



HC/SEC/RESULTS/ 2017

May 04, 2017

National Stock Exchange of India Ltd,
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (East),
Mumbai-400 051

Dear Sir,

Sub: **Audited Financial Results of the Company (Standalone and Consolidated)
for the financial year ended March 31, 2017**

As per Regulation 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Audited Standalone and Consolidated Financial Results of the Company for the financial year ended March 31, 2017, along with the Statement on Impact of Audit Qualifications for the Standalone and Consolidated Financial Results duly approved by the Board of Directors of the Company at its Meeting held on May 04, 2017.

A copy of the Press Release is also enclosed herewith.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For **Hindustan Construction Co Ltd**

Sangameshwar Iyer
Company Secretary

Encl: as above.

CC: BSE Limited,
The Corporate Relationship Dept,
1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001

Hindustan Construction Co Ltd

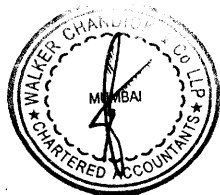
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Mumbai - 400 083, India
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CIN : L45200MH1926PLC001228

www.hccindia.com

STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2017

₹ in crore except earnings per share data

Sr. No.	Particulars	Quarter ended			Year ended	
		31 March 2017	31 December 2016	31 March 2016	31 March 2017	31 March 2016
		Unaudited (Refer note 4)	Unaudited	Unaudited (Refer note 4)	Audited	Audited
1	Income					
	(a) Income from operations	1,358.27	944.09	1,195.99	4,195.94	4,190.89
	(b) Other income	70.59	71.92	54.09	262.20	214.24
	Total income (a+b)	1,428.86	1,016.01	1,250.08	4,458.14	4,405.13
2	Expenses					
	(a) Cost of materials consumed	279.39	197.22	274.22	868.59	1,000.90
	(b) Purchase of traded goods	-	-	-	0.39	0.32
	(c) Subcontracting expenses	593.14	354.84	442.73	1,603.75	1,364.49
	(d) Construction expenses	122.11	107.33	122.71	453.95	499.76
	(e) Employee benefits expense	111.27	93.50	101.91	396.80	383.24
	(f) Finance costs	207.98	194.74	181.71	772.37	701.71
	(g) Depreciation and amortisation expense	28.33	30.83	31.74	125.28	152.47
	(h) Other expenses	28.25	29.95	44.67	118.83	133.79
	Total expenses (a+b+c+d+e+f+g+h)	1,370.47	1,008.41	1,199.69	4,339.96	4,236.68
3	Profit before exceptional items and tax (1-2)	58.39	7.60	50.39	118.18	168.45
4	Exceptional items (Refer note 10)	21.22	-	26.21	21.22	28.03
5	Profit before tax (3-4)	37.17	7.60	24.18	96.96	140.42
6	Tax expense/ (credit)					
	(a) Current income tax	8.57	0.14	2.10	20.85	27.69
	(b) Deferred income tax	7.69	2.90	0.27	16.70	17.97
		16.26	3.04	2.37	37.55	45.66
7	Profit for the year (5-6)	20.91	4.56	21.81	59.41	94.76
8	Other comprehensive income					
	(a) Items not to be reclassified subsequently to profit or loss					
	- Gain on fair value of defined benefit plans as per actuarial valuation	2.30	(2.92)	1.60	2.22	3.29
	- Income tax effect on above	-	-	-	-	-
	- Gain/ (loss) on fair value of equity instruments	19.11	(0.20)	(12.28)	19.29	(12.33)
	- Income tax effect on above	-	-	-	-	-
	(b) Items to be reclassified subsequently to profit or loss	-	-	-	-	-
	Other comprehensive income for the year, net of tax	21.41	(3.12)	(10.68)	21.51	(9.04)
9	Total comprehensive income for the year, net of tax (7 + 8)	42.32	1.44	11.13	80.92	85.72
10	Paid up equity share capital (Face value of ₹ 1 each)	101.08	77.92	77.92	101.08	77.92
11	Earnings per share (Face value of ₹ 1 each)					
	(a) Basic EPS (not annualised)	0.25	0.06	0.28	0.71	1.22
	(b) Diluted EPS (not annualised)	0.25	0.06	0.28	0.71	1.22
	See accompanying notes to the financial results					



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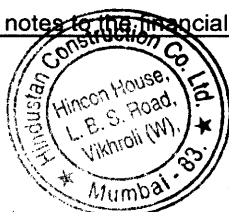
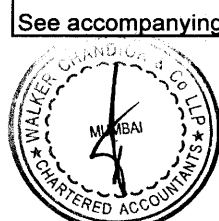
PART II

STANDALONE STATEMENT OF ASSETS AND LIABILITIES

₹ in crore

Particulars	As at 31 March 2017	As at 31 March 2016
ASSETS		
Non-current assets		
Property, plant and equipment	594.56	687.02
Capital work-in-progress	187.18	1.68
Intangible assets	0.91	1.49
Financial assets		
Investments	718.63	699.35
Trade receivables	1,429.09	2,161.35
Loans	1,736.73	1,525.07
Other financial assets	254.45	208.63
Other non-current assets	168.42	169.02
Total non-current assets	5,089.97	5,453.61
Current assets		
Inventories	233.31	173.47
Financial assets		
Investments	77.72	77.72
Trade receivables	2,086.55	503.84
Cash and cash equivalents	77.64	69.66
Other bank balances	41.97	25.70
Loans	-	0.02
Other financial assets	3,448.33	3,640.49
Other current assets	148.49	69.23
Total current assets	6,114.01	4,560.13
TOTAL ASSETS	11,203.98	10,013.74
EQUITY AND LIABILITIES		
Equity		
Equity share capital	101.08	77.92
Other equity	2,588.90	1,725.40
Total equity	2,689.98	1,803.32
Liabilities		
Non-current liabilities		
Financial liabilities:		
Borrowings	2,832.33	2,611.71
Other financial liabilities	14.23	18.39
Provisions	40.12	37.97
Deferred tax liabilities (net)	23.18	6.48
Total non-current liabilities	2,909.86	2,674.55
Current liabilities		
Financial liabilities:		
Borrowings	1,148.58	2,049.64
Trade payables	1,616.40	1,437.87
Other financial liabilities	936.46	720.22
Other current liabilities	1,789.79	1,210.36
Provisions	112.91	117.78
Total current liabilities	5,604.14	5,535.87
TOTAL EQUITY AND LIABILITIES	11,203.98	10,013.74

See accompanying notes to the financial results



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Notes:

- 1 During the current year, the Company has implemented the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme). The Joint Lender's Forum (JLF) of the lenders adopted the S4A Scheme with reference date of 12 July 2016 approved by the Reserve Bank of India's mandated Overseeing Committee (OC) on 4 November 2016. Under the S4A Scheme, the Company's total estimated debts amounting to ₹ 5,107 crores as at 1 October 2016 have been bifurcated into sustainable debt, to be serviced as per existing terms and conditions of those debts, and remainder debts (to the extent of 47.5% of the fund based exposure of the Company) have been converted into fully paid up equity shares/ optionally convertible debentures (OCDs) collectively in favour of the lenders.

Pursuant to the approval of the shareholders at the Extra Ordinary General Meeting held on 5 January 2017, the allotment committee of the Board of Directors at its meetings held on 6 January 2017/ 19 January 2017 allotted collectively to the lenders 231,544,729 equity shares of face value of ₹ 1 at a premium of ₹ 33.92 per share aggregating ₹ 808.55 crore and 14,414,874 OCDs of face value of ₹ 1,000 each at par (carrying coupon rate of 0.01% p.a.) aggregating ₹ 1,441.49 crore on preferential basis as part of the S4A Scheme. The implementation of S4A Scheme and consequent allotment of equity shares/ OCDs have been made in respect of all the lenders except for few lenders who will be allotted equity share and OCDs based on the share price prevailing at the time of such allotment.

- 2 As decided by the Cabinet Committee on Economic Affairs (CCEA) (Government of India), in respect of claims where arbitration awards have been decided in favour of the Company but further challenged by customers, the customers shall pay 75% of the arbitral award amount to the Company, in an escrow account, against a bank guarantee (BG). As at 31 March 2017, the Company's receivables include ₹ 2,948.32 crore (net of advances of ₹ 443.64 crore) on account of such awards.

The Company has received letters from its customers conveying release of 75% of the arbitral award amount resulting in a payout aggregating ₹ 1,882 crore, of which the Company has realised ₹ 380.19 crore till date (including ₹ 148.39 crore realised during the year ended 31 March 2017). The balance amount is presently pending on account of completion of certain formalities by the Company. The Company is pursuing with customers for issuance of similar payout letters for the balance amounts.

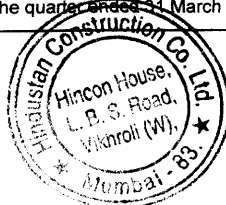
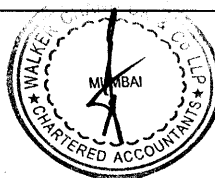
- 3 The Company is engaged in Engineering and Construction activities which are substantially seasonal in character. Further, the Company's margins in the quarterly results vary based on the accrual of cost and recognition of income in different quarters due to nature of its business, receipt of awards/ claims or events which lead to revision in cost to completion. Due to this reason, quarterly results may vary in different quarters and may not be indicative of annual results.
- 4 Figures for the quarters ended 31 March 2017 and 31 March 2016 are the balancing figures between the audited financial statements for the years ended on that date and the year to date figures upto the end of third quarter of the respective financial year.
- 5 The total balance value of work on hand as at 31 March 2017 is ₹ 20,390 crore (31 March 2016: ₹ 18,123 crore).
- 6 a) Results for the quarter and year ended 31 March 2017 are in accordance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs (the Ministry), which are applicable to the Company for the accounting period beginning on or after 1 April 2016. Consequently, results for the corresponding quarter and year ended 31 March 2016 have been restated as per the requirements of the said notification, to comply with Ind AS to make them comparable.
b) The Audit Committee has reviewed these results and the Board of Directors have approved the above results at their respective meetings held on 4 May 2017. The statutory auditors of the Company have carried out a limited review of the aforesaid results.
- 7 Reconciliation of equity attributable to the shareholders of the Company as at 31 March 2016:

Particulars	As at 31 March 2016 (Audited)
Total equity reported under previous Indian GAAP	
Capital contribution recognised on fair valuation of financial liabilities	1,862.83
Net gain on fair valuation of equity instruments	29.54
Interest income recognised on fair valuation of financial assets	19.91
Loss on disposal of financial assets	27.77
Finance cost recognised on fair valuation of financial liabilities	(1.55)
Rent expenses recognised on fair valuation of security deposits	(133.99)
Total equity under Ind AS	1,803.32

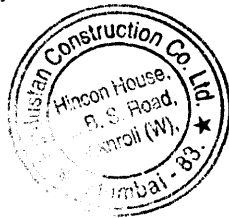
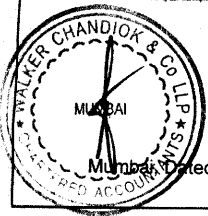
- 8 Reconciliation of net profit as previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter and year ended 31 March 2016:

Particulars	₹ in crore	
	Quarter ended 31 March 2016	Year ended 31 March 2016
	Unaudited (Refer note 4)	Audited
Net profit for the quarter/ year under previous Indian GAAP	19.14	84.97
Interest income recognised on fair valuation of financial assets	6.06	26.12
Re-classification of defined employee benefit obligation	(0.70)	(3.29)
Finance cost recognised on fair valuation of financial liabilities	(4.80)	(10.79)
Rent expenses recognised on fair valuation of security deposits	(0.16)	(0.70)
Loss on disposal of financial assets	(1.55)	(1.55)
Others	3.82	-
Net profit for the quarter/ year under Ind AS	21.81	94.76

- 9 The Company is principally engaged in a single business segment viz. "Engineering and Construction".
- 10 Exceptional items, (i) for the quarter and year ended 31 March 2017, represent write off of current trade receivables amounting to ₹ 35.97 crore and gain on restructuring of debts amounting to ₹ 14.75 crore; and (ii) for the year ended 31 March 2016 represent profit on sale of a non-current investment amounting to ₹ 70.61 crore and write off of current trade receivables and unbilled work-in-progress amounting to ₹ 98.64 crore including ₹ 26.21 crore for the quarter ended 31 March 2016.

- 11 The Company, as at 31 March 2017, has (i) a non-current investment amounting to ₹ 612.40 crore (31 March 2016: ₹ 612.40 crore), non-current loans amounting to ₹ 380.86 crore (31 March 2016: ₹ 327.01 crore), other non-current financial assets amounting to ₹ 21.72 crore (31 March 2016: ₹ 19.43 crore) and other current financial assets amounting to ₹ Nil (31 March 2016: ₹ 5.07 crore) in its subsidiary HCC Real Estate Limited (HREL) which is holding 68.70% share in Lavasa Corporation Limited (LCL) a step down subsidiary; and (ii) a non-current investment amounting to ₹ 18.43 crore (31 March 2016: ₹ 18.43 crore), non-current loans amounting to ₹ 131.56 crore (31 March 2016: ₹ 110.21 crore), other non-current financial assets amounting to ₹ 16.45 crore (31 March 2016: ₹ 13.08 crore) and other current financial assets amounting to ₹ 4.77 crore (31 March 2016: ₹ 1.28 crore) in LCL. While such entities have incurred losses during their initial years and consolidated net-worth of both entities as at 31 March 2017 has been fully eroded, the underlying projects in such entities are in the early stages of development and are expected to achieve adequate profitability on substantial completion and/or have current market values of certain properties which are in excess of the carrying values. The net-worth of these subsidiaries does not represent their true market value as the value of the underlying investments/ assets, based on valuation report of an independent valuer, is substantially higher. Therefore, based on certain estimates like future business plans, growth prospects and other factors, the management believes that the realizable amount of these subsidiaries is substantially higher than the carrying value of the investments, non-current loans, other non-current financial assets and other current financial assets due to which these are considered as good and recoverable.
- 12 'Unbilled work-in-progress (Other current financial assets)', 'Non-current trade receivables' and 'Current trade receivables' include ₹ 911.80 crore (31 March 2016: ₹ 977.57 crore), ₹ 123.39 crore (31 March 2016: ₹ 89.14 crore) and ₹ 90.30 crore (31 March 2016: ₹ 116.94 crore), respectively, outstanding as at 31 March 2017 represent various claims raised earlier, based on the terms and conditions implicit in the contracts and other receivables in respect of closed/suspended projects. These claims are mainly in respect of cost over-run arising due to client caused delays, suspension of projects, deviation in design and change in scope of work; for which Company is at various stages of negotiation/discussion with the clients or under arbitration. Non-current trade receivables also include arbitration awards received in favour of the Company, which have been subsequently set aside by District Court/ High Courts against which the Company has preferred appeals at High Courts/ Supreme Court and has been legally advised that it has good case on merits. Considering the contractual tenability, progress of negotiation/ discussion with the client, the management is confident of recovery of these receivables.
- 13 The Company, as at 31 March 2017, has a non-current investment amounting to ₹ 2.24 crore (31 March 2016: ₹ 2.24 crore), non-current loans amounting to ₹ 1,124.36 crore (31 March 2016: ₹ 984.82 crore), other non-current financial assets amounting to ₹ 141.14 crore (31 March 2016: ₹ 127.48 crore) and other current financial assets amounting to ₹ 2.47 crore (31 March 2016: ₹ 18.31 crore) in its subsidiary HCC Infrastructure Company Limited (HIL) which is holding 85.45% in HCC Concessions Limited (HCL) having various Build, Operate and Transfer (BOT) SPVs under its fold. While HCL has incurred losses during its initial years and consolidated net-worth as at 31 March 2017 has been fully eroded, the underlying projects are expected to achieve adequate profitability on substantial completion. The net-worth of this subsidiary does not represent its true market value as the value of the underlying investments/ assets, based on valuation report of an independent valuer, is higher. Therefore, based on certain estimates like future business plans, growth prospects and other factors, the management believes that the realizable amount of the subsidiary is higher than the carrying value of the investments, non-current loans, other non-current financial assets and other current financial assets due to which these are considered as good and recoverable.
- 14 For the year ended 31 March 2014, the Company's request for managerial remuneration in excess of the limit prescribed and held in trust, to the Ministry of Corporate Affairs ('the Ministry'), to reconsider their approval of ₹ 1.92 crore against the entire remuneration paid of ₹ 10.66 crore is pending with the Ministry. In respect of years ended 31 March 2015 and 31 March 2016, the Company's application to the Ministry for approval of remuneration paid/payable for each year ₹ 10.66 crore to the Chairman and Managing Director in excess of the limit prescribed, held in trust to the extent paid, is pending with the Ministry.



for Hindustan Construction Company Limited

Ajit Gulabchand

Ajit Gulabchand
Chairman & Managing Director

Walker Chandiok & Co LLP

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Independent Auditor's Report on Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Hindustan Construction Company Limited

1. We have audited the standalone financial results of Hindustan Construction Company Limited ('the Company') for the year ended 31 March 2017, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, except Note 5 to the standalone financial results regarding 'total balance value of work on hand as at 31 March 2017' which has been traced from disclosures made by the management and has not been audited by us. Attention is drawn to Note 4 to the standalone financial results regarding the figures for the quarter ended 31 March 2017 as reported in these standalone financial results which are the balancing figures between audited standalone figures in respect of the full financial year and the published standalone year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and were not subjected to audit. These standalone financial results are based on the standalone financial statements for the year ended 31 March 2017 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and published standalone year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone financial results based on our audit of the standalone financial statements for the year ended 31 March 2017 and our review of standalone financial results for the nine months period ended 31 December 2016.

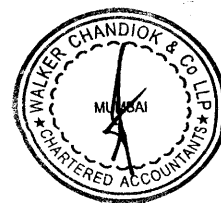


Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiok & Co LLP is registered with limited liability
identification number AAC-2085 and its registered
office at L-41 Connaught Circus, New Delhi, 110001, India

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our qualified opinion.
3. As stated in Note 11 to the standalone financial results, the Company's non-current investments as at 31 March 2017 include investments aggregating ₹ 630.83 crore in two of its subsidiaries; and non-current loans, other non-current financial assets and other current financial assets as at that date include dues from such subsidiaries aggregating ₹ 512.42 crore, ₹ 38.17 crore and ₹ 4.77 crore, respectively, being considered good and recoverable by the management considering the factors stated in the aforesaid note including valuation report from an independent valuer. However, these subsidiaries have accumulated losses and their net worth is fully eroded. Further, these subsidiaries are facing liquidity constraints due to which it may not be possible to realize projections made as per business plans. In the absence of sufficient appropriate evidence, we are unable to comment upon the carrying value of these investments and recoverability of the aforesaid dues and the consequential impact, if any, on the accompanying standalone financial results. Our opinion on the standalone financial results for the year ended 31 March 2016 was also qualified in respect of this matter.
4. In our opinion and to the best of our information and according to the explanations given to us, the standalone financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard except for the possible effects of matter described in paragraph 3; and
 - (ii) give a true and fair view of the standalone net profit and total comprehensive income and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended 31 March 2017 except for the possible effects of matter described in paragraph 3.
5. We draw attention to:
 - a) Note 12 to the standalone financial results, regarding uncertainties relating to recoverability of unbilled work-in-progress (other current financial assets), non-current trade receivables and current trade receivables aggregating ₹ 911.80 crore,



₹ 123.39 crore and ₹ 90.30 crore, respectively, as at 31 March 2017, raised in the earlier years in respect of projects suspended or substantially closed and where the claims are currently under negotiations/discussions/arbitration. Pending the ultimate outcome of these matters, which is presently unascertainable, no adjustments have been made in the accompanying standalone financial results. Our opinion is not qualified in respect of this matter.

b) Note 13 to the standalone financial results, regarding the Company's non-current investment in a subsidiary company, non-current loans, other non-current financial assets and other current financial assets due from such subsidiary aggregating ₹ 2.24 crore, ₹ 1,124.36 crore, ₹ 141.14 crore and ₹ 2.47 crore, respectively, as at 31 March 2017. The consolidated net-worth of the aforesaid subsidiary has been fully eroded; however, based on certain estimates and other factors, including subsidiary's future business plans, growth prospects and valuation report from an independent valuer, as described in the said note, management believes that the realizable amount is higher than the carrying value of the investments, non-current loans, other non-current financial assets and other current financial assets due to which these are considered as good and recoverable. Our opinion is not qualified in respect of this matter.

c) Note 14 to the standalone financial results, regarding remuneration of ₹ 10.66 crore paid for each of the financial years ended 31 March 2014 and 31 March 2016 to the Chairman and Managing Director (CMD), which is in excess of the limits prescribed under the provisions of the erstwhile Companies Act, 1956/ the Companies Act, 2013, respectively and for which the Company has filed an application for review / an application, respectively with the Central Government; however approval in this regard is pending till date. Our opinion is not qualified in respect of this matter.

6. The Company had prepared separate standalone financial results for the year ended 31 March 2016, based on standalone financial statements for the year ended 31 March 2016 prepared in accordance with Accounting Standards ('AS') prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and standalone financial results for the nine months period ended 31 December 2015 prepared in accordance with the recognition and measurement principles laid down in AS 25, Interim Financial Reporting, prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circular CIR/CFD/CMD/15/2015 dated 30 November 2015, and other accounting principles generally accepted in India, on which we issued auditor's report dated 28 April 2016. These standalone financial results for the year ended 31 March 2016 have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not qualified in respect of this matter.



Walker Chandiok & Co LLP

7. We did not audit the separate financial results of six joint operations, included in the standalone financial results, whose financial results reflect total assets of ₹53.93 crore and net assets of ₹16.14 crore as at 31 March 2017 and total revenues of ₹45.58 crore for the year ended on that date, as considered in these standalone financial results. The Company had prepared separate set of financial results of these joint operations for the years ended 31 March 2017 and 31 March 2016 and the separate set of financial information for the nine months period ended 31 December 2016 and 31 December 2015 in accordance with accounting principles generally accepted in India and which have been audited/reviewed by other auditors under generally accepted auditing standards applicable in India. These separate financial results/information have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS. Our opinion in so far it relates to the amounts and disclosure in respect of these joint operations is solely based on report of the other auditors and the conversion adjustments prepared by the management of the Company, which have been audited/reviewed by us. Our opinion is not qualified in respect of this matter.

Walker Chandiok & Co LLP
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

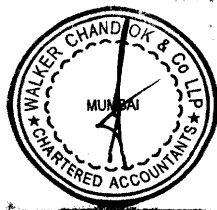


per **Adi P. Sethna**
Partner
Membership No. 108840

Mumbai
4 May 2017

Annexure I
Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results (Standalone)
Statement on Implication of Audit Qualifications for the Financial Year ended 31 March 2017
[See Regulation 33/52 of the SEBI (LODR) Amendment Regulations, 2016]

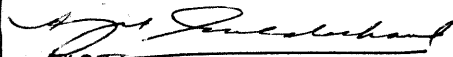
I.	Sl. No.	Particulars	(Amount in ₹ Crore)	
			Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover/Total Income		
	2	Total Expenditure	4,458.14	4,458.14
	3	Net Profit/(Loss)	4,398.73	Not Ascertainable (Refer II (a) below)
	4	Earnings per Share	59.41	Not Ascertainable (Refer II (a) below)
	5	Total Assets	0.71	Not Ascertainable (Refer II (a) below)
	6	Total Liabilities	11,203.98	Not Ascertainable (Refer II (a) below)
	7	Net Worth	8,514.00	8,514.00
	8	Any other financial item(s) (as felt appropriate by the management)	2,689.98	Not Ascertainable (Refer II (a) below)
II. Audit Qualification				
a. Details of Audit Qualification:		Auditor's Qualification		
		(i) Auditor's qualification on the Financial Results (Standalone) As stated in Note 11 to the standalone financial results, the Company's non-current investments as at 31 March 2017 include investments aggregating ₹ 630.83 crore in two of its subsidiaries; and non-current loans, other non-current financial assets and other current financial assets as at that date include dues from such subsidiaries aggregating ₹ 512.42 crore, ₹ 38.17 crore and ₹ 4.77 crore, respectively, being considered good and recoverable by the management considering the factors stated in the aforesaid note including valuation report from an independent valuer. However, these subsidiaries have accumulated losses and their net worth is fully eroded. Further, these subsidiaries are facing liquidity constraints due to which it may not be possible to realize projections made as per business plans. In the absence of sufficient appropriate evidence, we are unable to comment upon the carrying value of these investments and recoverability of the aforesaid dues and the consequential impact, if any, on the accompanying standalone financial results. Our audit opinion on the standalone financial results for the year ended 31 March 2016 was also qualified in respect of this matter. (ii) Auditor's Qualification on the Internal Financial Controls relating to above matter In our opinion, according to the information and explanations given to us and based on our audit procedure performed, the following material weakness has been identified in the operating effectiveness of the Company's IFCoFR as at 31 March 2017: The Company's internal financial controls in respect of supervisory and review controls over process of determining of (a) carrying value of the Company's non-current investments in its subsidiaries; and (b) recoverability of non-current loans, other non-current financial assets and other current financial assets due from such subsidiaries were not operating effectively. Absence of aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in the carrying value of investments in such subsidiaries and the aforesaid dues from such subsidiaries and consequently, could also impact the profit (financial performance including other comprehensive income) after tax. A 'material weakness' is a deficiency, or a combination of deficiencies, in IFCoFR, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial results will not be prevented or detected on a timely basis. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31 March 2017 standalone financial statements of the Company, and the material weakness has affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.		
b. Type of Audit Qualification:		Qualified Opinion		
c. Frequency of Qualification:		This is the second year of qualification		

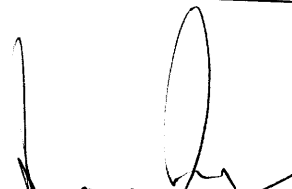


d. For Audit Qualification (s) where the impact is quantified by the auditor, Management views:	Not Applicable
e. For Audit Qualification (s) where the impact is not quantified by the auditor:	
i) Management's estimation on the impact of audit qualification:	Nil. While the said entities have incurred losses during their initial years and consolidated net-worth of both entities as at 31 March 2017 has been fully eroded, the underlying projects in such entities are in the early stages of development and are expected to achieve adequate profitability on substantial completion and/ or have current market values of certain properties which are in excess of the carrying values. The net-worth of these subsidiaries does not represent their true market value as the value of the underlying investments/ assets, based on valuation report of an independent valuer, is substantially higher. Therefore, based on certain estimates like future business plans, growth prospects and other factors, the management believes that the realizable amount of these subsidiaries is substantially higher than the carrying value of the investments, non-current loans, other non-current financial assets and other current financial assets due to which these are considered as good and recoverable. Thus management believes that the Company's internal financial control in respect of assessment of the carrying value of investments, recoverability of non-current loans, other non-current financial assets in subsidiaries were operating effectively and there is no material weakness in such controls and procedures.
ii) If management is unable to estimate the impact, reasons for the same:	Not Applicable
iii) Auditors' comments on (i) or (ii) above	Included in details of auditor's qualification.

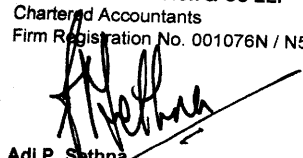
III. Signatories:

For Hindustan Construction Company Limited

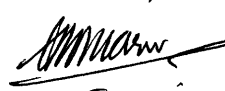

Ajit Gufabchand
 Chairman & Managing Director


Praveen Sood
 Group Chief Financial Officer

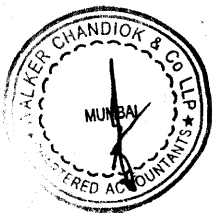
For Walker Chandio & Co LLP
 Chartered Accountants
 Firm Registration No. 001076N / N500013


Adi P. Sethna
 Partner
 Membership No.: 108840




Sharad M. Kulkarni
 Audit Committee Chairman

Place: Mumbai
 Date: 4 May 2017



PART I

STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE YEAR ENDED 31 MARCH 2017

₹ in crore except earnings per share data

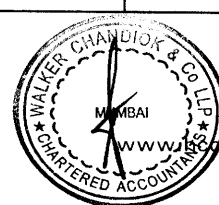
Sr. No.	Particulars	Year ended	
		31 March 2017	31 March 2016
		Audited	Audited
1	Income		
	(a) Income from operations	9,866.78	8,540.16
	(b) Other income	81.07	82.91
	Total income (a+b)	9,947.85	8,623.07
2	Expenses		
	(a) Cost of materials consumed	870.27	1,002.85
	(b) Purchase of traded goods	0.83	0.99
	(c) Subcontracting expenses	6,278.55	4,464.66
	(d) Construction expenses	518.12	608.58
	(e) Employee benefits expense	988.71	965.12
	(f) Finance costs	1,542.87	1,220.30
	(g) Depreciation and amortisation expense	205.82	250.48
	(h) Other expenses	448.96	460.10
	Total expenses (a+b+c+d+e+f+g+h)	10,854.13	8,973.08
3	Profit/(Loss) before exceptional items and tax (1-2)	(906.28)	(350.01)
4	Exceptional items (Refer note 3)	(21.22)	159.36
5	Profit/(loss) before share of profit/(loss) of associates and joint ventures and tax(3-4)	(927.50)	(190.65)
	Share of profit / (loss) of associates and joint ventures	(94.66)	(113.84)
6	Profit/(loss) before tax (4-5)	(1,022.16)	(304.49)
7	Tax expense/ (credit)		
	(a) Current income tax	50.25	29.76
	(b) Deferred income tax	(89.81)	203.09
		(39.56)	232.85
8	Profit/(Loss) for the year (6-7)	(982.60)	(537.34)
9	Other comprehensive income		
	(a) Items not to be reclassified subsequently to profit or loss		
	- Gain on fair value of defined benefit plans as per actuarial valuation	57.39	25.67
	- Income tax effect on above	-	-
	- Gain/ (loss) on fair value of equity instruments	20.13	(12.36)
	- Income tax effect on above	-	-
	(b) Items to be reclassified subsequently to profit or loss		
	- Gain/(loss) on exchange fluctuations	(17.40)	34.27
	Other comprehensive income for the year, net of tax	60.12	47.58
10	Total comprehensive income for the year, net of tax (8 + 9)	(922.48)	(489.76)
	Total comprehensive income for the year attributable to:		
	Non controlling interest	(224.58)	(87.62)
	Owners of the parent	(697.90)	(402.14)
11	Paid up equity share capital (Face value of ₹ 1 each)	101.07	77.91
12	Earnings per share (Face value of ₹ 1 each)		
	(a) Basic EPS (not annualised)	(9.12)	(5.80)
	(b) Diluted EPS (not annualised)	(9.12)	(5.80)
	See accompanying notes to the financial results		

Hindustan Construction Co Ltd

Hincon House,
LBS Marg, Vikhroli (West),
Mumbai - 400 083, India
Tel : +91 22 2575 1000 Fax : +91 22 2577 7568
CIN : L45200MH1926PLC001228



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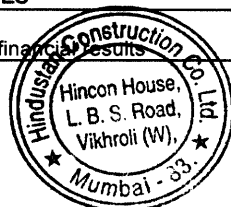
PART II

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

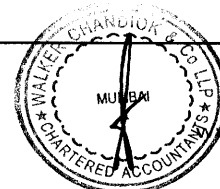
₹ in crore

Particulars	As at 31 March 2017	As at 31 March 2016
ASSETS		
Non-current assets		
Property, plant and equipment	1,561.35	1,706.46
Capital work-in-progress	1,890.42	1,696.49
Investment property	1.94	2.06
Intangible assets	25.22	31.40
Goodwill	124.49	126.69
Financial assets		
Investments	443.24	539.54
Trade receivables	1,429.09	2,161.35
Loans	-	0.19
Other financial assets	32.49	49.73
Deferred tax assets (net)	26.10	57.15
Other non-current assets	300.01	317.09
Total non-current assets	5,834.35	6,688.15
Current assets		
Inventories	2,473.02	2,409.09
Financial assets		
Investments	33.23	59.32
Trade receivables	2,307.70	592.21
Cash and cash equivalents	227.74	193.45
Other bank balances	531.40	530.63
Loans	56.29	79.36
Other financial assets	5,298.80	4,902.63
Assets included in disposal group classified as held for sale	2.00	2.00
Other current assets	417.55	330.77
Total current assets	11,347.73	9,099.46
TOTAL ASSETS	17,182.08	15,787.61
EQUITY AND LIABILITIES		
Equity		
Equity share capital	101.07	77.91
Other equity	(475.34)	(560.02)
Equity attributable to owners of the parent	(374.27)	(482.11)
Non-controlling interests	(207.09)	17.49
Total equity	(581.36)	(464.62)
Liabilities		
Non-current liabilities		
Financial liabilities:		
Borrowings	5,632.80	5,513.88
Other financial liabilities	522.58	466.91
Provisions	184.00	246.41
Deferred tax liabilities (net)	238.96	359.82
Total non-current liabilities	6,578.34	6,587.02
Current liabilities		
Financial liabilities:		
Borrowings	1,240.36	2,149.69
Trade payables	3,516.62	2,951.88
Other financial liabilities	3,438.25	2,387.00
Other current liabilities	2,835.87	2,012.04
Provisions	154.00	164.60
Total current liabilities	11,185.10	9,665.21
TOTAL EQUITY AND LIABILITIES	17,182.08	15,787.61

See accompanying notes to the financial results



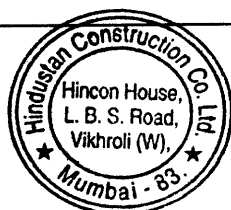
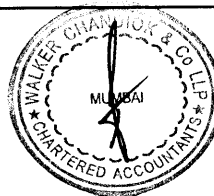
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Segment results:

(₹ Crore)

Sr No.	Particulars	Year ended 31 March 2017	Year ended 31 March 2016
1	Segment revenue		
	Engineering and construction	9,770.43	8,430.21
	Infrastructure	36.40	28.63
	Real Estate	1.07	24.01
	Comprehensive urban development and management	102.09	84.79
	Others	28.42	37.96
	Less: Inter segment revenue	(71.63)	(65.44)
	Total	9,866.78	8,540.16
2	Segment profit / (loss) before finance cost and tax		
	Engineering and construction	699.04	629.75
	Infrastructure	8.09	15.78
	Real Estate	(16.25)	0.63
	Comprehensive urban development and management	(71.30)	205.26
	Others	(2.90)	1.69
	Less: Un-allocable expenditure net of unallocable income	1,522.96	1,203.12
	Profit / (loss) before exceptional items and tax	(906.28)	(350.01)
	Exceptional items		
	- Engineering and construction	(35.97)	(98.64)
	- Unallocable items	14.75	258.00
	Profit / (loss) before share of profit/ (loss) of associates and joint ventures and tax	(927.50)	(190.65)
3	Segment Assets		
	- Engineering and construction	10,833.29	9,319.64
	- Infrastructure	50.90	28.95
	- Real Estate	364.47	309.14
	- Comprehensive urban development and management	4,993.59	4,941.41
	- Others	49.08	118.30
	Unallocable assets	890.75	1,070.17
		17,182.08	15,787.61
4	Segment Liabilities		
	- Engineering and construction	7,038.15	4,474.18
	- Infrastructure	509.91	376.90
	- Real Estate	14.88	22.16
	- Comprehensive urban development and management	869.19	783.90
	- Others	18.34	32.28
	Unallocable liabilities	9,312.97	10,562.81
		17,763.44	16,252.23

Notes:

- During the current year, the Company has implemented the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme). The Joint Lender's Forum (JLF) of the lenders adopted the S4A Scheme with reference date of 12 July 2016 approved by the Reserve Bank of India's mandated Overseeing Committee (OC) on 4 November 2016. Under the S4A Scheme, the Company's total estimated debts amounting to ₹ 5,107 crores as at 1 October 2016 have been bifurcated into sustainable debt, to be serviced as per existing terms and conditions of those debts, and remainder debts (to the extent of 47.5% of the fund based exposure of the Company) have been converted into fully paid up equity shares/ optionally convertible debentures (OCDs) collectively in favour of the lenders.

Pursuant to the approval of the shareholders at the Extra Ordinary General Meeting held on 5 January 2017, the allotment committee of the Board of Directors at its meetings held on 6 January 2017/ 19 January 2017 allotted collectively to the lenders 231,544,729 equity shares of face value of ₹ 1 at a premium of ₹ 33.92 per share aggregating ₹ 808.55 crore and 14,414,874 OCDs of face value of ₹ 1,000 each at par (carrying coupon rate of 0.01% p.a.) aggregating ₹ 1,441.49 crore on preferential basis as part of the S4A Scheme. The implementation of S4A Scheme and consequent allotment of equity shares/ OCDs have been made in respect of all the lenders except for few lenders who will be allotted equity shares and OCDs based on the share price prevailing at the time of such allotment.

- As decided by the Cabinet Committee on Economic Affairs (CCEA) (Government of India), in respect of claims where arbitration awards have been decided in favour of the Company but further challenged by customers, the customers shall pay 75% of the arbitral award amount to the Company, in an escrow account, against a bank guarantee (BG). As at 31 March 2017, the Company's receivables include ₹ 2,948.32 crore (net of advances of ₹ 443.64 crore) on account of such awards.

The Company has received letters from its customers conveying release of 75% of the arbitral award amount resulting in a payout aggregating ₹ 1,882 crore, of which the Company has realised ₹ 380.19 crore till date (including ₹ 148.39 crore realised during the year ended 31 March 2017). The balance amount is presently pending on account of completion of certain formalities by the Company. The Company is pursuing with customers for issuance of similar payout letters for the balance amounts.

- Exceptional items, (i) for the year ended 31 March 2017, represent write off of current trade receivables and unbilled work-in-progress amounting to ₹ 35.97 crore and gain on restructuring of debts amounting to ₹ 14.75 crore; and (ii) for the year ended 31 March 2016, represent profit on sale of a non-current investments amounting to ₹ 70.61 crore; write off of current trade receivables and unbilled work-in-progress amounting to ₹ 98.64 crore and gain on restructuring of debts amounting to ₹ 187.29 crore

- 'Unbilled work-in-progress (Other current financial assets)', 'Non-current trade receivables' and 'Current trade receivables' include ₹ 911.80 crore (31 March 2016: ₹ 977.57 crore), ₹ 123.39 crore (31 March 2016: ₹ 89.14 crore) and ₹ 90.30 crore (31 March 2016: ₹ 116.94 crore), respectively, outstanding as at 31 March 2017 represent various claims raised earlier, based on the terms and conditions implicit in the contracts and other receivables in respect of closed/suspended projects. These claims are mainly in respect of cost over-run arising due to client caused delays, suspension of projects, deviation in design and change in scope of work; for which Company is at various stages of negotiation/discussion with the clients or under arbitration. Non-current trade receivables also include arbitration awards received in favour of the Company, which have been subsequently set aside by District Court/ High Courts against which the Company has preferred appeals at High Courts/ Supreme Court and has been legally advised that it has good case on merits. Considering the contractual tenability, progress of negotiation/ discussion with the client, the management is confident of recovery of these receivables.

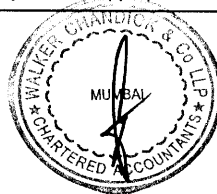
- (a) The Group, as at 31 March 2017, has a non-current investment amounting to ₹ 315.39 crore (31 March 2016: ₹ 403.23 crore) and other current financial assets amounting to ₹ 4.97 crore (31 March 2016: ₹ 7.99 crore) in HCC Concessions Limited (HCL), a joint venture Company of HCC Infrastructure Company Limited (HICL) (85.45% holding) having various Build, Operate and Transfer (BOT) SPVs under its fold. While HCL has incurred losses during its initial years and consolidated net-worth as at 31 March 2017 has been fully eroded, the underlying projects are expected to achieve adequate profitability on substantial completion. The net-worth of this entity does not represent its true market value as the value of the underlying investments/ assets, based on valuation report of an independent valuer, is higher. Therefore, based on certain estimates like future business plans, growth prospects and other factors, the management believes that the realizable amount of the entity is higher than the carrying value of the investments, non-current loans, other non-current financial assets and other current financial assets due to which these are considered as good and recoverable.

(b) The management of HICL in the financial statements of HICL, group have also stated that diminution in the net worth of HICL is temporary in nature given significantly higher fair market value of its investments in Joint Venture, namely HICL and ongoing incubation of other infrastructure businesses (referred in 5(a) above) which will create further value for HICL. During the year ended 31 March 2017, based on valuation done by the Independent valuer HICL has been valued at ₹ 1,909.61 crore. Group owns 85.45% equity stake in HICL. In view of this, the financial statements of HICL group have been prepared on a going concern basis.

- For the year ended 31 March 2014, the Company's request for managerial remuneration in excess of the limit prescribed and held in trust, to the Ministry of Corporate Affairs ('the Ministry'), to reconsider their approval of ₹ 1.92 crore against the entire remuneration paid of ₹ 10.66 crore is pending with the Ministry. In respect of years ended 31 March 2015 and 31 March 2016, the Company's application to the Ministry for approval of remuneration paid/payable for each year ₹ 10.66 crore to the Chairman and Managing Director in excess of the limit prescribed, held in trust to the extent paid, is pending with the Ministry.

- On 31 March 2017, National Highway Authority of India (NHAI) served notice of termination of contract to the Raiganj Dalkola Highway Limited (RDHL), a joint venture, for reasons detailed in notice, which are disputed by RDHL. As per terms of the contract, senior lenders, who have funded the contract, have a right of substitution of concessionaire or curing the defect, after receipt of notice from NHAI within a period of 180 days. This curing period of 180 days is not yet over. Thus RDHL's management is of the view that no provision on account of termination notice is required to be made. Further, even if termination of contract occurs, RDHL's management is confident of claims from arbitration or to termination benefits, as per contract terms given six years delay in land availability by NHAI which are likely to be higher than cost incurred by RDHL. Hence, no provision for the same is considered necessary, at present.

- Badarpur Faridabad Tollways Limited (BFTL) has issued notice vide letter dated 31 March 2017 to NHAI of its intention to issue termination notice pursuant to the Article 34.8 of the Concession Agreement (CA) due to imposition of environmental compensation charges and other restrictions on commercial vehicles entering into Delhi, in accordance with the Supreme Court orders and vehicular traffic reducing significantly, causing substantial loss to the revenue of BFTL. Due to this Force Majeure event, BFTL has issued this notice and granted 15 days' time to NHAI to make a representation, if any, pursuant to the aforesaid Article. Subsequently, the NHAI, vide letter dated 12 April 2017, has refuted the contents of BFTL notice. The next course of action will be decided by BFTL at appropriate time.



- 9 (a) In respect of Lavasa Corporation Limited (LCL), a subsidiary company, Ministry of Environment & Forests (MoEF), Government of India, vide its order dated 9 November 2011 accorded Environment Clearance (EC) to 2,000 hectare (5,000 acres) which are subject to the compliance of terms and conditions. The LCL has filed an appeal before the National Green Tribunal, New Delhi challenging some of the conditions prescribed in the said Order which is pending before the Tribunal. The management believes that the matter will be decided in its favour. Construction has resumed at project site from 9 November 2011.
- (b) LCL, a subsidiary company, has incurred losses and consolidated net-worth as at 31 March 2017 has been fully eroded. The underlying projects in such entity are in the early stages of development and are expected to achieve adequate profitability on substantial completion and/ or have current market values of certain properties which are in excess of the carrying values and accordingly management, based on valuation report of an independent valuer is of the view that there is no impairment in value of LCL net assets (capital employed) of ₹ 4,124.40 crore (31 March 2016: ₹ 4,157.51 crore). Similarly, no diminution in value of goodwill on consolidation amounting to ₹ 95.04 crore (31 March 2016: ₹ 95.04 crore) and non-controlling interest amounting to ₹ 208.01 crore (31 March 2016: Nil) of LCL is considered necessary.
- (c) In respect of HCC Real Estate Limited (HREL) group's, balances as at and for the year ended 31 March 2017 with respect to current and non-current borrowings including finance charges, disclosure in respect of defaults and terms of repayment of borrowings, maturity analysis of financial instruments, trade payable, trade receivable, advances to suppliers and certain balances with banks, in absence of confirmations, are based on contractual terms and condition with the respective parties. The management believes that the reconciliations/adjustments, if any, are not expected to be material.
- (d) The management of HREL in the financial statements of HREL group have also stated that, considering the positivity in the business sentiments in general, the HREL group looks forward to an early business recovery. The major business is expected from institutional sales which are directly related to general uptrend in the economy and investment decisions to be made by various corporate/business houses. The HREL group is planning to take various measures in terms of arranging financial resources till the business recovers. These steps include replacing the existing debt with long tenure debt and additional infusion of funds through structured debt and equity. As a result, the HREL group is considered as a going concern.
- (e) Considering its size of operations and revenue from operations, Charosa Wineries Limited, a subsidiary company, have not ascertained expected credit loss.
- Statutory auditors have included qualifications in their audit report in respect of these matters.

10 Reconciliation of equity attributable to the shareholders of the Company as at 31 March 2016, net of deferred tax impact:

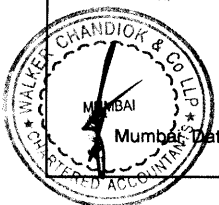
Particulars	As at 31 March 2016 (Audited)
Total equity reported under previous Indian GAAP	703.01
Rent expenses recognised on fair valuation of security deposits	(4.73)
Net loss on fair valuation of financial instruments	(237.45)
Expected credit loss provision	(23.83)
Interest income recognised on fair valuation of financial assets	1.00
Loss on fair valuation of employee pension plan	(123.06)
Loss on disposal of financial assets	(30.69)
Finance cost recognised on fair valuation of financial liabilities	(134.87)
Impact on account of asset related grants etc. on joint ventures	(631.49)
Total equity under Ind AS	(482.11)

11 Reconciliation of net loss as previously reported on account of transition from the previous Indian GAAP to Ind AS for the year ended 31 March 2016:

Particulars	For the year ended 31 March 2016 (Audited)
Net loss for the year under previous Indian GAAP	(318.14)
Net gain on fair valuation of financial instruments	173.53
Gain on fair valuation of current investments	0.54
Finance cost recognised on fair valuation of financial liabilities	(0.83)
Impact on account of asset related grants etc. on joint ventures	(72.11)
Expected credit loss provision	(9.03)
Rent expenses recognised on fair valuation of security deposits	(0.70)
Loss on disposal of financial assets	(1.55)
Others	(0.38)
Deferred tax impact on above adjustments (net)	(173.46)
Net loss for the year under Ind AS	(402.13)

- 12 Hindustan Construction Company Limited ('the Company') and its subsidiaries are together referred to as 'the Group' in the following notes. The consolidated financial statements are prepared in accordance with the recognition and measurement principles of Indian Accounting Standards (Ind-AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in section 133 of the Companies Act, 2013. Results for year ended 31 March 2017 are in accordance with Ind-AS, which are applicable to the Group for the accounting period beginning on or after 1 April 2016. Consequently, results for the corresponding year ended 31 March 2016 have been restated as per the requirements of the said notification, to comply with Ind-AS.

- 13 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 4 May 2017.



Mumbai, Dated : 4 May 2017



for Hindustan Construction Company Limited

Ajit Gulabchand
Ajit Gulabchand
Chairman & Managing Director

Walker Chandiok & Co LLP

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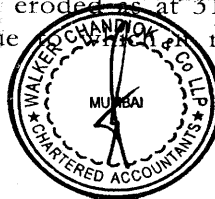
Independent Auditor's Report on Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Hindustan Construction Company Limited

1. We have audited the consolidated financial results of Hindustan Construction Company Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures for the year ended 31 March 2017, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated financial results are based on the consolidated financial statements for the year ended 31 March 2017 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act'), which are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on this consolidated financial results based on our audit of the consolidated financial statements for the year ended 31 March 2017.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our qualified opinion.
3. As stated in Note 9(b) to the consolidated financial results, relating to the Group's carrying value of net assets (capital employed) aggregating ₹ 4,124.40 crore, goodwill on consolidation amounting to ₹ 95.04 crore and non-controlling interest amounting to ₹ 208.01 crore as at 31 March 2017 in Lavasa Corporation Limited (LCL), being considered good and recoverable by the management. However, this subsidiary has accumulated operational losses and its net worth is fully eroded as at 31 March 2017. Further, this subsidiary is facing liquidity constraints due to which it may not be able to realize

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune



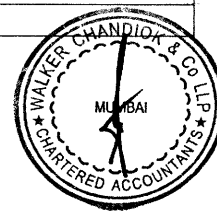
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projections made as per its business plans. In the absence of sufficient appropriate evidence, we are unable to comment upon the carrying value of these assets and the consequential impairment losses, if any, on the accompanying consolidated financial results. Our opinion on the consolidated financial results for the year ended 31 March 2016 was also qualified in respect of this matter.

4. The Independent Auditors of certain subsidiaries have qualified their audit report on the financial statements for the year ended 31 March 2017 reproduced by us as under:
- a) The impairment testing carried out by LCL, during the year ended 31 March 2016 which did not indicate any impairment and according to the contention of LCL, since there is no change in the business conditions, no impairment testing was carried out during the year ended 31 March 2017. In our opinion, the LCL may not be able to achieve the business plans based on which the impairment testing has been carried out. The consequential impairment losses, if any, cannot be ascertained.
 - b) As stated in Note 9(a) to the consolidated financial results, in respect of matter relating to LCL, the liability, if any, in respect of the compliance of the terms and conditions laid down by the Ministry of Environment and Forests granting the Environment Clearances for development of the Hill Station Township vide its order dated 9 November 2011 to LCL, cannot be ascertained. Our opinion on the consolidated financial results for the year ended 31 March 2016 was also qualified in respect of this matter.
 - c) As stated in Note 9(c) to the consolidated financial results, in respect of matter relating to HCC Real Estate Limited (HREL) group's, current and non-current borrowings including finance charges, disclosure in respect of defaults and terms of repayment of borrowings, maturity analysis of financial instruments, trade payables, trade receivables, advances to suppliers and certain balances with banks are subject to confirmation, reconciliation and consequential adjustment, if any.
 - d) As stated in Note 9(e) to the consolidated financial results, in respect of matter relating to, provision for expected credit loss, have not been ascertained and accounted for by Charosa Wineries Limited, a subsidiary company.
5. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial statements and on other financial information of the subsidiaries, associate and joint ventures the consolidated financial results:
- (i) include the financial results for the year ended 31 March 2017 of the following entities:

Subsidiary Companies:

Western Securities Limited	HCC Aviation Limited
HCC Construction Limited	Highbar Technologies Limited
Highbar Technologies FZ LLC	HCC Mauritius Enterprises Limited
HCC Mauritius Investment Limited	Steiner AG
Steiner Promotions et Participations SA	VM + ST AG



Eurohotel SA	Steiner (Deutschland) GmbH
Steiner Leman SAS	SNC Valleiry Route De Bloux
Steiner India Limited	HCC Infrastructure Company Limited
Verzon Hospitality Limited	HCC Energy Limited
Dhule Palesner Operations & Maintenance Limited	HCC Power Limited
HCC Operations & Maintenance Limited	Hill View Parking Services Limited
HCC Real Estate Limited	HRL Township Developers Limited
HRL (Thane) Real Estate Limited	Nashik Township Developers Limited
Maan Township Developers Limited	Charosa Wineries Limited
Powai Real Estate Developers Limited	HCC Realty Limited
Pune-Paud Toll Road Company Limited	Panchkutir Developers Limited
Lavasa Corporation Limited	Lavasa Hotel Limited
Lakeshore Watersports Company Limited	Dasve Convention Centre Limited
Dasve Business Hotel Limited	Dasve Hospitality Institutes Limited
Lakeview Clubs Limited	Dasve Retail Limited
Full Spectrum Adventure Limited	Lavasa Bamboocrafts Limited
My City Technology Limited	Reasonable Housing Limited
Future City Multiservices SEZ Limited	Rhapsody Commercial Space Limited
Valley View Entertainment Limited	Warasgaon Tourism Limited
Our Home Service Apartments Limited	Warasgaon Power Supply Limited
Sahyadri City Management Limited	Hill City Service Apartments Limited
Kart Racers Limited	Warasgaon Infrastructure Providers Limited
Nature Lovers Retail Limited	Osprey Hospitality Limited
Warasgaon Valley Hotels Limited	Rosebay Hotels Limited
Mugaon Luxury Hotels Limited	Warasgaon Assets Maintenance Limited

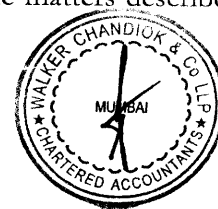
Joint Ventures/Joint Operations:

Bona Sera Hotels Limited	Alpine HCC Joint Venture
Green Hills Residences Limited	Kumagai -Skanska-HCC Itochu Group
Spotless Laundry Services Limited	Starlit Resort Limited
HCC Concessions Limited	Whistling Thrush Facilities Services Limited
Narmada Bridge Tollways Limited	Apollo Lavasa Health Corporation Limited
Baharampore-Farakka Highways Limited	Ecomotel Hotel Limited
Farakka-Raiganj Highways Limited	Badarpur Faridabad Tollways Limited
HCC- L & T Purulia Joint Venture	Nirmal BOT Limited
Alpine Samsung HCC Joint Venture	Raiganj-Dalkhola Highways Limited
Nathpa Jhakri Joint Venture	ARGE Prime Tower
HCC Samsung Joint Venture	Andromeda Hotels Limited

Associate Companies:

Warasgaon Lake View Hotels Limited	Evostate AG
Knowledge Vistas Limited	MCR Managing Corp. Real Estate
Projektentwicklungsges, Parking Kunstmuseum AG	Highbar Technocrat Limited

- (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard except for the possible effects of the matters described in paragraphs 3 and 4; and



- (iii) give a true and fair view of the consolidated net loss (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended 31 March 2017 except for the possible effects of the matters described in paragraphs 3 and 4.

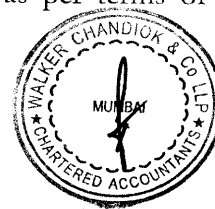
6. We draw attention to:

- (a) Note 4 to the consolidated financial results, regarding uncertainties relating to recoverability of unbilled work-in-progress (other current financial assets), non-current trade receivable and current trade receivables aggregating ₹ 911.80 crore, ₹ 123.39 crore and ₹ 90.30 crore, respectively, as at 31 March 2017, raised in the earlier years in respect of projects suspended or substantially closed and where the claims are currently under negotiations/ discussion/ arbitration. Pending the ultimate outcome of these matters, which is presently unascertainable, no adjustments have been made in the accompanying consolidated financial results.
- (b) Note 5(a) to the consolidated financial results, regarding Group's non-current investment in a joint venture company and other current financial assets due from such joint venture company aggregating ₹ 315.39 crore and ₹ 4.97 crore, respectively, as at 31 March 2017. The consolidated net-worth of the aforesaid joint venture has been fully eroded; however, based on certain estimates and other factors, including joint venture's future business plans, growth prospects and valuation report from an independent valuer, as described in the said note, management believes that the realizable amount is higher than the carrying value of the investments, non-current loans, other non-current financial assets and other current financial assets due to which these are considered as good and recoverable.
- (c) Note 6 to the consolidated financial results regarding remuneration of ₹ 10.66 crore paid for each of the financial years ended 31 March 2014 and 31 March 2016 to the Chairman and Managing Director (CMD) of the Holding Company, which is in excess of the limits prescribed under the provisions of the erstwhile Companies Act, 1956/ the Companies Act, 2013, respectively and for which the Company has filed an application for review/an application, respectively with the Central Government; however approval in this regard is pending till date.

Our opinion is not qualified in respect of these matters.

7. The Independent Auditor of certain subsidiaries in its audit report on the financial statements for the year ended 31 March 2017 have drawn emphasis of matter paragraphs reproduced by us as under:

- a) We draw attention to Note 7 to the consolidated financial results, in respect of Raiganj-Dalkhola Highways Limited (RDHL) a joint venture company of HCC Infrastructure Company Limited (HICL), where National Highway Authority of India (NHAI) has served notice of termination of contract to RDHL on 31 March 2017 due to delay in re-start of work at project. For the reasons mentioned in the note, as per terms of the

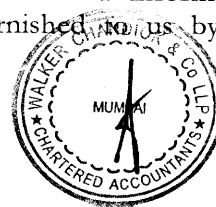


contract RDHL is confident of being entitled to claims from Arbitration or termination benefits exceeding possible loss. Hence no provision for such loss is considered necessary.

- b) We draw attention to Note 8 to the consolidated financial results, in respect of Badarpur Faridabad Tollways Limited (BFTL), a joint venture company of HICL, in respect of notice issued by BFTL vide letter dated 31 March 2017 to NHAI of its intention to issue termination notice pursuant to the article 34.8 of the Concession Agreement (CA) due to imposition of Environmental compensation charges and other restrictions on commercial vehicles entering in to Delhi, in accordance with the Supreme Court orders and vehicular traffic having reduced significantly, causing substantial loss to the revenues of BFTL. Due to Force Majeure event BFTL has issued this notice and has granted 15 days' time to the Authority to make representation, if any, pursuant to Article 34.8 of CA. Subsequently, the NHAI vide letter dated 12 April 2017 has refuted the contents of BFTL'S notice. The next course of action will be decided by BFTL at appropriate time.
- c) We draw attention to Note 5(b) to the consolidated financial results, in respect of HICL group's accumulated losses exceeding its equity by ₹ 1,321.36 crore. The HICL Group has incurred current loss of ₹ 257.78 crore. Despite negative net worth of the group, the consolidated financial statements of HICL group have been prepared on going concern basis for the reasons mentioned in the aforesaid note. The appropriateness of the same basis is interalia dependent upon Group's ability to generate higher fair market value by HICL of its investment in joint venture, namely HCC Concessions Limited and ongoing incubation of other infrastructure businesses which will create further value for the Group. These conditions, along with other matters as set forth in aforesaid note, indicate the existence of a material uncertainty that may cast significant doubt about HICL group's ability to continue as going concern.
- d) We draw attention to Note 9(d) to the consolidated financial results, in respect of HREL group's accumulated losses exceeding its equity by ₹ 1,083.34 crore and its net worth fully eroded. The HREL Group has incurred current net loss of ₹ 533.91 crore and ₹ 210.37 crore during previous year end and HREL group's liability and minority interests in its subsidiaries exceeded its total assets as at 31 March 2017 by ₹ 1,017.14 crore. These conditions, along with other matter as set forth in Note 4(a), indicate the existence of a material uncertainty that may cast significant doubt about the HREL group's ability to continue as a going concern. However the financial statements of the HREL group's have been prepared in a going concern basis for the reasons stated in the note.

Our opinion is not qualified in respect of these matters.

8. (a) We did not audit the financial statements / financial information of fifty six subsidiaries, whose financial results / financial information reflect total assets of ₹ 9,264.53 crore and net assets of ₹ (2,164.14) crore as at 31 March 2017 and total revenues of ₹ 5,747.85 crore for the year ended on that date, as considered in the consolidated financial results. The result also include the Group's share of net loss (including other comprehensive income) of ₹ 92.45 crore for the year ended 31 March 2017, as considered in the consolidated financial results, in respect of two associates and eight joint ventures, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the



Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, in so far as it relates to the aforesaid subsidiaries, associates and joint ventures, is based solely on the reports of such other auditors.

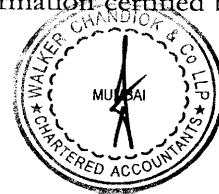
Our opinion on the consolidated financial results is not qualified in respect of this matter.

(b) Further consolidated financial results include financial statements/information of six joint operations, which financial results reflect total assets of ₹ 53.93 crore and net assets of ₹ 16.14 crore as at 31 March 2017 and total revenues of ₹ 45.58 crore for the year ended on that date. The Holding Company had prepared separate set of financial results of these joint operations for the years ended 31 March 2017 and 31 March 2016 in accordance with accounting principles generally accepted in India and which have been audited by other auditors under generally accepted auditing standards applicable in India. These financial results/information have been adjusted for the differences in the accounting principles adopted by the Holding Company on transition to Ind AS.

Our opinion in so far it relates to the amounts and disclosure in respect of these joint operations is solely based on report of the other auditors and the conversion adjustments prepared by the management of the Company, which have been audited by us. Our opinion is not qualified in respect of this matter.

9. We did not audit the financial statements / financial information of two subsidiaries whose financial statements / financial information reflect total assets of ₹ 52.79 crore and net assets of ₹ (37.57) crore as at 31 March 2017 and total revenues of ₹ 0.84 crore for the year ended on that date, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net loss (including other comprehensive income) of ₹ 2.21 crore for the year ended 31 March 2017, as considered in the consolidated financial results, in respect of two associates and three joint ventures, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, in so far as it relates to the aforesaid subsidiaries, associates and joint ventures, are based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial results is not qualified in respect of this matter with respect to our reliance on the financial statements/financial information certified by the management.



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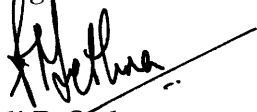
10. The Holding Company had prepared separate consolidated financial results for the year ended 31 March 2016, based on the consolidated financial statements for the year ended 31 March 2016 prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other accounting principles generally accepted in India, on which we issued auditor's reports dated 28 April 2016. These consolidated financial results for the year ended 31 March 2016 have been adjusted for the differences in the accounting principles adopted by the Holding Company on transition to Ind AS, which have also been audited by us. Our opinion is not qualified in respect of this matter.

Walker Chandiok & Co LLP

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013



per **Adi P. Sethna**

Partner

Membership No. 108840

Place: Mumbai

Date: 4 May 2017

Annexure I

Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results (Consolidated)

Statement on Implication of Audit Qualifications for the Financial Year ended 31 March 2017
[See Regulation 33/52 of the SEBI (LODR) Amendment Regulations, 2016]

(Amount in ₹ Crore)				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover/Total Income	9,947.85	Not Ascertainable (Refer II (e) (ii) below)
	2	Total Expenditure	10,930.45	Not Ascertainable (Refer II (e) (ii) below)
	3	Net Profit/(Loss)	(982.60)	Not Ascertainable (Refer II (e) (ii) below)
	4	Earnings per Share	(9.12)	Not Ascertainable (Refer II (e) (ii) below)
	5	Total Assets	17,182.07	Not Ascertainable (Refer II (e) (ii) below)
	6	Total Liabilities	17,556.34	Not Ascertainable (Refer II (e) (ii) below)
	7	Net Worth	(374.27)	Not Ascertainable (Refer II (e) (ii) below)
	8	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification			
	a.	Details of Audit Qualification:	Auditor's Qualification	
			A. Independent Auditor's report on Financial Results (Consolidated): (i) As stated in Note 9(b) to the consolidated financial results, relating to the Group's carrying value of net assets (capital employed) aggregating ₹ 4,124.40 crore, goodwill on consolidation amounting to ₹ 95.04 crore and non-controlling interest amounting to ₹ 208.01 crore as at 31 March 2017 in Lavasa Corporation Limited (LCL), being considered good and recoverable by the management. However, this subsidiary has accumulated operational losses and its net worth is fully eroded as at 31 March 2017. Further, this subsidiary is facing liquidity constraints due to which it may not be able to realize projections made as per its business plans. In the absence of sufficient appropriate evidence, we are unable to comment upon the carrying value of these assets and the consequential impairment losses, if any, on the accompanying consolidated financial results. Our opinion on the consolidated financial results for the year ended 31 March 2016 was also qualified in respect of this matter. (ii) The Independent Auditors of certain subsidiaries have qualified their audit report on the financial statements for the year ended 31 March 2017 reproduced by us as under: a) The impairment testing carried out by LCL, during the year ended 31 March 2016 which did not indicate any impairment and according to the contention of LCL, since there is no change in the business conditions, no impairment testing was carried out during the year ended 31 March 2017. In our opinion, the LCL may not be able to achieve the business plans based on which the impairment testing has been carried out. The consequential impairment losses, if any, cannot be ascertained. b) As stated in Note 9(a) to the consolidated financial results, in respect of matter relating to LCL, the liability, if any, in respect of the compliance of the terms and conditions laid down by the Ministry of Environment and Forests granting the Environment Clearances for development of the Hill Station Township vide its order dated 9 November 2011 to LCL, cannot be ascertained. Our opinion on the consolidated financial results for the year ended 31 March 2016 was also qualified in respect of this matter. c) As stated in Note 9(c) to the consolidated financial results, in respect of matter relating to HCC Real Estate Limited (HREL) group's current and non-current borrowings including finance charges, disclosure in respect of defaults and terms of repayment of borrowings, maturity analysis of financial instruments, trade payables, trade receivables, advances to suppliers and certain balances with banks are subject to confirmation, reconciliation and consequential adjustment, if any. d) As stated in Note 9(e) to the consolidated financial results, in respect of matter relating to, provision for expected credit loss, have not been ascertained and accounted for by Charosa Wineries Limited, a subsidiary company.	

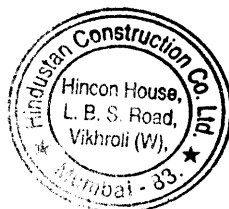
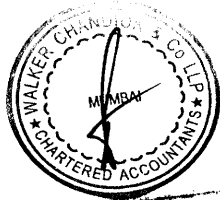


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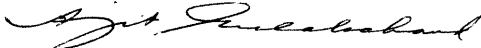
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		B. Auditor's Qualification on the Internal Financial Controls relating to above matter In our opinion, according to the information and explanations given to us and based on our audit procedures performed, the following material weakness has been identified in the operating effectiveness of the Company's IFCoFR as at 31 March 2017: The Company internal financial controls in respect of supervisory and review controls over process of determining of the carrying value of subsidiaries' net assets (capital employed), goodwill on consolidation and non controlling interest of the Company's subsidiaries were not operating effectively. Absence of aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in the carrying value of aforesaid assets and consequently, could also impact the loss (financial performance including other comprehensive income) after tax. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statement of the Group as at and for the year ended 31 March 2017, and the material weakness has affected our opinion on the consolidated financial statements of the Group and we have issued a qualified opinion on the consolidated financial statements.
b. Type of Audit Qualification:		Qualified Opinion
c. Frequency of Qualification:		Qualification II (a) (iii) has been appearing from the year ended 31 March 2012 Qualifications II (a) (i) (ii) and (vi) have been appearing from the year ended 31 March 2016 Qualifications II (a) (iv) and (v) have been included for the first time during the year ended 31 March 2017
d. For Audit Qualification (s) where the impact is quantified by the auditor, Management views:		Not Applicable
e. For Audit Qualification (s) where the impact is not quantified by the auditor:		
i) Management's estimation on the impact of audit qualification:		For matters referred in II (a) A. (i), II (a) A. (ii) (a) and II (a) B. Nil. With reference to above mentioned qualification, the said entity have incurred losses and consolidated net-worth as at 31 March 2017 has been fully eroded. The underlying projects in such entity are in the early stages of development and are expected to achieve adequate profitability on substantial completion and/ or have current market values of certain properties which are in excess of the carrying values and accordingly management, based on valuation report of an independent valuer is of the view that there is no impairment in value of subsidiary's net assets (capital employed) . Similarly, no diminution in value of goodwill on consolidation and non-controlling interest of said entity considered necessary. Thus management believes that the Company's internal financial control in respect of assessment of the carrying value of subsidiaries' net assets (capital employed), goodwill on consolidation and non controlling interest of the Company's subsidiaries were operating effectively and there is no material weakness in such controls and procedures.
ii) If management is unable to estimate the impact, reasons for the same:		For matters referred in II (a) A. (ii) (b), (c) and (d) (b) The management believes that the matter will be decided in its favour. Construction has resumed at project site from 9 November 2011. (c) The management believes that the reconciliations/adjustments, if any, are not expected to be material. (d) Considering its size of operations and revenue from operations, Charosa Wineries Limited, a subsidiary company, have not ascertained expected credit loss.
iii) Auditors' comments on (i) or (ii) above		Included in details of auditor's qualification stated above

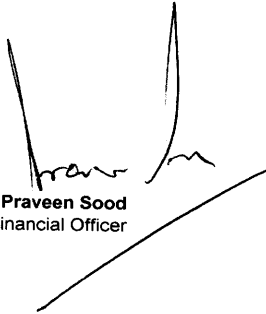


III. Signatories:

For Hindustan Construction Company Limited



Ajit Gulabchand
Chairman & Managing Director

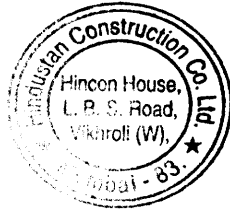


Praveen Sood
Group Chief Financial Officer

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

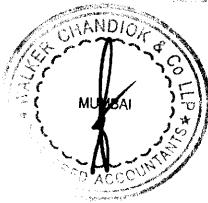


Adi P. Sethna
Partner
Membership No.: 108840



Sharad M. Kulkarni
Audit Committee Chairman

Place: Mumbai
Date: 4 May 2017



Press Release**HCC turnover up 13.6% at Rs 1,358.3 crore in Q4 2016-17**

Order book at Rs 20,390 crore – 12.5% higher over previous fiscal

Mumbai: May 04, 2017: HCC net profit for Q4 2016-17 is at Rs 20.9 crore versus Rs 21.81 crore and turnover for Q4 2016-17 is at Rs 1,358.3 crore versus Rs 1,196.0 crore in the same period last year. The financial numbers for this year and previous years reflect the recently introduced Indian Accounting Standard (Ind As) and are comparable. The company secured seven new orders worth Rs 5,375 crore in the FY 2016-17 and is the lowest bidder in projects worth Rs 2,804 crore. Excluding L1 bids, the order book has grown to Rs 20,390 crore from Rs 18,123 crore last year.

Financial highlights:**Audited standalone results for Q4 2016-17 vs Q4 2015-16**

- Turnover at Rs 1,358.3 crore vs Rs 1,196.0 crore
- Net Profit of Rs 20.9 crore vs Rs 21.8 crore
- EBITDA at Rs 224.1 crore vs Rs 209.8 crore
- EBITDA margins at 16.5% vs 17.5%

Audited standalone results for FY 2016-17 vs previous fiscal

- Turnover of Rs 4,195.9 crore vs Rs 4,190.9 crore
- Net Profit of Rs 59.4 crore vs Rs 94.8 crore
- EBITDA at Rs 753.6 crore vs Rs 808.4 crore
- EBITDA margins at 18% vs 19.3%
- Order book at Rs 20,390 crore, excluding L1 bids worth Rs 2,804 crore

Ajit Gulabchand, Chairman & Managing Director said, "We are gradually rebuilding this business into a sustainable and profitable one with ample liquidity for growth opportunities which will manifest itself in financial performance. With the improved investment climate and the government impetus on infrastructure, we firmly believe that HCC has a huge opportunity to attain robust growth. The improved order book of HCC will certainly help raise our turnover and arbitration award receivables will reduce interest cost in the coming quarters. Presently, we as a company are more agile, competitive and poised to leverage on the emerging opportunities in the Indian infrastructure space."

Pursuant to the recent Cabinet order on arbitration awards, HCC is in receipt of letters from government agencies for release of Rs 1,882 crore. Of these, Rs 380 crore has already been received and the balance Rs 1,502 crore is expected shortly.

Performance of HCC subsidiaries:

Steiner AG: In FY 2016-17, Steiner AG has registered a revenue of CHF 820.6 million (Rs 5,580.2 crore) compared to CHF 636.8 million (Rs 4,256 crore) in the previous year. The net profit stood at CHF 3.2 million (Rs 21.7 crore) compared to loss of CHF 0.98 million (Rs 7 crore) in the previous year. The company secured fresh orders worth CHF 927 million (Rs 5,977 crore). The order backlog was CHF 1.43 billion (Rs 9,200 crore) at the end of the year. Further, the company has secured orders for over CHF 700 million (Rs 4,515.7 crore), where contracts are yet to be signed.

HCC Concessions Ltd: Farakka Raiganj Highways Ltd achieved commercial operations in October 2016. Toll collection has averaged Rs 47 lakhs daily which will increase to Rs 80 lakhs at FCOD.

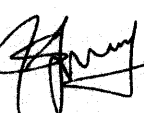
Daily collection for Bahrapore Farakka Highways Ltd has been Rs 37 lakh with impressive traffic growth despite the temporary impact of demonetization. Badarpur Faridabad Tollway Ltd (BFTL) has notified the NHAI of a Political Force Majeure event due to the imposition of Environment Compensation Charges by the Supreme Court, effectively halting commercial traffic entry into Delhi. BFTL is evaluating amicable foreclosure options with the NHAI. Similarly, Raiganj Dalkhola Highway Ltd is contemplating amicable foreclosure as well, given the impact of 6 year land delay on the project.

Lavasa Corporation Ltd: Lavasa city continues to be a popular tourist destination. The tourist footfall in FY 2016-17 was 890,000. Since the stoppage of work order by the then Union government in 2010 and a prolonged slowdown in the sector, Lavasa has been working with its lenders to recapitalize the project for long term success.

About HCC:

HCC is a business group of global scale developing and building responsible infrastructure through next practices. With an engineering heritage of nearly 100 years, HCC has executed a majority of India's landmark infrastructure projects, having constructed 25% of India's Hydel Power generation and over 65% of India's Nuclear Power generation capacities, over 3,800 lane km of Expressways and Highways, more than 320 km of complex Tunnelling and over 365 Bridges. Today, HCC Ltd. serves the infrastructure sectors of Transportation, Power and Water. HCC is also developing Lavasa City, a planned hill city and one of India's largest urban development and management initiatives. The HCC Group, with a group turnover of Rs 9,867 crore, comprises of HCC Ltd, HCC Infrastructure Co. Ltd, Lavasa Corporation Ltd and Steiner AG in Switzerland.

For further information:



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