Rs. 79,568.00 lakhs and initiation of recovery actions against the company in respect of such guarantees extended / executed for two subsidiaries in favour of the lenders.
  - In respect of equity investment of Rs. 6,575.25 Lakhs and loans and advances of Rs. 3,476.70 lakhs as on March 31, 2016 in Hindustan Dorr Oliver Limited, a subsidiary company whose net worth has eroded and continues to incur losses as on March 31, 2016.
  - in respect of MOU/ definitive agreement entered in to by the Company for divestment of subsidiary companies. The sale consideration agreed for such divestment is lower than the carrying value of investments and outstanding advances. This will result into losses on divestment/diminution aggregating to Rs.33,917.58 Lakhs as on March 31, 2016.
  - The Company has outstanding loans and advances of Rs. 42,893.64 Lakhs given to subsidiaries engaged in BOT and other projects, which are under disputes with the concessionaire, and other subsidiaries that have significant accumulated losses as at March 31, 2016. the company is hopeful resolving the disputes and realization of balances.



5	The Company has Investment of Rs. 67,328.47 Lakhs in subsidiaries engaged in BOT and other projects, which are under disputes with the concessionaire, and other subsidiaries that have significant accumulated losses as at March 31, 2016. Considering the long term nature of investments the management has considered such investments as good and fully recoverable.
6	During the quarter the company has recognized claims of Rs.6,107 lakhs on certain irrigation projects which are at advance stage of approval/ release of payment by the respective clients/departments and a claim of Rs.3,384 lakhs towards cost escalation on a road projects which has been accepted by the concessionaire, a subsidiary Company and concessionaire is in the process of financing from the lenders.
7	As at March 31, 2016, certain trade receivable aggregating to Rs. 22,468.18 lakhs and unbilled revenue amounting to Rs. 11,433.97 lakhs, outstanding in respect of the projects having slow progress/no billing for long period of time, have been considered good and fully recoverable by the management.
8	In respect of advances to various parties aggregating to Rs. 13,104.22 lakhs which are outstanding for long period of time and considered good by the management.
9	Certain creditors have filed winding up petitions against the Company under section 433, 434 and 439 of the Companies Act, 1956 before Hon'ble High Court of Telengana & Andhra Pradesh. The matter is presently subjudice and the Company is taking appropriate steps to settle the matter.
10.	During the year managerial remuneration paid to Chairman & Managing Director was in excess of the minimum remuneration allowable as per Companies Act, 2013, accordingly an amount of Rs. 124.57 lakhs has been accounted as due from director. Total due from director as at March 31, 2016 is Rs. 186.93 lakhs.
11.	Subsequent to the year end, one lender has initiated recovery proceedings against the Company under the Securitization and Reconstruction of Financial Assets and enforcement of Security Interest Act, 2002 in respect of outstanding loan of aggregating to Rs. 13,228.00 lakhs.
12.	As per the CDR scheme the indicative recompense payable as at March 31, 2016 is Rs. 25,850.00 lakhs, payment of which is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which is currently uncertain and hence the proportion of amount payable as recompense has been treated as contingent liability.
13	Exceptional Item for the quarter and year ended March 31, 2016 relates reduction in interest on restructured debt computed and provided at the effective interest rates as per Corporate Debt Restructuring Scheme from cut- off date, subject to confirmation from lenders, has been recorded as exceptional item.
14	Confirmation of balances could not be obtained for various loans aggregating to 16,289.78 Lakhs by lender banks and for banks balances aggregating to Rs. 113.31 lakhs. Management believes that no material adjustments would be required in books of account upon receipt of these confirmations.
15	Standalone financial results include the unaudited financial results of 22 jointly controlled entities as certified by the Management, whose financial results reflect the Company's Share as at March 31, 2016 and share in profit (net) Rs 872.41 lakhs for the year ended on that date.
16	Standalone financial results include the unaudited financial results of a branch Kingdom of Saudi Arabia included in the standalone financial statements of the Company whose financial statements / financial information reflect total assets of Rs.0.08 lakhs as at March 31, 2016 and total revenue is Nil for the year ended on that date.
17	During the quarter and year ended March, 31 2016 an under construction structure of a project in progress collapsed. The matter involving this accident is being investigated by the local police. The company is in process of assessment of damage and filing insurance claim for such loss. Pending assessment of loss in damage, no provision has been made in the books of accounts.
18	The figures for the quarter ended March 31, 2016 are the derived figures between the audited figures for the year ended March 31, 2016 and the published year to date figures upto December 31, 2015 being the date of the end of third quarter of the current financial year, which were subject to limited review. The corresponding figures for the previous year quarter ended March 31, 2015 are the derived figures between the audited figures for the previous year ended March 31, 2015 and the published year to date figures upto December 31, 2014 being the date of the end of third quarter of the corresponding previous financial year, which were subject to limited review.
19	Previous periods figures have been regrouped, wherever considered necessary.

Place : Hyderabad  
Date : May 30, 2016

*R. Balarami Reddy*  
R. Balarami Reddy  
Joint Managing Director

