

सं.सचिव/No. Secy/906/10

25.05.2016

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Bandra Kurla Complex
Bandra (East), Mumbai-400051

प्रिय महोदय/महोदया

Dear Sir/Madam,

भारतीय प्रतिभूति एवं विनियम बोर्ड (लिस्टिंग दायित्वों और प्रकटीकरण आवश्यकताओं) विनियम, 2015 के प्रावधानों के अनुसार, आपको यह सूचित किया जाता है कि इंजीनियर्स इंडिया लिमिटेड के निदेशक मंडल ने बुधवार, 25 मई, 2016 को पंजीकृत कार्यालय ईआई हाऊस, 1, भीकाएजी कामा प्लेस, नई दिल्ली- 110066 में आयोजित बैठक (जिसमें अन्य मदें भी सम्मिलित थी) में (i) 31 मार्च, 2016 को समाप्त वर्ष के ऑडिटेड वित्तीय परिणामों को, 31 मार्च, 2016 को समाप्त तिमाही के अन-ऑडिटेड वित्तीय परिणामों के साथ स्वीकृत कर दिया है, जिसकी एक प्रति ऑडिटेड वित्तीय परिणामों पर ऑडिटर रिपोर्ट एवं फॉर्म -A के साथ आपकी जानकारी के लिए संलग्न है। 31 मार्च, 2016 को समाप्त वर्ष के लिए सेगमेंटवाइज रिवेन्यू रिजल्ट और कैपिटल एम्प्लोएड, स्टेटमेंट ऑफ अससेट्स एंड लाएबिलिटीस के साथ, भी संलग्न है और (ii) वित्तीय वर्ष 2015-16 के लिए कंपनी के इक्विटी शेयरों पर ₹ 2/- प्रति शेयर (प्रत्येक ₹ 5/- के अंकित मूल्य पर) अंतिम लाभांश की सिफारिश की है। अंतिम लाभांश वार्षिक साधारण बैठक में शेयरधारकों की मंजूरी के अधीन है।

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform that the Board of Directors of Engineers India Limited in its meeting held on Wednesday, the 25th May, 2016 at the registered office of the Company at EI House, 1, Bhikaiji Cama Place, New Delhi-110066 has, inter-alia, (i) approved and taken on record the Audited Financial Results of the Company for the year ended 31st March, 2016 alongwith Un-audited Financial Results for the quarter ended 31st March, 2016, a copy of which is enclosed alongwith Auditors Report on the Audited Financial Results and Form-A for your information. Segmentwise Revenue Results and capital employed along with statement of Assets and Liabilities for the year ended 31st March, 2016 are also enclosed and (ii) Recommended final dividend of ₹ 2/- per share (on the face value of ₹ 5/- each) on the equity shares of the Company for the financial year 2015-2016. The final dividend is subject to approval of shareholders in the Annual General Meeting.

निदेशक मण्डल की उपरोक्त बैठक सुबह 11:30 बजे शुरू हुई और शाम 5:30 बजे समाप्त हुई।

The above said meeting of Board of Directors commenced at 11:30 a.m. and concluded at 5:30 p.m.

कृपया उपरोक्त को अपने रिकॉर्ड में लें।

Kindly take the above on your records.

भवदीय/Very truly yours,



राजन कपूर/Rajan Kapur

कंपनी सचिव/Company Secretary

संलग्नक: यथोक्त/Encl: As above

FORM A
(For Audit Report with unmodified opinion)

1.	Name of the Company	Engineers India Limited
2.	Annual financial statements for the year ended	31 st March, 2016
3.	Type of Audit observation	Un Modified
4.	Frequency of observation	N.A.
5.	<p>To be signed by-</p> <ul style="list-style-type: none">• Sanjay Gupta Chairman & Managing Director CEO• Ram Singh Director (Finance) CFO• M/s Arun K. Agarwal & Associates Statutory Auditors• Arusha Vasudev Chairperson of Audit Committee Meeting	<p><i>Sanjay Gupta</i></p> <p><i>Ram Singh</i></p> <p><i>Arun K. Agarwal & Associates</i></p> <p><i>Arusha Vasudev</i></p>

Date: 25.05.2016

Place: New Delhi

ARUN K. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

105, FIRST FLOOR, SOUTH EX. PLAZA-1
389, MASJID MOTH, SOUTH EXTN. PART-II.

NEW DELHI-110049

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ENGINEERS INDIA LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **ENGINEERS INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. While conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2016, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the note no. 2.47 to the standalone financial statements for the year ended 31 March 2016, regarding:

- (a) fraud committed by M/s Fernas Construction India Pvt. Ltd. ('the Contractor') by submitting bogus completion certificate. Further, the employees and officers of the company in connivance with the contractor relaxed the bid qualification criteria to enable the contractor to qualify and beg the tender/contract worth ₹ 180000 lakhs from a client for whom the company is a consultant. The management does not envisage any financial liability in this regard.
- (b) fraud committed by M/s Fernas Construction India Pvt. Ltd. ('the Contractor') by submitting bogus completion certificate for qualifying in the bid criteria and beg the tender/contract of approximate ₹ 27200 lakhs. The company has terminated the contract. The company has estimated additional expenditure of ₹ 3167 lakhs to complete the job, which has been accounted for as per accounting standard (AS—7 'Accounting for Construction Contracts'). Subsequent to termination of contract, the contractor raised the claim against the company. Management does not consider any possible obligation on this account requiring future probable outflow of resources.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. The C&AG of India has issued directions indicating the areas to be examined in terms of sub section (5) of section 143 of the Companies Act 2013, compliance of which are set out in "Annexure B"



3. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure C**"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer note no. 2.18 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts - Refer note no. 2.45 to the financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For Arun K Agarwal & Associates
Chartered Accountants
(Firm's Registration No. 003917N)


Arun Agarwal
(Partner)
M. No. 082899



Place: Delhi
Date: 25/05/2016

Annexure A to Independent Auditors' Report

Referred to Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) (a) The Company has carried out a physical verification of inventory at the year end. In our opinion, frequency of physical verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. Further, as per the information and explanations given to us, the discrepancies noticed on physical verification of inventories as compared to book records were not material and the same have been dealt with in the books of account.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly paragraphs 3 (iii) (a), (b) and (c) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) As per the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 for services rendered by the company.
- (vii)(a) According to the information and explanations given to us and on the basis of our examination of the books of account of the company, amount deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income Tax, Sales tax, Service Tax, Custom Duty, Value Added Tax, Cess and any other



statutory dues have been regularly deposited during the year by the company with appropriate authorities. As explained to us, the company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanation given to us and on the basis of our examination of the books of accounts, no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales tax, Service Tax, Custom Duty, Value Added Tax, Cess and any other statutory dues were in arrears as at 31 March 2016 for a period more than six months from the date they became payable.

- (b) According to the information and explanations given to us, the following dues of Income tax, sales tax, service tax have not been deposited by the company on account of disputes:

S. No.	Name of Statute	Nature of dues	Forum where dispute is pending	Period to which amount relates	Amount (Rs. in lakhs)
1.	Income Tax Act, 1961	Income Tax	CIT (Appeals)	2011-12, 2012-13	133.04
2.	Income Tax Act, 1961	TDS Under section 201(1)	CIT (Appeals)	2008-09	0.32
3.	Income Tax Act, 1961	Interest	Supreme Court	2005-06	105.37
4.	Income Tax Act, 1961	Income Tax	Appellate Tribunals	2001-02, 2003-04, 2009-10, 2010-11	363.37
5.	Finance Act, 1994 and Service Tax Laws	Service Tax	CESTAT	01.04.2002 to 17.04.2006	62.87
6.	Sales Tax	Sales Tax	Sales Tax Tribunal Agra	1999-00, 2000-01	248.65
7.	Sales Tax	Entry Tax	Sales Tax Tribunal Agra	1999-00	13.70

- (viii) The company does not have any loan or borrowings from any financial institution, bank, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanation given to us by the management, a fraud was committed by employees and officers of the company by relaxing the bid qualification criteria in connivance with the bidding contractor and helping him to qualify and beg the tenders/contracts worth ₹ 180000 lakhs from clients for whom company is a consultant. The management does not envisage any financial liabilities in this regard. (Refer note no. 2.47 (a) to the standalone financial statements).
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.




- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Arun K Agarwal & Associates

Chartered Accountants

(Firm's Registration No. 003917N)


Arun Agarwal

(Partner)

M. No. 082899



Place: Delhi

Date: 25/05/2016

Annexure B to Independent Auditors' Report

Referred to Paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

According to the information and explanations given to us we report as under:

S.No.	Areas Examined	Observations/Findings
1.	Whether the company has clear title/lease deeds for freehold and leasehold properties respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	During the year, the Internal Audit Department of the company was given the task to verify the title/lease deed of all freehold and leasehold properties. No material discrepancies were observed in their report. Further, we have also verified the title/lease deeds of the properties on test check basis and no material discrepancies were observed.
2.	Whether there are any cases of waiver/write off of debts/loans/ interest etc. if yes, the reasons there of and amount involved.	As per the records and information provided to us, there is waiver/write off of ₹ 168.57 lakhs during the year, out of which ₹ 166.54 Lakhs is on account of bad debts written off and ₹ 2.03 Lakhs on account of deposits written off. The management is of the view that despite consistent follow up no recovery of these debts have been made.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gifts/grants from the Govt. or other authorities.	a. There are no inventories lying with third parties. b. The company has not received any assets as gifts from Govt. or other authorities.
4.	Independent verification may be made of information/inputs furnished to Actuary, viz number of employees, average salary, retirement age and assumptions made by actuary regarding discount rate, future cost increase, mortality rate, etc for arriving at the provision for liability of retirement benefits, viz gratuity, leave encashment, post retirement medical benefits etc.	We have independently verified the information furnished to actuary.

For Arun K Agarwal & Associates

Chartered Accountants

(Firm's Registration No. 003917N)


Arun Agarwal
(Partner)
M. No: 082899



Place: Delhi

Date: 25/05/2016

Annexure C to Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Engineers India Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Arun K Agarwal & Associates
Chartered Accountants
(Firm's Registration No. 003917N)


Arun Agarwal
(Partner)
M.No:082899



Date: 25/05/2016

Place: Delhi

ARUN K. AGARWAL & ASSOCIATES

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGINEERS INDIA LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Engineers India Limited ('the Holding Company'), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entities, comprising the consolidated Balance Sheet as at 31 March, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Boards of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.



We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its jointly controlled entities as at 31 March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

1. We draw attention to the note no. 2.40 to the consolidated financial statements for the year ended 31 March 2016, regarding:
 - (a) fraud committed by M/s Fernas Construction India Pvt. Ltd. ('the Contractor') by submitting bogus completion certificate. Further, the employees and officers of the company in connivance with the contractor relaxed the bid qualification criteria to enable the contractor to qualify and beg the tender/contract worth ₹ 180000 lakhs from a client for whom the company is a consultant. The management does not envisage any financial liability in this regard.
 - (b) fraud committed by M/s Fernas Construction India Pvt. Ltd. ('the Contractor') by submitting bogus completion certificate for qualifying in the bid criteria and beg the tender/contract of approximate ₹ 27200 lakhs. The company has terminated the contract. The company has estimated additional expenditure of ₹ 3167 lakhs to complete the job, which has been accounted for as per accounting standard (AS—7 'Accounting for Construction Contracts'). Subsequent to termination of contract, the contractor raised the claim against the company. Management does not consider any possible obligation on this account requiring future probable outflow of resources.

Our opinion is not modified in respect of this matter.



2. We draw attention to note no 2.37 to the consolidated financial statements which describes that as on balance sheet date at the joint venture company M/s TEIL Projects Limited has accumulated losses of ₹ 1089.66 lakhs and its net worth has been fully eroded. Further the auditors of the company has reported that "the company has incurred a net profit of ₹ 3.64 lakhs during the current year and net loss of ₹ 128.73 lakhs in the previous year(s) and, the company's current liabilities exceeded its current assets as at the balance sheet date". These conditions, along with other matter set forth, indicate that the company shall not be able to continue its operations for a foreseeable future as a going concern.

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the financial statements of two subsidiaries, and three jointly controlled entities, whose financial statements reflect total assets of ₹ 10871.18 lakhs as of 31 March 2016, total revenues of ₹ 4319.90 lakhs and net cash flows amounting to ₹ (91.42) lakhs for the year ended on that date, as considered in the consolidated financial statements. Further accounts of subsidiary M/s EIL Asia Pacific Sdn Bhd have been drawn up to 07.08.2015 and jointly controlled entity M/s Jabal Elliot Co. Ltd. are drawn up to 22.01.2016, have been used in consolidation. Subsidiary M/s EIL Asia Pacific Sdn Bhd has wind up as on 07.08.2015 and jointly control entity M/s Jabal Elliot Co. Ltd is under process of wind up. These financial statements (except M/s EIL Asia Pacific Sdn Bhd and M/s Jabal Elliot Co. Ltd.) have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entities, is based solely on the reports of the other auditors and unaudited information provided by the management in respect of unaudited financial statement.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.



- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding company as on 31 March 2016 taken on record by the Board of Directors of the Holding company, and the reports of the statutory auditors of its subsidiary companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, and jointly controlled company incorporated in India is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated financial statements disclose the impact of pending litigations on consolidated financial position of the group and jointly controlled entities. (Refer note no. 2.18 to the consolidated financial statement);
 - ii. Provision has been made in the consolidated financial statements, as required under applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts. (Refer note no. 2.38 to the consolidated financial statements);
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding company, its subsidiary companies and jointly controlled companies incorporated in India.

For Arun K Agarwal & Associates

Chartered Accountants

(Firm's Registration No. 003917N)


Arun Agarwal

(Partner)

M. No. 082899



Place: Delhi

Date: 25/05/2016

Annexure A to Independent Auditors' Report on the Consolidated Financial Statements

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of Engineers India Limited ('the Holding Company'), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entities, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two (2) subsidiary companies, one (1) associate companies and three (3) jointly controlled companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Arun K Agarwal & Associates

Chartered Accountants

(Firm's Registration No. 003917N)


Arun Agarwal
(Partner)
M.No:082899



Date: 25/05/2016

Place: Delhi

AGENDA ITEM NO.

ENGINEERS INDIA LIMITED



CIN: L74899DL1965GOI004352

Regd. Office : Engineers India Bhavan, 1, Bhikaiji Cama Place, New Delhi-110066

Website: www.engineersindia.com ; e-mail: ell.mktg@eil.co.in ; Telephone: 011- 26762121 ; Fax: 011- 26178210

**AUDITED FINANCIAL RESULTS
FOR THE YEAR ENDED 31st MARCH, 2016**

PART I		(` In Lakhs)						
S. No.	Particulars	UNAUDITED RESULTS			AUDITED RESULTS		AUDITED CONSOLIDATED RESULTS	
		FOR THREE MONTHS ENDED			FOR THE YEAR ENDED		FOR THE YEAR ENDED	
		31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	Income from operations							
	a) Net Sales/ Income From Operations	28641.92	36837.12	48854.26	149584.28	171300.42	152498.58	174124.56
	b) Other Operating Income	-	-	-	-	-	-	-
	Total income from operations (net)	28641.92	36837.12	48854.26	149584.28	171300.42	152498.58	174124.56
2.	Expenses							
	a) Cost of materials consumed	-	-	-	-	-	-	-
	b) Purchases of stock-in-trade	-	-	-	-	-	-	-
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-	-	-
	d) Employee benefits expense	14183.81	15115.14	14666.74	59268.43	59194.89	60304.61	60090.16
	e) Depreciation and amortisation expense	584.33	525.83	536.58	2480.74	1962.74	2504.38	2017.55
	f) Other expenses							
	I) Sub-Contract payment	3046.82	5997.75	3027.29	21072.28	32976.69	21311.62	33288.59
	II) Construction material	2349.52	7545.06	8891.76	36966.29	25371.43	36901.26	25334.52
	III) Other expenses	5121.74	4311.11	12851.01	16276.23	32326.68	16959.28	32979.93
	Total expenses	25286.22	33494.89	39973.38	136063.97	151832.43	137981.15	153710.75
3.	Profit from Operations before Other Income, finance costs & Exceptional items (1-2)	3355.70	3342.23	8880.88	13520.31	19467.99	14517.43	20413.81
4.	Other Income	6628.27	6160.46	7990.79	25693.76	27310.80	25495.05	27311.69
5.	Profit from ordinary activities before finance cost & Exceptional Items (3+4)	9983.97	9502.69	16871.67	39214.07	46778.79	40012.48	47725.50
6.	Finance costs	10.29	0.08	23.09	10.37	23.16	17.87	28.63
7.	Profit from ordinary activities after finance cost but before Exceptional Items (5-6)	9973.68	9502.61	16848.58	39203.70	46755.63	39994.61	47696.87
8.	Exceptional items	-	-	-	-	-	-	-
9.	Profit from Ordinary Activities before tax (7-8)	9973.68	9502.61	16848.58	39203.70	46755.63	39994.61	47696.87
10.a	Provision for Taxation	3040.29	3292.24	6113.92	12576.28	15923.60	13113.89	16392.68
10.b	Short/ (Excess) Provision for earlier years	(381.88)	(31.16)	124.58	(455.04)	124.58	(481.15)	124.54
10.c	Provision for Deferred Tax Liability/(Asset) including earlier years adjustment	323.28	32.91	(276.42)	1251.50	(90.19)	1209.62	(91.09)
11.	Net Profit from Ordinary Activities after tax (9-10)	6991.99	6208.62	10886.50	25830.96	30797.64	26152.25	31270.74
12.	Extraordinary Items (net of tax expense)	-	-	-	-	-	-	-
13.	Net Profit for the period (11-12)	6991.99	6208.62	10886.50	25830.96	30797.64	26152.25	31270.74
14.	Paid-up equity share capital (Face Value of ₹ 5/-)	16846.84	16846.84	16846.84	16846.84	16846.84	16846.84	16846.84
15.	Reserves excluding Revaluation Reserves	-	-	-	249654.84	239943.25	256222.22	246319.83
16.	Earning Per Share (EPS)							
	i) Basic & diluted EPS before Extraordinary Items in ₹	2.08	1.84	3.23	7.67	9.14	7.76	9.28
	ii) Basic & diluted EPS after Extraordinary items in ₹	2.08	1.84	3.23	7.67	9.14	7.76	9.28

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ENGINEERS INDIA LIMITED



CIN: L74899DL1965GOI004352

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**AUDITED FINANCIAL RESULTS
FOR THE YEAR ENDED 31st MARCH, 2016**

Segment wise Revenue, Results and Capital Employed

Particulars	(₹ In Lakhs)					
	UNAUDITED RESULTS			AUDITED RESULTS		AUDITED CONSOLIDATED RESULTS
	FOR THREE MONTHS ENDED			FOR THE YEAR ENDED		FOR THE YEAR ENDED
	31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16
Segment Revenue						
Consultancy & Engineering Projects	27332.93	23785.44	25494.39	99228.46	94797.31	102142.76
Turnkey Projects	1308.99	13051.68	23359.87	50355.82	76503.11	50355.82
Total	28641.92	36837.12	48854.26	149584.28	171300.42	152498.58
Segment Profit from operations						
Consultancy & Engineering Projects	7936.20	3968.47	6421.17	22775.99	24650.24	23934.19
Turnkey Projects	(1,940.75)	1817.10	6355.31	1218.41	5602.19	1218.41
Total (a)	5995.45	5785.57	12776.48	23994.40	30252.43	25152.60
Prior period adjustments	7.33	0.00	818.15	30.38	818.15	30.38
Interest	10.29	0.08	23.09	10.37	23.16	17.87
Other un- allocable expenditure	2632.42	2443.34	3077.45	10443.71	9966.29	10604.79
Total (b)	2650.04	2443.42	3918.69	10484.46	10807.60	10653.04
Other Income (c)	6628.27	6160.46	7990.79	25693.76	27310.80	25495.05
Profit Before Tax (a-b+c)	9973.68	9502.61	16848.58	39203.70	46755.63	39994.61
Capital Employed *	266501.68	275629.06	256790.09	266501.68	256790.09	273069.06

*Fixed assets used in the company's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and support services are used interchangeably between segments. Accordingly, no disclosure relating to total segment assets and liabilities has been made.

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**AUDITED FINANCIAL RESULTS
FOR THE YEAR ENDED 31st MARCH, 2016
STATEMENT OF ASSETS AND LIABILITIES**

Particulars		₹ in lakhs			
		Standalone		Consolidated	
		AS AT		AS AT	
		31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
		Audited	Audited	Audited	Audited
A EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share Capital		16846.84	16846.84	16846.84	16846.84
(b) Reserves and Surplus		249654.84	239943.25	256222.22	246319.83
Sub-total- Shareholders' funds		266501.68	256790.09	273069.06	263166.67
2 Non-Current Liabilities					
(a) Other Long Term Liabilities		1595.26	221.79	1610.48	221.79
(b) Long Term Provisions		783.36	1746.82	1174.57	2044.17
Sub-total- Non-current liabilities		2378.62	1968.61	2785.05	2265.96
3 Current Liabilities					
(a) Short Term Borrowings		0.00	0.00	30.24	50.00
(b) Trade Payables		20250.03	24655.80	20594.24	24685.44
(c) Other Current Liabilities		75556.75	58069.36	75925.97	58329.55
(d) Short Term Provisions		43203.13	50110.81	43365.99	50314.67
Sub-total- Current liabilities		139009.91	132835.97	139916.44	133379.66
TOTAL- EQUITY AND LIABILITIES		407890.21	391594.67	415770.55	398812.29
B ASSETS					
1 Non-current assets					
(a) Fixed Assets		30315.56	28881.37	33366.30	29136.53
(b) Non-Current Investments		2691.47	1638.96	224.85	1327.88
(c) Deferred Tax Assets (Net)		21943.26	23194.76	22102.22	23311.84
(d) Long Term Loans and Advances		4207.52	4621.09	4736.44	4989.45
(e) Other Non Current Assets:		7588.55	58.14	7621.11	99.78
Sub-total- Non-current assets		66746.36	58394.32	68050.92	58865.48
2 Current Assets					
(a) Current Investments		1201.38	12400.00	1360.50	12453.20
(b) Inventories		100.85	81.09	105.51	83.96
(c) Trade Receivables		36208.14	42606.18	37434.14	43857.65
(d) Cash and Bank Balances		256946.42	237292.29	261364.88	241898.49
(e) Short Term Loans and Advances		7129.66	8530.26	7341.41	8709.81
(f) Other Current Assets		39557.40	32290.53	40113.19	32943.70
Sub-total- Current assets		341143.85	333200.35	347719.63	339946.81
TOTAL -ASSETS		407890.21	391594.67	415770.55	398812.29

NOTES:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 25.05.2016.
- The Audited Accounts are subject to review by the Comptroller and Auditor General of India under section 143 (6) of the Companies Act, 2013.
- The Board of Directors have recommended a final dividend of ₹ 2.00 per share (Face value ₹ 5.00 per share) in addition to interim dividend of ₹ 2.00 per share (Face value ₹ 5.00 per share) paid during the year. The final dividend is subject to approval of shareholders in the annual general meeting.
- The figures of last quarter ended 31st March, 2016 are the balancing figures between audited figures in respect of the full financial year ended 31st March, 2016 and the published year to date figures upto the third quarter of the current financial year.
- Previous year's/quarter's figures have been recasted and / regrouped wherever necessary to make them comparable with current year's/quarter's figures.

By Order of the Board
For Engineers India Limited

Ram Singh
(Ram Singh)

Director (Finance)
DIN: 02942267

Place: New Delhi
Dated :25th May, 2016

ENGINEERS INDIA LIMITED



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Extract of the Audited Financial Results for the year ended 31st March, 2016

₹ in Lakhs

Particulars	Unaudited		Audited		Audited Consolidated	
	Quarter ending		Year ending		Year ending	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Total income from operations (net)	28641.92	48854.26	149584.28	171300.42	152498.58	174124.56
Net Profit / (Loss) from ordinary activities after tax	6991.99	10886.50	25830.96	30797.64	26152.25	31270.74
Net Profit / (Loss) for the period after tax (after Extraordinary items)	6991.99	10886.50	25830.96	30797.64	26152.25	31270.74
Equity Share Capital	16846.84	16846.84	16846.84	16846.84	16846.84	16846.84
Reserves (excluding Revaluation Reserve as per Balance Sheet)			249654.84	239943.25	256222.22	246319.83
Earning Per Share (before extraordinary items) (Face value of ₹ 5/- each)						
Basic: in ₹ per share	2.08	3.23	7.67	9.14	7.76	9.28
Diluted: in ₹ per share	2.08	3.23	7.67	9.14	7.76	9.28
Earning Per Share (after extraordinary items) (Face value of ₹ 5/- each)						
Basic: in ₹ per share	2.08	3.23	7.67	9.14	7.76	9.28
Diluted: in ₹ per share	2.08	3.23	7.67	9.14	7.76	9.28

Note: The above is an extract of the detailed format of quarterly and year ended Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Financial Results for the said quarter and year end are available on the Stock Exchange Websites: www.bseindia.com and www.nseindia.com. The same is also available on the Company Website: www.engineersindia.com

By Order of the Board
For Engineers India Limited

Ram Singh
(Ram Singh)

Director (Finance)
DIN: 02942267

Place: New Delhi
Dated :25th May, 2016

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