

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER 2014

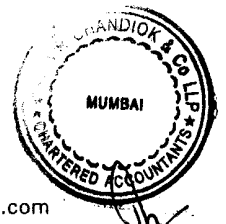
(₹ Crore)

Sr. No.	Particulars	Quarter ended 30th September (Unaudited)	Quarter ended 30th June (Unaudited)	Quarter ended 30th September (Unaudited)	Six months ended 30th September (Unaudited)		Year ended 31st March (Audited)
		2014	2014	2013	2014	2013	2014
		(1)	(2)	(3)	(4)	(5)	(6)
PART I							
1	INCOME FROM OPERATIONS						
	(a) Net sales / income from operations (Net of excise duty)	958.94	1,043.48	908.72	2,002.42	2,058.28	4,113.49
	(b) Other operating income	-	-	-	-	-	-
	Total income from operations (a+b)	958.94	1,043.48	908.72	2,002.42	2,058.28	4,113.49
	Less: Company's share of Turnover in Integrated Joint Ventures	28.69	58.17	18.58	86.86	25.73	74.01
	Income from operations excluding Integrated Joint Ventures	930.25	985.31	890.14	1,915.56	2,032.55	4,039.48
2	Company's Share of Profit / (Loss) in Integrated JV's (Net)	1.34	2.75	(0.49)	4.09	0.02	3.04
3	Total (1+2)	931.59	988.06	889.65	1,919.65	2,032.57	4,042.52
4	Expenses						
	(a) Cost of materials consumed	196.54	248.05	215.55	444.59	491.45	1,026.95
	(b) Construction expenses	439.05	418.81	458.65	857.86	991.47	1,864.43
	(c) Employee benefits expenses	92.01	90.59	95.88	182.60	200.89	388.46
	(d) Depreciation and amortisation expenses	36.44	39.61	37.49	76.05	74.59	144.61
	(e) Other expenses	27.95	26.79	30.65	54.74	58.10	118.92
	(f) Total expenses 4 (a to e)	791.99	823.85	838.22	1,615.84	1,816.50	3,543.37
5	Profit / (Loss) from operations before other Income, finance costs & exceptional items (3-4)	139.60	164.21	51.43	303.81	216.07	499.15
6	Other income	31.12	31.62	115.70	62.74	142.52	213.59
7	Exchange Gain / (Loss) (Net)	0.91	0.63	(3.41)	1.54	(15.45)	(13.85)
8	Profit / (Loss) from ordinary activities before finance costs & exceptional items (5+6+7)	171.63	196.46	163.72	368.09	343.14	698.89
9	Finance costs	161.16	156.16	152.29	317.32	301.15	607.94
10	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (8-9)	10.47	40.30	11.43	50.77	41.99	90.95
11	Exceptional items	-	-	-	-	-	-
12	Profit / (Loss) from ordinary activities before tax (10+11)	10.47	40.30	11.43	50.77	41.99	90.95
13	Tax expense	3.71	13.20	(20.17)	16.91	(8.84)	10.31
14	Net Profit / (Loss) from ordinary activities after tax (12-13)	6.76	27.10	31.60	33.86	50.83	80.64
15	Extraordinary items	-	-	-	-	-	-
16	Net Profit / (Loss) for the period (14+15)	6.76	27.10	31.60	33.86	50.83	80.64
17	Paid up equity share capital (Face value of Re. 1/- each)	64.58	64.58	60.66	64.58	60.66	60.66
18	Reserve excluding Revaluation Reserves	-	-	-	-	-	1,186.73
19	Basic EPS ₹ (not annualised)						
	-before and after Extraordinary items	0.10	0.43	0.52	0.53	0.84	1.33
20	Diluted EPS ₹ (not annualised)						
	-before and after Extraordinary items	0.10	0.43	0.52	0.53	0.83	1.33
21	Debt Equity Ratio				3.65	3.87	3.86
22	Debt service coverage Ratio				0.98	1.29	1.25
23	Interest Service Coverage Ratio				1.40	1.39	1.39
PART II							
A. PARTICULARS OF SHAREHOLDING							
1	Public shareholding						
	i) Number of shares	364,811,026	364,811,026	364,811,026	364,811,026	364,811,026	364,811,026
	ii) Percentage of shareholding	56.49%	56.49%	60.14%	56.49%	60.14%	60.14%
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	-- Number of shares	200,703,600	200,703,600	200,703,600	200,703,600	200,703,600	200,703,600
	-- Percentage of shares	71.42%	71.42%	83.00%	71.42%	83.00%	83.00%
	(as a % of the total shareholding of promoter and promoter group)						
	-- Percentage of shares	31.08%	31.08%	33.09%	31.08%	33.09%	33.09%
	(as a % of the total share capital of the company)						
	b) Non-encumbered						
	-- Number of shares	80,311,480	80,311,480	41,095,794	80,311,480	41,095,794	41,095,794
	-- Percentage of shares	28.58%	28.58%	17.00%	28.58%	17.00%	17.00%
	(as a % of the total shareholding of promoter and promoter group)						
	-- Percentage of shares	12.43%	12.43%	6.77%	12.43%	6.77%	6.77%
	(as a % of the total share capital of the company)						

Particulars		3 Months ended 30.09.2014
B INVESTOR COMPLAINTS		
Pending at the beginning of the quarter		NIL
Received during the quarter		3
Disposed of during the quarter		3
Remaining unresolved at the end of the quarter		NIL

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STANDALONE STATEMENT OF ASSETS AND LIABILITIES

₹ Crore

Particulars		As at 30th September, 2014	As at 31st March, 2014
A	EQUITY AND LIABILITIES		
1	Shareholders' funds:		
	(a) Share capital	64.59	60.67
	(b) Reserves and surplus	1,279.91	1,186.73
	(c) Money received against Share Warrants	-	16.00
	Sub-total - Shareholders' funds	1,344.50	1,263.40
2	Non-current liabilities	2,789.55	3,005.18
	(a) Long-term borrowings	39.26	23.71
	(b) Deferred tax liabilities (net)	-	27.26
	(c) Long-term trade payables	11.46	74.59
	(d) Other long-term liabilities	36.48	33.89
	(e) Long-term provisions		
	Sub-total - Non-current liabilities	2,876.75	3,164.63
3	Current liabilities		
	(a) Short-term borrowings	1,781.18	1,537.48
	(b) Trade payables	988.94	951.16
	(c) Other current liabilities	1,927.16	1,670.75
	(d) Short-term provisions	8.30	8.45
	Sub-total - Current liabilities	4,705.58	4,167.84
	TOTAL - EQUITY AND LAIBILITIES	8,926.83	8,595.87
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	854.83	920.37
	(b) Non-current investments	597.29	689.95
	(c) Long-term loans & advances	1,240.94	1,211.76
	(d) Long-term trade receivables	1,228.84	1,087.00
	(e) Other non-current assets	0.12	0.11
	Sub-total - Non-current assets	3,922.02	3,909.19
2	Current assets		
	(a) Investments	94.10	-
	(b) Inventories	3,291.94	3,293.56
	(c) Trade receivables	687.73	527.33
	(d) Cash and Bank Balances	60.81	146.97
	(e) Short-term loans & advances	856.76	712.58
	(f) Other current assets	13.47	6.24
	Sub-total - Current assets	5,004.81	4,686.68
	TOTAL ASSETS	8,926.83	8,595.87



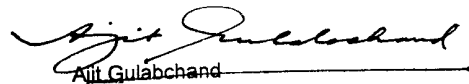
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Notes :

- 1 a) The Company is engaged in Engineering & Construction activities which are substantially seasonal in character. Therefore, the financial results for three months ended 30th September, 2014 are not necessarily indicative of annual results.
b) 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.
- 2 The Company has a single Segment namely "Engineering and Construction". Therefore, the Company's business does not fall under different business segments as defined by AS-17- "Segmental Reporting".
- 3 The total balance value of work on hand as on 30th September 2014 is ₹ 13,679 crore (₹ 14,249 crore as on 31st March 2014).
- 4 'Uncompleted Contracts and Value of Work Done', 'Long Term Trade Receivables' and 'Short Term Loans & Advances' aggregating to ₹ 1399 crore, outstanding as at 30th September 2014 representing 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. These receivables also includes ₹ 149 crore of 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. The Company has been legally advised that it has good case on merits in respect of these matters. Considering the contractual tenability, progress of negotiation/ discussion with the client, the management is confident of the recovery of the same.
- 5 Remuneration paid to Chairman & Managing Director was in excess of the limits specified in Schedule XIII of the Companies Act, 1956 by ₹ 10.18 crore each for the years ended 31st March 2014 and 31st March 2013. The Company has made applications seeking approval from Central Government for both the years, which is pending as on date.
- 6 The Company has an investment aggregating to ₹ 474.36 crore, long term loans and advances ₹ 374.77 crore and short term loans and advances (including interest) ₹ 22.44 crore in HCC Real Estate Limited (HREL) which is holding 68.70% share in Lavasa Corporation Limited and has an investment aggregating ₹ 0.25 crore, long term loans and advances ₹ 628.22 crore and short term loans and advances (including interest) ₹ 266.68 crore in HCC Infrastructure Company Limited (HIL) as on 30th September 2014. The consolidated net-worth of HREL and HIL as on 31st March 2014 has been fully eroded. Considering the intrinsic value of the assets of the business under the fold of these subsidiaries, wherein, the potential of market appreciation over book value is substantially high, the net-worth of both these subsidiaries does not represent its true market value. Therefore the decline in the value of above investments is temporary in nature and the loans and advances given together with the interest thereon are good and recoverable.
- 7 Consequent to the introduction of Schedule II of Companies Act, 2013, the useful life of certain assets has been revised. Accordingly depreciation for the quarter and six months ended is higher by ₹ 4.52 crore and ₹ 11 crore respectively. As per the transitional provision, depreciation of ₹ 2.72 crore (net of deferred tax) has been adjusted against retained earnings.
- 8 Previous period/year figures have been regrouped/recast wherever necessary.
- 9 The above results have been reviewed by the Statutory Auditors as per clause 41 of the listing agreement.
- 10 The above results were reviewed by Audit Committee and approved by the Board of Directors at its meeting held on 30th October, 2014.



for Hindustan Construction Co. Ltd.



Ajit Gulabchand
Chairman & Managing Director

Mumbai, Dated : 30th October, 2014.

