

June 01, 2016

The National Stock Exchange of India Ltd. Exchange Plaza, Bandra kurla Complex Bandra (East) Mumbai – 400 051 The Bombay Stock Exchange Ltd. Pheroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001

Dear Sirs,

Scrip Code: NSE: HINDDORROL; BSE: 509627

Ref: Audited Financial Results for the year ended 31st March, 2016

In compliance with Regulation 33 & 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we are enclosing herewith statement containing the Audited Financial Results (both standalone and consolidated) for the 4<sup>th</sup> quarter and financial year ended 31<sup>st</sup> March, 2016 which have been reviewed by the Audit Committee and approved by the Board at their respective meetings held on 30<sup>th</sup> May, 2016 along with the Audit Report and its attachments.

Please take the same on record.

Thanking you,

Yours faithfully,

For Hindustan Dorr-Oliver Limited

(S C Sekaran)

**Executive Director** 

Encl: As above







Regd. Office: Dorr-Oliver House, Charafa, Angheri (E) Mumbaii 400 099

Website: www.hdo.in, Emel I ndono-0ndo.in

CIN: L74210HH1974PLC017644

## AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016

STATEMENTS OF AUDITED FINANCIAL RESULTS  Particulars  (Refer notes below)  Income from operations a. Net Income from operations (net of excise duty) i. From Erection Procurement & Construction ii. From Finished Goods b. Other Operating Income Total income from operations (Net)  Total Expenditure a Cost of materials/services b Purchase of stock in trade c (Increase) / Decrease in inventories d Employee benefits expense e Depreciation and amortisation expense e Depreciation and amortisation expense e Provision for doubtful dept	March 31, 2016 Refer note 4 6,932 6,932 7,316 6,099	(Unaudited) Quarter ended December 31, 2015 3,981 1,981 4002 4720	March 31, 2015 Refer note 4 2,670 2,202 467 45 2716	(Audit Year e March 31, 2016 20,488 14,438 6,050 50 20538	
Particulars  (Refer notes below)  Income from operations a. Net Income from operations (net of excise duty) From Erection Procurement & Construction ii. From Finished Goods b. Other Operating Income Fotal Income from operations (Net)  Total Expenditure a Cast of materials/services b Purchase of stock in trade c (Increase) / Decrease in inventories d Employee benefits expense e Depreciation and amortisation expense	6,932 6,932 6,932 7,316	Quarter ended December 31, 2015 3,981 3,981 4002 4720	2015 Refer note 4 2,670 2,202 467 46 2716	Year e March 31, 2016  20,488 14.438 6.050	March 31, 2015 34,65 11,55 22,80
(Refer notes below)  Income from operations a. Net Income from operations (net of excise duty)  From Erection Procurement & Construction  From Finished Goods  D. Other Operating Income  Fotal Income from operations (Net)  Total Expenditure a Cast of materials/services b Purchase of stock in trade c (Increase) / Decrease in inventories d Employee benefits expense e Depreciation and amortisation expense	6,932 6,932 6,932 7,316	Quarter ended December 31, 2015 3,981 3,981 4002 4720	2015 Refer note 4 2,670 2,202 467 46 2716	Year e March 31, 2016  20,488 14.438 6.050	March 31, 2015 34,65 11,55 22,80
Income from operations  a. Net Income from operations (net of excise duty)  From Erection Procurement & Construction  From Finished Goods  b. Other Operating Income  Total income from operations (Net)  Total Expenditure  a Cost of materials/services  b. Purchase of stock in trade  c (Increase) / Decrease in inventories  d. Employee benefits expense  e Depreciation and amortisation expense	6,932 6,932 6,932 7,316	3,981 3,981 3,981 4002	2015 Refer note 4 2,670 2,202 467 46 2716	20,488 14.438 6.050	March 31, 2015 34,65 11,55 22,60
Income from operations  a. Net Income from operations (net of excise duty)  From Erection Procurement & Construction  From Finished Goods  b. Other Operating Income  Total income from operations (Net)  Total Expenditure  a Cost of materials/services  b. Purchase of stock in trade  c (Increase) / Decrease in inventories  d. Employee benefits expense  e Depreciation and amortisation expense	6,932 6,932 6,932 7,316	3,981 3,981 3,981 4002 4720	2015 Refer note 4 2,670 2,202 467 46 2716	20,488 14.438 6.050	34,65 11.55 22.80
a. Net Income from operations (net of excise duty)  From Erection Procurement & Construction  From Finished Goods  D. Other Operating Income  Total Income from operations (Net)  Total Expenditure  a Cost of materials/services  b Purchase of stock in trade  c (Increase) / Decrease in inventories  d Employee benefits expense  e Depreciation and amortisation expense	6,932 6932 7,316	3,981 21 4002 4720	2,670 2,202 467 45 2716	14.438 6.050 50	11.55 22.60
a. Net Income from operations (net of excise duty)  From Erection Procurement & Construction  From Finished Goods  D. Other Operating Income  Total Income from operations (Net)  Total Expenditure  a Cost of materials/services  b Purchase of stock in trade  c (Increase) / Decrease in inventories  d Employee benefits expense  e Depreciation and amortisation expense	6,932 6932 7,316	3,981 21 4002 4720	2,202 467 45 2716	14.438 6.050 50	11.55 22.60
From Erection Procurement & Construction  From Finished Goods  D. Other Operating Income  Fotal Income from operations (Net)  Total Expenditure  a Cast of materials/services  b Purchase of stock in trade  c (Increase) / Decrease in inventories  d Employee benefits expense  e Depreciation and amortisation expense	6,932 6932 7,316	3,981 21 4002 4720	2,202 467 45 2716	14.438 6.050 50	11.55 22.60 17
ii. From Finished Goods  b. Other Operating Income  Total Income from operations (Net)  Total Expenditure  a Cost of materials/services  b Purchase of stock in trade  c (Increase) / Decrease in inventiones  d Employee benefits expense  e Depreciation and amortisation expense	6932 7,316	21 4002 4720	467 45 2716	6.050	22,6
b. Other Operating Income Total income from operations (Net)  Total Expenditure a Cast of materials/services b Purchase of stock in trade c (Increase) / Decrease in inventories d Employee benefits expense e Depreciation and amortisation expense	6932 7,316	4002 4720	45 2716	50	1
Total income from operations (Net)  Total Expenditure a Cost of materials/services b Purchase of stock in trade c (Increase) / Decrease in inventories d Employee benefits expense e Depreciation and amortisation expense	7,316	4002 4720	2716		
Total income from operations (Net)  Total Expenditure a Cost of materials/services b Purchase of stock in trade c (Increase) / Decrease in inventories d Employee benefits expense e Depreciation and amortisation expense	7,316	4002 4720	2716		
Total Expenditure a Cost of materials/services b Purchase of stock in trade c (Increase) / Decrease in inventories d Employee benefits expense e Depreciation and amortisation expense	7,316	4720		20538	348
a Cast of materials/services b Purchase of stock in trade c (Increase) / Decrease in inventories d Employee benefits expense e Depreciation and amortisation expense		0.000	200000		
a Cast of materials/services b Purchase of stock in trade c (Increase) / Decrease in inventories d Employee benefits expense e Depreciation and amortisation expense		0.000		20000000	
b Purchase of stock in trade c (Increase) / Decrease in inventiones d Employee benefits expense e Depreciation and amortisation expense	2,099		30,481	23,842	71,53
c (Increase) / Decrease in inventiones d Employee benefits expense e Depreciation and amortisation expense		3,926	5,409	13,713	19.5
d Employee benefits expense. e Depreciation and amortisation expense			501	6,039	22,8
e Depreciation and amorbisation expense	368	436	248		
	14	15	534	1,773	2.3
	269	100	43	60	1
g. Provision for foreseeable losses.	212	8	11.989	349	11,98
Other expenses		244		212	11.4
Profit / (Loss) from operations before other income, finance					2.98
osts and exceptional items (1-2)	11.40.11.74		- 100	Hall reference	(36,70
regit / (Loss) from ordinary activities before figures and	91	9.2.	315	392	1.50
nd exceptional items (3 + 4)	(293)	(625)	(27,449)	(2,912)	(35,13
	3,399	3,239	3,484	13.278	11.05
rofit / (Loss) from ordinary activities after finance costs ut before exceptional Items (5 - 6)	(3,692)	(3,864)	(30,933)	(16,190)	(46,18
xceptional items / Prior year adjustments			25 112		70.41
rofit / (Loss) from ordinary activities before tax (7-8)	(3,692)	(3.864)	0.0000000000000000000000000000000000000	(16.190)	(66,30
A Parallel March 1974 Control	135	-	119		11.01
			18	100000	1
	135	22 (	0	136	
25 (41 (41 (41 (41 (41 (41 (41 (41 (41 (41		52	4	1	
			101	9.1	10.99
et Profit/ (Loss) from ordinary activities after tax (9-10)	(3,827)	(3.864)	(51.1641	716 3361	(77,31
draordinary items (net of tax Rs. NII, Lacs)		200	1	(10,520)	(**,411
TORRIGHT CONTROL VICE STATE OF THE STATE OF		930	(%)		45
et Profit/ (Loss) for the period (11-12)	(3,827)	(3,864)	(51,164)	(16.326)	(77,316
id up equity share capital	1.440	1.447	1 440	conference in	
ce value (Rs.)	- Colonial	50300		12-07-07-07	1044
serves excluding revaluation reserve siper Balance Sheet of Previous Accounting Year)	24		1		(82,158
				111-0-00	100000
Basic (Rs.)	100	19.5			
Diluted (Rs.)	(5.32) (5.32)	(5.37)	(71.05) (71.05)	(22.67)	(107.3)
rnings per Share (SPS) after extraordinary trans-			92000		
Basic (Rs.)	25.50	1545	32250000	2070	
140109207450		A STATE OF THE PARTY OF THE PAR	55.71.75.71	(22,67)	(107.37
Propried in the second of the	rofit / (Loss) from operations before other income, finance insts and exceptional items (1-2) ner income nor income nor income offit / (Loss) from ordinary activities before finance costs id exceptional items (3 + 4) nance Costs of it / (Loss) from ordinary activities after finance costs it before exceptional items (5 - 6) ceptional items / Prior year adjustments offit / (Loss) from ordinary activities before tax (7-8) is Expenses.  Provision for Tax  Current Tax (an respect of earlier year)  Deferred Tax  Deferred Tax  Deferred Tax adjustments of prior years is Profit/ (Loss) from ordinary activities after tax (9-10) in proceedings in the profit of tax (1-12) in the period (11-12) in the period	rofit / (Loss) from operations before other income, finance sists and exceptional items (1-2)  mer income  rofit / (Loss) from ordinary activities before finance costs id exceptional items (3 + 4)  nance Costs  ofit / (Loss) from ordinary activities after finance costs it before exceptional items (5 - 6)  ceptional items / Pror year adjustments  ofit / (Loss) from ordinary activities before tax (7-8)  x Expenses  Provision for Tax  Current Tax (in respect of earlier year)  Deferred Tax adjustments of prior years  s Profit / (Loss) from ordinary activities after tax (9-10)  in a popular space (net of tax Rs. NIL Lacs)  t Profit / (Loss) for the period (11-12)  d up equity share capital  a value (Rs.)  arvese excluding revaluation reserve  per Balance Sheet of Previous Accounting Year;  nings per share (EPS) before extraordinary items  Basic (Rs.)  lings per Share (EPS) after extraordinary items  Basic (Rs.)  (5.32)	rofit / (Loss) from operations before other income, finance sists and exceptional items (1-2)  more income  rofit / (Loss) from ordinary activities before finance costs id exceptional items (3 + 4)  mance Costs  ofit / (Loss) from ordinary activities after finance costs it before exceptional items (5 - 6)  ceptional items (5 - 6)  sample Costs  ofit / (Loss) from ordinary activities after finance costs it before exceptional items (5 - 6)  (3,692)  (3,864)  ceptional items (7 - 8)  x Expenses  provision for Tax  Current Tax (in respect of earlier year)  Deferred Tax adjustments of prior years  reportif (Loss) from ordinary activities after tax (9-10)  call provision for tax (in respect of earlier year)  Deferred Tax adjustments of prior years  reportif (Loss) from ordinary activities after tax (9-10)  call provision for tax (in respect of earlier year)  Deferred Tax adjustments of prior years  reportif (Loss) from ordinary activities after tax (9-10)  call provision for tax (in respect of earlier year)  provision for Tax (in respect of earlier year)  Deferred Tax adjustments of prior years  reportif (Loss) from ordinary activities after tax (9-10)  call provision for tax (9-10)  (3,827)  (3,844)  (3,827)  (3,845)  (3,847)  (3,847)  (3,847)  (3,849)  (3,827)  (3,849)  (3,827)  (3,840)  (3,827)  (3,841)  (3,827)  (3,841)  (3,827)  (3,842)  (3,843)  (3,692)  (3,844)  (3,692)  (3,	rofit / (Loss) from operations before other income, finance sists and exceptional items (1-2) rofit / (Loss) from ordinary activities before finance costs of exceptional items (3 + 4)  rance Costs rofit / (Loss) from ordinary activities after finance costs of exceptional items (3 + 4)  rance Costs rofit / (Loss) from ordinary activities after finance costs of the following from ordinary activities after finance costs of (3,692)  reptional items / Prior year adjustments rofit / (Loss) from ordinary activities before tax (7-8)  reptional items / Prior year adjustments rofit / (Loss) from ordinary activities before tax (7-8)  reprovision for Tax  Current Tax (in respect of earlier year)  Deferred Tax adjustments of prior years reprofit / (Losa) from ordinary activities after tax (9-10)  reportit / (Losa) from ordinary activities after finance costs  reportit / (Losa) from ordin	rofit / (Loss) from operations before other income, finance sists and exceptional items (1-2) (3.304) (718) (27.764) (3.304) (3.304) (718)



1.c.odia

Regd. Office: Donr-Oliver House, Chakara, Andheri (E) Mumbar- 400 099

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ETN - L74710MH1974PsC017644

## AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016

	AUDITED SEGMENT INFORMATION FOR THE QUARTE	R AND YEAR ENDED MARCH	31, 2016			
5.No.	Particulars	Quarter ended			Year	ended
		March 31,2016 (Unaudited)	31,2015 (Unsudited)	March 31,2015 (Unaudited)	March 31,2016 (Audited)	March 31,201 (Audited)
1	Segment Revenue I. Erection Procurement & Construction II. Finished Goods Gross Turnover Less: Excise Duty / Service Tax Recovered	6.932 6.932	4,002	2.249 467 2,716	14,488 6,050 20,538	12,021 22,501 34,830
	Net Turnover	6,932	4,002	2,716	20,538	34,830
2	Segment Results  Erection Procurement & Construction  Finished Goods  Total Segment Residuation	(384)	(718)	(27,990) 226	(3,315)	(36,126
	Total Segment Profit before Intrest and Tax a Interest Expenses It Interest Income ( Other un-allocable Income (Net of Expenditure)	(384) 3,399 (2) 89	(718) 2.239 (2) 91	(27,764) 3,464 (27) 288	(3,304) 13.278 (6)	(36,701 11,055 (27
	Profit/(Loss) before tax Exceptional items/ Prior year adjustments Profit/(Loss) before tax	(3,692)	(3,864)	(30,933) 20,112 (51,045)	(16,190)	(46,188) 20,111 (66,300)
3	CAPITAL EMPLOYED (Segment Assets - Segment Liabilities)   Erection Procurement & Construction   Pinished goods   Total Capital Employed	(93.499) (1,662) (95,161)	(77,819) (1,662) (79,481)	(60,843) (1,540) (62,383)	(93,499) (1,662) (95,161)	(50,842) (1,540) (62,383)



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Regd, Office: Darr-Ower House, Chakale, Andheri (E) Mumbai- 400 099 Website: www.hdo.in, Email: indohedinon.in C14 (74210HH1974RLC517644

#### AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2015

100	C2 (10)	Year	ended
S.No.	Particulars	March 31, 2016 (Audited)	March 31, 2015 (Audited)
1	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
	s Share Capital	1,440	1,44
	5 Reserves and Surplus	(89,427)	(73,10
	Total - Shareholders' Funds	(87,987)	(71,66)
2			
	Non-Current Liabilities	1,883:	2000
	a Long-term borrowings b Deferred tax liabilities (net)	2,005	18,33
	c Long-term provisions	122	120
	Total - Non Current Liabilities	2,005	18,470
	Total - Non Current Clabilities	2,005	18,470
3	Current Liabilities	9000000	
	a Short-term borrowings	32,012	54,34
	b Trade payables	36,974	14,625
	c Other current liabilities	88,898	29,60
	d Short-term provisions	6,634	11,497
	Total - Current Liabilities	164,518	130,069
	Total - EQUITY AND LIABILITIES	78,535	76,878
11.	ASSETS		
1	Non-Current Assets		
	a Fixed assets	11,058	11,125
	b Goodwill on Consolidation	22/03/1	
	c. Non-current investments	15,386	15,386
	d Deferred tax assets (net)		
	e Long-term loans and advances	1,231	1.637
	f Other non-current essets	7,805	8.496
	Total - Non Current Assets	35,490	36,644
2	Current Assets		
	a Inventories	3	(2)
	b Trade receivables	13,097	11,413
	c Cash and bank balances	269	361
	d. Short-term loans and advances	9,626	10,542
	e Other current assets.	20,053	17,918
	Total - Current Assets	43,045	40,234
	Total - ASSETS	78,535	76,878

- The above audited results, were reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on May 30, 2016.
- 2 The statutory auditors have qualified their opinion in respect of the following matters



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## CHATURVEDI & PARTNERS

#### **Chartered Accountants**

212A, Chiranjiv Tower, 43 Nehru Place, New Delhi-110019 Phone: 011-46654665 Fax: 011-46654655 Email: delhi@chaturvedica.com

Auditor's Report on standalone Financial Results of **HINDUSTAN DORR-OLIVER LIMITED** ("the Company") for year ended on March 31, 2016 Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

#### To Board of Directors of HINDUSTAN DORR-OLIVER LIMITED

- 1. We have audited the accompanying standalone financial results ("the statement") of HINDUSTAN DORR-OLIVER LIMITED for the year ended on March 31, 2016 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement, which is the responsibility of the company's management and approved by the Board of Directors has been prepared on the basis of related financial statements which is 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. Our responsibility is to express an opinion on the statement.
- 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 misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as 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. Note 2(a) in respect of preparation of financial statements of the Company on going concern basis for the reasons stated therein. The accumulated losses of the Company as at March 31, 2016 amounting to Rs. 1,10,432lacs have exceeded its net worth. Further, the Company's current liabilities exceed current assets by Rs. 1,21,473 lacs. The Company has obligations towards borrowings aggregating to Rs. 97,044 lacs which include working capital loan and outstanding letters of credit/bill discounting from banks. The Company has obligations pertaining to operations including unpaid creditors and statutory dues, these matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. This indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The statement does not include any adjustment in this respect.
- 4. Note 2(b) to the financial statements in connection with the existence of material uncertainties over the realisability of bank guarantees encashed by customers, unbilled revenue, trade receivables and withheld amount aggregating to Rs. 5,386 lacs, which are subject matters of various negotiations with the customers. Further, Bank Guarantee to the tune of Rs. 5,267 lacs was encashed subsequent to this year end. year. The management of the Company is confident of positive outcome of the negotiations and recovering the aforesaid dues. In view of pending-certification of bills/slow progress/termination of these projects and lack of other alternate audit evidence to corroborate management's assessment of recoverability of these balances, we are unable to comment on the extent to which these balances are recoverable.
- Note 2(c) in respect of invocation of corporate guarantees of Rs.14,118 lacs and initiation of recovery actions against the company in respect of such guarantees extended / executed for its one subsidiary in favour of the lenders. No provision has been made in the accounts for such possible loss.



Other Offices: Kolkata • Mumbai • Chennai • Lucknow • Hyderabad

- 6. Note 2 (d) to the statement regarding investments and advances in its Indian subsidiary having book value aggregating to Rs. 15,380 lacs and Rs. 500 lacs respectively as at March 31, 2016, which were carried at fair value. In absence of valuation of investments in the subsidiary, we are unable to comment whether any provision for diminution/bad debts in the value of investment/advances is required.
- Note 2 (e) to the Financial Statements in respect of certain projects wherein the Management
  of the Company has considered trade receivable aggregating to Rs.5,762 lacs and unbilled
  revenue amounting to Rs. 8,673 lacs, as good and fully recoverable for the reasons stated
  therein.
- 8. Note 2(f) to the financial statement wherein one lender has initiated recovery proceedings against the Company under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 in respect of outstanding loan aggregating to Rs.57,832 lacs. The Bank has however demanded Rs. 65,450 lacs. The differenceof Rs. 7,618 lacsbeing penal and other charges, the company has not provided for the same for the reason stated therein.
- 9. Note 2(g) to the statement, in respect of trade receivables, mobilization advances, retention money, trade payables and certain bank balances, external confirmations of the balances are not available. Due to non-availability of confirmation of balances, we are unable to quantify the impact, if any, arising from the confirmation of balances.
- 10. Note 2(h) to the statement, wherein the Company has not received confirmation from one of the lender having outstanding of Rs. 15,201 lacs (including Interest accrued of Rs. 2,764lacs) as at March 31, 2016. Due to non-availability of confirmation of balances, we are unable to quantify the impact, if any, arising from the confirmation of balances.
- 11. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described under 4 and 7 and possible effects of the matter described under 3, 5,6,8,9 and 10 above, these quarterly financial results as well as the year to date results:
  - are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
  - give a true and fair view of the netloss and other financial information for the quarter and year ended on March 31, 2016.
- Attention is invited to Note 3 of the statement in respect of pending winding up petitions against the company and the matter is subjudice and our report is not qualified in respect of this matter.
- 13. The quarterly standalone financial results are the derived figures between the audited figures for the year ended March 31, 2016 and the published year to date figures upto December 31, 2015, being the date of the end of third quarter of the current financial year, which were subject to limited review.

FORCHATURVEDI & PARTNERS

Chartered Accountants Firm Registration No. 307068E

RAVINDRA NATH CHATURVEDI

Partner

Membership No. 092087

Hyderabad May 30, 2016



#### ANNEXURE I HINDUSTAN DORR-OLIVER LIMITED

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

r.	SI.	[See Regulation 33:of the SEBT (LODR)	Audited Figures (as reported before adjusting for qualifications) Rs. in Lakhs	Adjusted Figures
	1.	Turnover / Total income	20,930	20,93
	2.	Total Expenditure	37,120	57,07
	3.	Net Profit/(Loss)	(16,326)	(36,147
	4.	Earnings Per Share (after exceptional item)	(22.67)	(72.25
	5.	Total Assets	78,535	58,714
	6.	Total Liabilities	78,535	58,714
4122	7.	Net Worth	(97,043.91)	GRADEN TO
	8.	Any other financial item(s) (as felt appropriate by the management)  Qualification:	(97,043.91)	(116,864.91)

#### a. Details of Audit Qualification:

- 1. Note 2(a) in respect of preparation of financial statements of the Company on going concern basis for the reasons stated therein. The accumulated losses of the Company as at March 31, 2016 amounting to Rs. 1,10,432 lacs have exceeded its net worth. Further, the Company's current liabilities exceed current assets by Rs. 1,21,473 lacs. The Company has obligations towards borrowings aggregating to Rs. 97,044 lacs which include working capital loan and outstanding letters of credit/bill discounting from banks. The Company has obligations pertaining to operations including unpaid creditors and statutory dues, these matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. This indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The statement does not include any adjustment in this respect.
- 2. Note 2(b) to the financial statements in connection with the existence of material uncertainties over the realisability of bank guarantees encashed by customers, unbilled revenue, trade receivables and withheld amount aggregating to Rs. 5,386 lacs, which are subject matters of various negotiations with the customers. Further, Bank Guarantee to the tune of Rs. 5,267 lacs was encashed subsequent to this year end. year. The management of the Company is confident of positive outcome of the negotiations and recovering the aforesaid dues. In view of pending-certification of bills/slow progress/termination of these projects and lack of other alternate audit evidence to corroborate management's assessment of recoverability of these balances, we are unable to comment on the extent to which these balances are recoverable.

3. Note 2(c) in respect of invocation of corporate guarantees of Rs.14,118 lacs and initiation of recovery actions against the company in respect of such guarantees extended / executed for its one subsidiary in favour of the lenders. No provision has been made in the accounts for such possible loss.

4. Note 2 (d) to the statement regarding investments and advances in its Indian subsidiary having book value aggregating to Rs. 15,380 lacs and Rs. 500 lacs respectively as at March 31, 2016, which were carried at fair value. In absence of valuation of investments in the subsidiary, we are unable to comment whether any provision for diminution/bad debts in

the value of investment/advances is required.

5. Note 2 (e) to the Financial Statements in respect of certain projects wherein the Management of the Company has considered trade receivable aggregating to Rs. 5,762 lacs and unbilled revenue amounting to Rs. 8,673 lacs, as good and fully recoverable for the reasons stated therein.

- 6. Note 2(f) to the financial statement wherein one lender has initiated recovery proceedings against the Company under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 in respect of outstanding loan aggregating to Rs. 57,832 lacs. The Bank has however demanded Rs. 65,450 lacs. The difference of Rs. 7,618 lacs being penal and other charges, the company has not provided for the same for the reason stated therein.
- 7. Note 2(g) to the statement, in respect of trade receivables, mobilization advances, retention money, trade payables and certain bank balances, external confirmations of the balances are not available. Due to non-availability of confirmation of balances, we are unable to quantify the impact, if any, arising from the confirmation of balances.
- 8. Note 2(h) to the statement, wherein the Company has not received confirmation from one of the lender having outstanding of Rs. 15,201 lacs (including Interest accrued of Rs. 2,764 lacs) as at March 31, 2016. Due to non-availability of confirmation of balances, we are unable to quantify the impact, if any, arising from the confirmation of balances.
  - Type of Audit Qualification : Qualified Opinion
  - Frequency of qualification: repetitive
  - For Audit Qualification(s) where the Impact is quantified by the auditor, Management's Views:

In respect of audit qualification no 2 as appearing above, The management of the Company is confident of positive outcome of the negotiations and recovering the aforesaid dues.

In respect of audit qualification no 5 as appearing above, The management of the Company is in continuous engagement with respective contractee/clients including initiation of legal proceedings confident of positive outcome of the negotiations and recovering the aforesaid dues.

- For Audit Qualification(s) where the Impact is not quantified by the auditor: Not Applicable
  - (i) Management's estimation on the impact of audit qualification:
  - (ii) If management is unable to estimate the impact, reasons for the same:

In respect of audit qualification no 1, The group is confident of implementing the business plan and meeting its obligations in due course of time. Accordingly financial statements have been prepared as a Going Concern.

In respect of audit qualification no 3 as appearing above, the management is in engagement with the lender to resolve the matter and the respective liability is appearing in the books of subsidiary Company.

In respect of audit qualification no 4 Considering the long term investment, no provision to identify in value of investment/advances is

considered necessary by the management.

In respect of audit qualification no 6, the company is in process of reconciling the difference.

In respect of audit qualification no 7&8, the management is of the opinion that these accounts will not require any material adjustment upon receipt of balance confirmation.

(iii) Auditors' Comments on (i) or (ii)
above: Nii

CEO/Managing Director

CFO
Audit Committee Chairman

Statutory Auditor

CHATURYEDI & PARTNERS
Chartered Accountants
FRN 307068E

RAVINDRA NATH CHATURYEDI
Partner
Membership No. 092087

Place
i Hyderabad

Date:

30-05-2016

Regd. Office: Dorr-Oliver House, Chakala, Andheri (E) Mumbai- 400 099

Website: www.hdo.cs, Evial: hdoho@hdo.in

CIN | L74210MH1974FLC017644

#### AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016

- a During the quarter and year ended March 31, 2016, the Company has incurred a Net Loss of Rs. 3,827 fact and Rs 16,326 fact respectively (previous year Rs. 77,316 facts as at March 31, 2015) resulting in to accumulated losses of Rs. 1,10,432 facts (previous year Rs. 94,106 facts as at March 31, 2015) resulting in to accumulated losses of Rs. 1,0,432 facts (previous year Rs. 94,106 facts as at March 31, 2015) and erosign of ds net worth. The Company has obligations towards borrowings aggregating to Rs.97,044 facts (previous year Rs. 64,558 facts as at March 31, 2015) indictional properties of Rs. 3,649 facts (previous year Rs. 41,766 facts as at March 31, 2015). Journal gleaters of credit/fail discounting from banks of Rs. 3,649 facts (previous year Rs. 10,574 facts as at March 31, 2015) and current maturities of long term debts of Rs. 63,149 facts (previous year Rs. 11,862 facts as at March 31, 2015) and current maturities of long term debts of Rs. 63,149 facts (previous year Rs. 11,862 facts as at March 31, 2015) failing due over next twelve months pend. Obligations pendanting to operations including unpaid creditors and statutory dues as at March 31, 2016. These matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. The Company has been unable to obtain financing for this purpose. The statutor indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The statements does not include any adjustment in this respect.
- b. In respect of certain customer, the company has initiated discussion with the customer related to enceshment of bank guarantee by the chart. The trade receivables, retention, withheld indiney, unbilled revenue and other current assets from such customers as at March 31, 2016 aggregates to Rs. 5, 366 locs. Further, Bank Guarantee to the tune of Rs. 5267 locs was further encashed in the subsequent year. The Management is confident that the outcome of the negotiation will be favorable and no provision is considered necessary at this stage.
- c in respect of involcation of corporate guarantees of Rs. 14118 lacs and initiation of recovery actions against the company in respect of such guarantees extended / executed for its one subsidiary in favour of the lenders, the management is in engagement with the lender to resolve the matter and the respective liability is appearing in the books of subsidiary Company.
- d Investment and advance in its indian subtodary having book value aggregating to Rs. 15,380 lacs and Rs. 500 lacs respectively as at March 31, 2016 (previous year investment aggregating to Rs. 15,380 lacs as at March 31, 2015) having negative networth, are carried at fair value. Considering a long term investment, no provision for diminution/bad debts. In value of investment/advances is considered necessary by the management.
- e Over due trade receiveable, and unbilled revenue as at March 31, 2016, aggregating to Rs. 5,762 lacs and Rs. 8,573 lacs (previous year Rs. 5,345 lacs and Rs. 8,573 lacs (previous year Rs. 5,345 lacs and Rs. 8,573 lacs and Rs. 8,573 lacs (previous year Rs. 5,345 lacs and Rs. 8,573 lacs (previous year Rs. 5,574 lacs and Rs. 8,574 lacs (previous year Rs. 5,574 lacs and Rs. 8,
- f One lender has initiated recovery proceedings against the Company under the Secunitization and Reconstruction of Financial Assets and Enfortement of Security Interest Act, 2002 in respect of outstanding loan of aggregating to Rs. 57,832 lacs. The Bank has however demanded Rs. 65,450 lacs. The difference of Rs. 7,518 lacs being penal and other charges, the company has not provided for the same as they are in the process of reconciliation of the difference
- g. In respect of trade receivables, implification advances, retention money, trade payables and certain bank balances, external confirmations of the belances are not available. The management is of the opinion that these accounts will not require any material adjustments.
- any has not received confirmation from one of the lender having outstanding of Rs. 15201 facs (including interest activated of Rs. 2764 facs) as an Herch 31, 2016
- Certain creditors have filed winding up petitions equinst the Company under section 433 and 439 of The Companies Act, 1956 before the monible more Count of Mumbai. The Company is taking necessary steps including singing of Memorandum of Understandings and or filing the consent terms in the High court with the Creditors for withdrawal of such petitions. The matter is said judice and the out come of which is subject to the company fulfilling the payment conditions of
- The figures for the quarter ended March 31, 2016 and the derived figures between the audited figures for the year ended March 31, 2016 and the published year to date figures upto December 31, 2015 being the date of the end of third quarter of the current financial year, which were subject to finded review. The corresponding figures for the previous year quarter ended March 31, 2015 are the derived Figures between the audited figures for the previous year ended March 31, 2015 and the published year to date figures upto December 31, 2014 being the date of the end of shirts quarter af the corresponding previous financial year, which were subject to limited review.
- Previous period figures have been regrouped / re-classified in order to confirm to the current period figures.

For HINDUSTAN DORR-OLIVER LIMITED

Place: Hyderabad Date : May 30, 2016

J. C. odian. 5.C. Sekaran Executive Director DIN-00334115

Regd. Office: Defr-Oliver House, Chakala, Andheri (6) Mumbai- 400 099 Website | www.hss.in, Email | hephol@noo.in

CIN : (74216MH1974PLCS)7644

# AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2016

	STAYEMENTS OF AUDITED FINANCIAL RESULTS		(R in Lac	
lane.	Particulars			
S.No.		Consolidated		
		March 31, 2016   March 31, 201		
	(Refer notes below)	Audited	March 31, 2015 Audited	
1	Income from operations			
	e. Net Income from operations (net of excise duty)	1		
	From Erection Procurement & Construction	24,632	37,394	
	II. From Finalist Goods	18,582		
1		6.050	14,78	
1	b. Other Operating Income		22,80	
1	Total income from operations (Net)	185		
	meshin from operations (Net)	24617	315	
2	Total Expenditure	21027	3790	
	e Cost of materials/services	25,561		
	b Purchase of stock in trade	15,250	76,142	
	C (forcessa) / December 1	6,039	23,469	
F	c (Increase) / Decrease in inventories d Employee benefits expense	1,888	22.035	
	e Decreation and	2,563	(677)	
1	e Degrebation and amortisation expense	506	3.263	
	f Provision for daubtful debt	349	577	
1	9 Provision for foreseeable losses	31	11,989	
3	h Other expenses	217	11,427	
	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	2,054	3,260	
4	Other Income	(4.045)	(36,233)	
5		395		
	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	36000	1,719	
6	Finance Costs	(3,650)	(35,515)	
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	15,475	12,917	
8.	Exceptional Items / Prior year adjustments	(19,128)	(49,432)	
9	Profit / (Loss) from ordinary activities before tax (7-6)			
0	Tax Expenses	(19,125)	20.112	
- 13	Provision for Tax	136	(69,544)	
	Current Tex (in respect or earlier year)		11,016	
11	Deferred Tax	135	18	
4 6	Deferred Tax adjustments of prior years		3	
1 1	let Profit/ (Loss) from policy	3 1	******	
	let Profit/ (Loss) from ordinary activities after tax (9-16)	120000	10,995	
E	xtraonionary items (net of tax Rs. Ntl. Lacs)	(19,261)	(89,550)	
N	at Profit/ (Loss) for the period (11-12)		-	
1.4	and up equity share capital	(19,261)	(85,560)	
Fa	ICG Value (Rs.)	1,440		
Re	Serves excluding revolution	2	1,440	
1,700	* DEL Delance Shew of Previous Assessment	7000	3	
47.0	The same of the property of the same of th	(93,817)	[74,556]	
1 41	Datic (RE)			
li li	Othited (Rs.)	(79.75)	77+1 883	
11		(26.75)	(131-88)	
Ear	rings per Share (EPS) ofter extraordinary items			
1 0	Dask [Ns.]		1	
	Driuted (Rs.)	(26.75)	(111.00)	
	SOUTH IN	(26.75)	(111.8R) (111.88)	



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#### CIN | 174210HH1974F1C017644

## AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2018

Debt equity ratio

PART I	I		
	AUDITED SEGMENT INFORMATION FOR THE YEAR ENDE	D MARCH 31, 2016	
		With the first to secretary represents to the first transfer and transfer an	ildated
S.No.	Particulars	Year ended	Year ended
Stall line	The state of the s	March 31,2016	March 31,2015
		(Audited)	(Audited)
1	Segment Revenue		
370	I. Erection Procurement & Construction	18,767	
	W. Finished Goods	6,050	15,102
	Gross Turnover	24,817	22,807
	Less: Excise Outy / Service Tax Recovered	24,617	37,909
	Net Turnover	24,817	37,909
2	Segment Results		
	L. Brection Procurement & Construction	[4,056]	137,658
	Finished Goods	11	
	Total Segment Profit before Intrest and Yax		(575)
	a Interest Expenses	(4,045)	(3H, 233)
	o Interest Income	15,475	12,917
- 1	Cother Un adjocable Income (Net of Expenditure)	(4)	(29)
	Profit/(Loss) before tax	(19,126)	1,680
- 1	Exceptional items/ Prior year adjustments	(19,120)	(49,432)
	Profit/(Loss) before tax	(19,126)	20,112
		(19,149)	(69,544)
3	CAPITAL EMPLOYED		
	(Segment Assets - Segment Liabilities)		
	L. Brection Procurement & Construction	(100,733)	15 + 110 00
	II. Finished goods		(61,368)
	Yotal Capital Employed	(1,662)	(1,540)
		(102,395)	(62,908)



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Website www.hdd.in, Email Induhusched.in

	STATEMENT OF ASSETS & LIABILITIES		
		Const	olidated
S.No.	Particulars	March 31, 2016 (Audited)	March 31, 2015 (Audited)
r	EQUITY AND LIABILITIES		
1	Shareholders' Funds	1	
	a Share Capital	i consti	
	b Reserves and Surplus	1,440	1,44
	Total - Shareholders' Funds	(84,761)	(55,49
		(83,321)	(64,09
2	Non-Current Liabilities		
	a Long-term borrowings	E conti	
	b. Deferred tax habilities (net)	2,952	23.176
	c Long-term provisions		
	Total - Non Current Liabilities	103	194
		3,135	23.372
3	Current Liabilities		
	a Short-term borrowings		
	h Yrade payables	36,323	55,092
- 4	C Other current Naboties	104.642	37,701
- 1	d. Short-term provisions	RELIGIOUS AND ADDRESS OF THE PARTY OF THE PA	33,907
- 1	Total - Current Liabilities	6,559	11,526
	Living Control	185,798	148,226
- 1	Total - EQUITY AND LIABILITIES	105,612	107,539
Y	ASSETS		The second second
1	Non-Current Assets		
	a Rived assets		
	b. Goodwill on Constitution	23,483	23,980
	C. Non-current investments	12,900	12,900
	d. Deferred tax assets (net)	5	- 5
	e cong-tesm loans and advances	546 759	546
	f Other non-current assets	8.631	1,189
	Total - Non Current Assets	46,325	9,320
	Current Assuts		
	a Inventories	1	
	b Trade receivables	5,040	7,252
	c Cash and bank halances	21.853	20,410
	d. Short-term loans and advances	12,043	612
	e. Other current assets	20.053	13.399
1	Total - Current Assets		17,918
1 1		59,286	59,591
1	Total - ASSETS		

#### Notes

- The above audited results, were reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on May 30, 2016.
- 2. The statutory auditors have qualified their opinion in respect of the following matters:

In respect of the Company



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#### CIN : 174211/2MH1976PLCG17644

### AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2016

- a During the guarter and year ended March 31, 2016, the Company has incurred a Net Loss of Rs. 3,827 locs and Rs. 15,326 locs respectively (previous year Rs. 77,316 locs as at March 31, 2015) resulting in to accumulated losses of Rs. 1,10,432 locs (previous year Rs. 94,106 locs as at March 31, 2015) and eropion of its net worth. The Company has obligations towards borrowings aggregating to Rs. 97,044 locs (previous year Rs. 64,556 locs as at March 31, 2015) which includes working capital loan from bents of Rs. 28,163 locs (previous year Rs. 43,756 locs as at March 31, 2015) outstanding letters of credity-bill discounting from banks of Rs. 3,849 locs (previous year Rs. 10,574 locs as at March 31, 2015) and current maturaties of long term debts of Rs. 8,149 lacs (previous year Rs. 11,887 locs as at March 31, 2015) falling due over next twelve months period, obligations pertaining to operations including unpaid creditors and statutory dues as at March 31, 2016. These matters require the Company to generate additional cosh flows to fund the operations as well as other statutory obligations notwithstanding the current level of law operating activities. The Company has been unable to obtain financing for this purpose. The situation indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the Company may be unable to resilize its assets and discharge its liabilities in the normal course of business. The statements does not include any adjustment in this respect.
- b In respect of certain customer, the company has initiated discussion with the customer related to encashment of bank guarantee by the client. The trade receivables, retembon, withheld money, unbilled revenue and other current assets from such customers as at March 31, 2016 aggregates to Rs. 5,386 facs. Further, Bank Guarantee to the time of Rs. 5267 facs was further encashed in the subsequent year. The Management is confident that the outcome of the negotiation will be favorable and no provision is considered necessary at this stage.
- c in respect of invocation of corporate guarantees of %s.14115 lacs and initiation of recovery actions against the company in respect of such guarantees extended / executed for its one subsidiary in Favour of the lenders.
- 6 Considering the investment in a subsidiary as a long term investment, provision for imperment of goodwill, aggregating to Rs. 12900 reci arising on consolidation of a subsidiary, whose net worth is eroded as at March 31, 2016, not considered necessary by the management.
- Over due trade receiveable, and unbilled revenue as at March 31, 2016, aggregating to Rs. 5,752 lacs and Rs. 6,623 lacs (previous year Rs. 5,349 lacs) and Rs. 8,396 lbcs as at March 31, 2015) have been compidered good and receiveable by the management.
- If One lender has initiated recovery proceedings against the Company under the Securitization and Reconstruction of Phantial Assets and Enforcement of Security Interest Act, 2002 in respect of outstanding loan of aggregating to Rs 57,632 lacs. The Bank has however demanded Rs. 65,450 lacs. The difference of Rs. 7,618 lacs being penal and other charges, the company has not provided for the same as they are in the process of reconciliation of the difference amount as stated above.
- g In respect of trade receivables, mobilization advances, retention money, trade payables and certain bank balances, external confirmations of the balances are not available. The management is of the opinion that these accounts will not require any material adjustments.
- h. The Company has not received confirmation from one of the lender having outstanding of Rs. 15201 lacs (including litterest accrue) of Rs. 2764 lacs) as at March 31, 2016.

#### In respect of HDO Technologies Limited (subsidiary) of the Company

- During the year ended March 31, 2016, the Company has incurred it Met coss of Rs. 2,935 facs (previous year Rs. 3,244 facs as at March 31, 2015) resulting in to accumulated losses of Rs. 6,302 facs (previous year Rs. 1acs as at March 31, 3015) and emision of its ner words. The Company has obligated stowards processing against loss from books of Rs. 4,311 facs (previous year Rs. 16,603 facs as at March 31, 2015) which includes working capital loss from books of Rs. 4,311 facs (previous year Rs. 8752 facs as at March 31, 2015) and current inaturation of long term books of Rs. 4,311 facs (previous year Rs. 2,000 facs as at March 31, 2015) and current inaturates of long term books of Rs. 488 facs(previous year Rs. 1,008 facs as at March 31, 2015) falling due over next twelve months period, obligations pertaining to operations including impact irreditors and statutory does as at March 31, 2016. These matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of two operations activates. The Company has been unable to obtain financing for this purpose. The situation indicates the existence of a material uncertainty that may cost significant doubt on the Company's ability to conbour as going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The statements does not include any adjustment in this respect.
- J. The company has not provided deferred tax assets on business losses aggregating to Rs. 95.71 million which have been recognised on the basis of plan prepared by the management. The management believes that growth in operations of the company will result into increase in its revenue and profitability and consequently sufficient future taxable income will be available against which such deferred tax assets can be realized.



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CIN 174210HH1974PLC017644

## AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2016

- k Trade receiveable as at March 31, 2016 include its. 6.127 lacs (previous year its. 5,765 lacs as at March 31, 2015) outstanding for a long period. The company is in the engagement with the customers for realization of dues in the apinion of the management the receivables are good and fully recoverable.
- in respect of impocation of corporate guarantees of Rs. 65,450 lacs and initiation of recovery actions against the company in respect of such guarantees extended / executed for its holding company in favour of the render.
- m One lender has initiated recovery proceedings against the Company under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 in respect of autstanding barn of appreciating to Re-12,518 lacs. The Bank has however demanded Rs. 14,116 lacs. The difference of Rs. 1,600 fact being penal and other charges, the company has not provided for the same as they are in the process of reconcllection of the difference amount as stated above.
- in The balances in trade receivables, sundry creditors, retenetion money and advances are subject to confirmations and adjustments. If any. Such adjustments, in the opinion of the management, are not likely to be material and will be
- Certain creditors have filed winding up peobless against the Company under Section 433 and 439 of The Companies Act. 1956 before the Hon'ble High Court of Mumbal The Company is taking necessary steps including singing of Memorandum of Understandings and or filing the consent terms in the High court with the Creditors for withdrawal payment conditions The matter is sub-judice and the nut come of which is subject to the company fulfilling the payment conditions of Memorandum of Understandings/consent terms
- Previous period figures have been regrouped / re-classified in order to confirm to the surrent period figures.

FOR HINDUSTAN OGRR-OLIVER LIMITED

D.C. odua S.C. Sekaran

Executive Director DIN-D0134115

Place: Hyderahad

Date: May 36, 2016

## CHATURVEDI & PARTNERS

#### **Chartered Accountants**

212A. Chiranjiv Tower, 43 Nehru Place, New Delhi-110019 Phone: 011-46654665 Fax: 011-46654655 Email: delhi@chaturvedica.com

Auditor's Report on Consolidated Financial Results of **HINDUSTAN DORR-OLIVER LIMITED** ("the Company") for year ended on March 31, 2016 Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

#### To Board of Directors of HINDUSTAN DORR-OLIVER LIMITED

- 1. We have audited the accompanying Consolidated financial results ("the statement") of HINDUSTAN DORR-OLIVER LIMITED ("The company") and its subsidiaries (collectively known as 'The Group") for the year ended on March 31, 2016 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement, which is the responsibility of the company's management and approved by the Board of Directors has been prepared on the basis of related financial statements which is 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. Our responsibility is to express an opinion on the statement.
- 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 misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as 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. Note 2 (a) in respect of preparation of financial statements of the Company on going concern basis for the reasons stated therein. The accumulated losses of the Company as at March 31, 2016 amounting to Rs. 1,10,432 lacs have exceeded its net worth. The Company has obligations towards borrowings aggregating to Rs. 97,044 lacs which include working capital loan and outstanding letters of credit/bill discounting from banks. Further, the Company's current liabilities exceed current assets by Rs.1,21,473 lacs. The Company has obligations pertaining to operations including unpaid creditors and statutory dues, these matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. This indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The statement does not include any adjustment in this respect.
- 4. Note 2(b) to the statement in connection with the existence of material uncertainties over the realisability of bank guarantees encashed by customers, unbilled revenue, trade receivables and withheld amount aggregating to Rs. 5,386 lacs, which are subject matters of various negotiations with the customers. Further, Bank Guarantee to the tune of Rs. 5,267 lacs was encashed subsequent to this year. The management of the Company is confident of positive outcome of the negotiations and recovering the aforesaid dues. In view of pending-certification of bills/slow progress/termination of these projects and lack of other alternate audit evidence to corroborate management's assessment of recoverability of these balances, we are unable to comment on the extent to which these balances are recoverable.
- Note 2 (c)to the statementin respect of invocation of corporate guarantees of Rs.14,118 lacs and initiation of recovery actions against the company in respect of such guarantees extended / executed for its one subsidiary in favour of the lenders. No provision has been made in the accounts for such possible loss.
- 6. Note 2 (d) to the statement in respect of provision for impairment of goodwill, aggregating to Rs. 12,900 lacs arising on consolidation of subsidiary, whose net worth is eroded as at March 31, 2016, not considered necessary by the management. In absence of valuation of the subsidiary, we are unable to comment whether any impairment of goodwill is required.

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- Note 2 (e) to the statement in respect of certain projects wherein the Management of the Company has considered trade receivable aggregating to Rs. 5,762 lacs and unbilled revenue amounting to Rs. 8,673 lacs, as good and fully recoverable for the reasons stated therein.
- 8. Note 2(f) to the financial statement wherein one lender has initiated recovery proceedings against the Company under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 in respect of outstanding loan aggregating to Rs. 57,832 lacs. The Bank has however demanded Rs. 65,450 lacs. The difference of Rs. 7,618 lacs being penal and other charges, the company has not provided for the same for the reason stated therein.
- Note 2 (g) to the statement, in respect of trade receivables, mobilization advances, retention
  money, trade payables and certain bank balances, external confirmations of the balances are
  not available. Due to non-availability of confirmation of balances, we are unable to quantify the
  impact, if any, arising from the confirmation of balances.
- 10. Note 2 (h) to the statement, wherein the Company has not received confirmation from one of the Foreign lender having outstanding of Rs. 15,201 lacs (including interest accrued of Rs.2,764 lacs) as at March 31, 2016. Due to non-availability of confirmation of balances, we are unable to quantify the impact, if any, arising from the confirmation of balances.
- 11. Note 2(i) to the statement, in the respect of subsidiary, HDO Technologies Limited, wherein the accumulated losses of the Company as at March 31, 2016 amounting to Rs. 8,302 lacs have exceeded its net worth. The Company has obligations towards borrowings aggregating to Rs.16,472 lacs which include working capital loan and outstanding letters of credit/bill discounting from banks. Further, the Company's current liabilities exceed current assets by Rs. 5,038lacs. The Company has obligations pertaining to operations including unpaid creditors and statutory dues, these matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. This indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The statement does not include any adjustment in this respect.
- 12. Note 2 (j) to the statement, in respect of subsidiary, HDO Technologies Limited, wherein deferred tax assets on business losses aggregating to Rs. 957 lacs has been recognized on the basis of business plan prepared by the management. The company is confident that sufficient future taxable income will be available against which such deferred tax assets will be realized. In absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which the deferred tax asset can be realized, we are unable to comment the extent to which such deferred tax asset can be realized.
- 13. Note 2 (k) to the statement, in respect of subsidiary, HDO Technologies Limited, regarding the status of trade receivable aggregating to Rs. 6,127 lacs which has been classified as a good and in respect of which no provision has been considered necessary for the reason explained therein.
- 14. Note 2(I) to the statement in respect of subsidiary, HDO Technologies Limited in respect of invocation of corporate guarantees of Rs. 65,450 lacs and initiation of recovery actions against the company in respect of such guarantees extended / executed for its holding company in favour of the lender. No provision has been made in the accounts for such possible loss.
- 15. Note 2 (m) to the statement in respect of subsidiary, HDO Technologies Limited wherein one lender has initiated recovery proceedings against the Company under the Securitization and Reconstruction of Financial Assets and enforcement of Security Interest Act, 2002 in respect of outstanding loan of aggregating to Rs. 12,518 lacs. The Bank has however demanded Rs. 14,118 lacs. The difference of Rs. 1,600 lacs being penal and other charges, the company has not provided for the same for the reason stated therein.
- 16. Note 2 (n) to the statement, in respect of subsidiary, HDO Technologies Limited regarding confirmation of the balances of trade receivable, trade payable, advances to sub-contractors and suppliers and reconciliation of the same and the possible resultant impact on the financial statements.



- 17. The statement in respect of current year's and previous years consolidated financial statements which does not contain financial statement of certain foreign subsidiaries reflecting total assets of Rs.1,105 lacs as at March 31, 2015 total revenue of Rs. NIL, net loss of Rs. 2.85 Lacs and cash outflow of Rs.1.90 lacs for the period then ended.
- 18. We did not audit the financial statement of two subsidiaries whose financial statements reflects total assets of Rs. 32,394 lacs as at March 31, 2016 total revenue of Rs 5,601 lacs and net cash flows amounting to Rs. 222 lacs for the year ended on that date, as considered in the consolidated financial statement. These financial statements are unaudited and 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 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, is based solely on such unaudited financial statements are material to the Group.
- 19. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described under 4, 7, 12, 13 and possible effects of the matter described under 3, 5, 6, 8, 9, 10,11, 14, 15,16 and 17 above, these quarterly financial results as well as the year to date results:
  - are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
  - give a true and fair view of the net loss and other financial information for the quarter and year ended on March 31, 2016.
- 20. Attention is invited to Note 3 in respect of pending winding up petitions against the company and the matter is subjudice and our report is not qualified in respect of these matters.
- 21. The quarterly standalone financial results are the derived figures between the audited figures for the year ended March 31, 2016 and the published year to date figures upto December 31, 2015, being the date of the end of third quarter of the current financial year, which were subject to limited review.

For CHATURVEDI & PARTNERS

Chartered Accountants Firm Registration No. 307068E

RAVINDRA NATH CHATURVEDI

Partner

Membership No. 092087

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CHARTERED ACCOUNTANTS IN

Hyderabad May 30, 2016

#### ANNEXURE I HINDUSTAN DORR-OLIVER LIMITED

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

I.	SI. No.	[See Regulation 33 of the SEBI (LODR) (	Audited Figures (as reported before adjusting for qualifications) Rs. in Lakhs	
	1.	Turnover / Total income	25,211	25,211.00
	2.	Total Expenditure	44,472	71,377.00
	3.	Net Profit/(Loss)	(19,261)	(46,166.00)
	4.	Earnings Per Share (after exceptional item)	(26.75)	(64.11)
	5.	Total Assets	1,05,612	78,707.00
	6.	Total Liabilities	1,05,612	78,707.00
	7.	Net Worth	(105,347)	(132,252.00)
	8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
II.	Audit	Qualification:		1411

#### a. Details of Audit Qualification:

- 1. Note 2 (a) in respect of preparation of financial statements of the Company on going concern basis for the reasons stated therein. The accumulated losses of the Company as at March 31, 2016 amounting to Rs. 1,10,432 lacs have exceeded its net worth. The Company has obligations towards borrowings aggregating to Rs. 97,044 lacs which include working capital loan and outstanding letters of credit/bill discounting from banks. Further, the Company's current liabilities exceed current assets by Rs.1,21,473 lacs. The Company has obligations pertaining to operations including unpaid creditors and statutory dues, these matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. This indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The statement does not include any adjustment in this respect.
- 2. Note 2(b) to the statement in connection with the existence of material uncertainties over the realisability of bank guarantees encashed by customers, unbilled revenue, trade receivables and withheld amount aggregating to Rs. 5,386 lacs, which are subject matters of various negotiations with the customers. Further, Bank Guarantee to the tune of Rs. 5,267 lacs was encashed subsequent to this year. The management of the Company is confident of positive outcome of the negotiations and recovering the aforesaid dues. In view of pending-certification of bills/slow progress/termination of these projects and lack of other alternate audit evidence to corroborate management's assessment of recoverability of these balances, we are unable to comment on the extent to which these balances are recoverable.

Note 2 (c)to the statementin respect of invocation of corporate quarantees of Rs.14,118 lacs

and initiation of recovery actions against the company in respect of such guarantees extended / executed for its one subsidiary in favour of the lenders. No provision has been made in the accounts for such possible loss.

- 4. Note 2 (d) to the statement in respect of provision for impairment of goodwill, aggregating to Rs. 12,900 lacs arising on consolidation of subsidiary, whose net worth is eroded as at March 31, 2016, not considered necessary by the management. In absence of valuation of the subsidiary, we are unable to comment whether any impairment of goodwill is required.
- Note 2 (e) to the statement in respect of certain projects wherein the Management of the Company has considered trade receivable aggregating to Rs. 5,762 lacs and unbilled revenue amounting to Rs. 8,673 lacs, as good and fully recoverable for the reasons stated therein.
- 6. Note 2(f) to the financial statement wherein one lender has initiated recovery proceedings against the Company under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 in respect of outstanding loan aggregating to Rs. 57,832 lacs. The Bank has however demanded Rs. 65,450 lacs. The difference of Rs. 7,618 lacs being penal and other charges, the company has not provided for the same for the reason stated therein.
- 7. Note 2 (g) to the statement, in respect of trade receivables, mobilization advances, retention money, trade payables and certain bank balances, external confirmations of the balances are not available. Due to non-availability of confirmation of balances, we are unable to quantify the impact, if any, arising from the confirmation of balances.
- 8. Note 2 (h) to the statement, wherein the Company has not received confirmation from one of the Foreign lender having outstanding of Rs. 15,201 lacs (including interest accrued of Rs.2,764 lacs) as at March 31, 2016. Due to non-availability of confirmation of balances, we are unable to quantify the impact, if any, arising from the confirmation of balances.
- 9. Note 2(i) to the statement, in the respect of subsidiary, HDO Technologies Limited, wherein the accumulated losses of the Company as at March 31, 2016 amounting to Rs. 8,302 lacs have exceeded its net worth. The Company has obligations towards borrowings aggregating to Rs.16,472 lacs which include working capital loan and outstanding letters of credit/bill discounting from banks. Further, the Company's current liabilities exceed current assets by Rs. 5,038lacs. The Company has obligations pertaining to operations including unpaid creditors and statutory dues, these matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. This indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The statement does not include any adjustment in this respect.
- 10. Note 2 (j) to the statement, in respect of subsidiary, HDO Technologies Limited, wherein deferred tax assets on business losses aggregating to Rs. 957 lacs has been recognized on the basis of business plan prepared by the management. The company is confident that sufficient future taxable income will be available against which such deferred tax assets will be realized. In absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which the deferred tax asset can be realized, we are unable to comment the extent to which such deferred tax asset can be realized.
- 11. Note 2 (k) to the statement, in respect of subsidiary, HDO Technologies Limited, regarding the status of trade receivable aggregating to Rs. 6,127 lacs which has been classified as a good and in respect of which no provision has been considered necessary for the reason explained therein.
- 12. Note 2(I) to the statement in respect of subsidiary, HDO Technologies Limited in respect of invocation of corporate guarantees of Rs. 65,450 lacs and initiation of recovery actions against the company in respect of such guarantees extended / executed for its holding company in favour of the lender. No provision has been made in the accounts for such possible loss.
- 13. Note 2 (m) to the statement in respect of subsidiary, HDO Technologies Limited wherein one lender has initiated recovery proceedings against the Company under the Securitization and Reconstruction of Financial Assets and enforcement of Security Interest Act, 2002 in respect of outstanding loan of aggregating to Rs. 12,518 lacs. The Bank has however demanded Rs.

**ACCOUNTANTS** 

- 14,118 lacs. The difference of Rs. 1,600 lacs being penal and other charges, the company has not provided for the same for the reason stated therein.
- 14. Note 2 (n) to the statement, in respect of subsidiary, HDO Technologies Limited regarding confirmation of the balances of trade receivable, trade payable, advances to sub-contractors and suppliers and reconciliation of the same and the possible resultant impact on the financial statements.
- 15. The statement in respect of current year's and previous years consolidated financial statements which does not contain financial statement of certain foreign subsidiaries reflecting total assets of Rs. 1,105 lacs as at March 31, 2015 total revenue of Rs. NIL, net loss of Rs. 2.85 Lacs and cash outflow of Rs. 1.90 lacs for the period then ended.
  - b. Type of Audit Qualification : Qualified Opinion
  - Frequency of qualification: repetitive
  - d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

In respect of audit qualification no 2 as appearing above, The management of the Company is confident of positive outcome of the negotiations and recovering the aforesaid dues.

In respect of audit qualification no 5 & 11 as appearing above, The management of the respective Companies are in continuous engagement with respective contractee/clients including initiation of legal proceedings confident of positive outcome of the negotiations and recovering the aforesaid dues.

In respect of audit qualification no 10, The company is confident that sufficient future taxable income will be available against which such deferred tax assets will be realized.

- For Audit Qualification(s) where the impact is not quantified by the auditor:
  Not Applicable
  - (i) Management's estimation on the impact of audit qualification:
  - (ii) If management is unable to estimate the impact, reasons for the same: In respect of audit qualification no 1 & 9 The Company is confident of implementing the business plan and meeting its obligations in due course of time. Accordingly financial statements have been prepared as a Going Concern.

In respect of audit qualification no 3 & 12 as appearing above, the management is in engagement with the lender to resolve the matter and the respective liability is appearing in the books of subsidiary Company.

In respect of audit qualification no 4 as appearing above in respect of provision for impairment of goodwill, The Company is confident of implementing the business plan and no impairment/amortization in goodwill is required.

In respect of audit qualification no 6 & 13, the company is in process of reconciling the difference.

In respect of audit qualification no 7, 8 & 14 the management is of the opinion that these accounts will not require any material adjustment upon receipt of balance confirmation.

In respect of audit qualification no. 15 the management does not have the financial statements. (iii) Auditors' Comments on (I) or (Ii) above: Nil Signatories III. **CEO/Managing Director** 13.0.00 CFO **Audit Committee Chairman Statutory Auditor** CHATURVEDI & PARTNERS Chartered Accountants FRN 307068E CHARTERED ACCOUNTANTS RAVINDRA NATH CHATURVEDI Partner Membership No. 092087 Place Hyderabad

30-05-2016

Date: