1st June, 2016

The Bombay Stock Exchange Limited,
Pheeroze Jeejeebhoy Towers
Dalal Street,
Mumbai:400001

Dear Sir / Madam,

Re: Compliance with Clause 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations.

In compliance with the above Regulations we are herewith submitting Standalone and Consolidated Financial Results for the quarter and year ending 31st March 2016.

The same may please be taken on record.

Thanking you,

Truly yours
For IVRCL Limited

B. Subrahmanyam
Company Secretary

IVRCL LIMITED HYDERABAD

Encl :a/a

IVRCL LIMITED

Regd. Office : M-22/3RT, Vijayanagar Colony, Hyderabad - 500 057, Telangana, India
Tel.: +91-40-3093 1999 (30 Lines), 2334 8467 / 3678 / 3550
Fax: +91-40-2334 5004 e-mail: info@ivrinfra.com, website: www.ivrcl.com
CIN: L45201AP1987PLC007959
Corporate Office : "MIHIR", 8-2-350/5/A/24/1B
Road # 2, Panchavati Colony, Banjara Hills, Hyderabad - 500 034, Telangana, India
Tel.: +91-40-3093 1111 / 1444 (60 Lines), 2335 6613 / 15 / 18 / 21 / 51-55, Fax: +91-40-3093 1122

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 **IVRCL 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 IVRCL LIMITED

1. We have audited the accompanying standalone financial results ("the statement") of **IVRCL 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 4a in respect of preparation of financial statements of the Company on going concern basis for the reasons stated therein. During the year the Company has incurred a Net Loss of Rs.1,06,043.92 Lakhs resulting in to accumulated losses of Rs.2,04,014.17 Lakhs and substantial erosion of its Net worth as at March 31, 2016. The company's current liabilities exceed current assets. The Company has obligations towards borrowings and pertaining to operations including unpaid creditors and other dues as at March 31, 2016. These matters require the Company to generate additional cash flows to fund the operations as well as other obligations notwithstanding the current level of low operating activities and difficulties with respect to realisation of its current assts including litigation in various projects. In view of these matters, the appropriateness of assumption of going concern is dependent upon the sale/ divestment of Investments and/or the Company's ability to raise requisite finance/generate cash flows from operations to meet its obligations.

4. Note 4b 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.1,60,041.74 Lakhs, which are subject matters of various disputes /arbitration proceedings/ negotiations with the customers and contractors due to termination / foreclosure of contracts and other disputes. The management of the Company is confident of positive outcome of ligations/ resolutions of disputes 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.

5. Note 4c in respect of invocation of corporate guarantees of Rs.79,568 Lakhs and initiation of recovery actions against the company in respect of such guarantees extended / executed for its two subsidiaries in favour of the lenders. No provision has been made in the accounts for such possible loss for the reasons stated therein.

6. Note 4d regarding equity investment of Rs.6,575.25 Lakhs and loans and advances of Rs.3,476.70 lakhs as on March 31, 2016 in Hindustan Dorr Oliver Limited, a subsidiary company whose net worth has eroded and continues to incur losses as on March 31, 2016. We are unable to comment on the extent to which the carrying amount of such investment and loans and advances is recoverable.

CHATURVEDI & PARTNERS CHARTERED ACCOUNTANTS

7. Note 4e in respect of MOU/ definitive agreement entered in to by the Company for divestment of subsidiary companies. The sale consideration agreed for such divestment is lower than the carrying value of investments and outstanding advances. This will result into losses on divestment/diminution aggregating to Rs.33,917.58 Lakhs as on March 31, 2016.

8. Note 4f in respect of loans and advances of Rs.42,893.64 Lakhs given to subsidiaries engaged in BOT and other projects, which are under disputes with the concessionaire, and other subsidiaries that have significant accumulated losses as at March 31, 2016. We are unable to comment on the extent to which the carrying amount of such loans and advances is recoverable.

9. 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 para6, 7& 8 above and possible effects of the matter described under para 3, 4 & 5these annual standalone financial results:

   i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

   ii. give a true and fair view of the net loss and other financial information for the quarter and year ended on March 31, 2016.

10. Attention is invited to

   a. Note 5 in respect of Investment of Rs.67,328.47 Lakhs in subsidiaries engaged in BOT and other projects, which are under disputes with the concessionaire, and other subsidiaries that have significant accumulated losses as at March 31, 2016. The value of such Investments is dependent upon various factors including completion of the projects, their operating performance etc.

   b. Note 6 in respect of recognition of claims aggregating to Rs.9,491 Lakhs on certain irrigation projects and towards cost escalation on a road project.

   c. Note 7 to the Financial Statements in respect of certain projects wherein the Management of the Company has considered trade receivable aggregating to Rs.22,468.18 Lakhs and unbilled revenue amounting to Rs.11,433.97 Lakhs, as good and fully recoverable for the reasons stated therein.

   d. Note 8to the financial statements in respect of advances to various parties aggregating to Rs.13,104.22 lakhs which are outstanding for long period of time and considered good by the management.

   e. Note 9 in respect of pending winding up petitions against the company and the matter is subjudice.

   f. Note10 in respect of managerial remuneration where the Company is awaiting central government approval and/or in the process of making application to the central government.

   g. Note 11 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 of aggregating to Rs.13,228 Lakhs.

   h. Note 12 in respect of the indicative recompense of Rs. 25,850 Lakhs, payment of which is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which is currently uncertain and hence the proportion of amount payable as recompense has been treated as contingent liability.

CHATURVEDI & PARTNERS
CHARTERED ACCOUNTANTS

i. Note 14regarding of pending confirmation of balance for various loans aggregating to Rs.16,289.78 Lakhs by lender banks and pending confirmation of balance for banks balances aggregating to Rs.113.31 lakhs.

j. Note 17 in respect of collapse of an under construction structure at project site and the company is in process of assessment of damage and filing of insurance claim for such loss.

Our report is not qualified in respect of these matters.

11. With reference to Note 15 Standalone financial results include the financial results of 22 jointly controlled entities whose financial results reflect the Company's Share in profit (net) Rs.872.41 lakhs for the year ended on that date. These financial statements/information have been furnished to us by the management and our opinion on the standalone financial results so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities is based solely on such financial results certified by the management.

12. With reference to Note 16 we did not audit the financial statements/information of a branch at Kingdom of Saudi Arabia included in the standalone financial statements of the Company whose financial statements / financial information reflect total assets of Rs.0.08Lakhs as at March 31, 2016 and total revenue is Nil for the year ended on that date, as considered in the standalone financial statements. The financial statements/information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

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.

For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No. 307068E

RAVINDRA NATH CHATURVEDI
Partner
Membership No. 092087

CHATURVEDI & PARTNERS CHARTERED ACCOUNTANTS

Hyderabad
May 30, 2016

ANNEXURE I
IVRCL Limited

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	**Audited Figures** (as reported before adjusting for qualifications) Rs. in Lakhs	**Adjusted Figures** (audited figures after adjusting for qualifications) (Rs. in lakhs)
	1.	Turnover / Total Income	2,36,167.77	236,167.77
	2.	Total Expenditure	3,42,211.69	429,074.86
	3.	Net Profit/(Loss)	(106,043.92)	(192,906.09)
	4.	Earnings Per Share (after exceptional item)	(20.30)	(36.92)
	5.	Total Assets	847,445.48	686,664.72
	6.	Total Liabilities	847,445.48	686,664.72
	7.	Net Worth	18991.24	(67,871.93)
	8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
II.	**Audit Qualification:**			

a. **Details of Audit Qualification:**

1. Note 4a in respect of preparation of financial statements of the Company on going concern basis for the reasons stated therein. During the year the Company has incurred a Net Loss of ₹ 1,06,043.92 Lakhs resulting in to accumulated losses of ₹ 2,04,014.17 Lakhs and substantial erosion of its Net worth as at March 31, 2016. The Company has obligations towards borrowings and pertaining to operations including unpaid creditors and other statutory dues as at March 31, 2016. The Company's current liabilities exceed current assets. These matters require the Company to generate additional cash flows to fund the operations as well as other obligations notwithstanding the current level of low operating activities and difficulties with respect to realisation of its current assets including litigation in various projects. In view of these matters, the appropriateness of assumption of going concern is dependent upon the sale/ divestment of Investments and/or the Company's ability to raise requisite finance/generate cash flows from operations to meet its obligations.

2. Note 4b 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 ₹ 1,60,041.74 Lakhs, which are subject matters of various disputes /arbitration proceedings/ negotiations with the customers and contractors due to termination / foreclosure of contracts and other disputes. The management of the Company is confident of positive outcome of ligations/ resolutions of disputes 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 4c in respect of invocation of corporate guarantees of ₹ 79,568 Lakhs and initiation of recovery actions against the company in respect of such guarantees extended / executed for its two subsidiaries in favour of the lenders. No provision has been made in

IVRCL LIMITED * HYDERABAD

CHATURVEDI & PARTNERS CHARTERED ACCOUNTANTS

the accounts for such possible loss.

4. Note 4d regarding equity investment of ₹ 6,575.25 Lakhs and loans and advances of ₹ 3,476.70 lakhs as on March 31, 2016 in Hindustan Dorr Oliver Limited, a subsidiary company whose net worth has eroded and continues to incur losses as on March 31, 2016. We are unable to comment on the extent to which the carrying amount of such investment and loans and advances is recoverable.

5. Note 4e in respect of MOU/ definitive agreement entered in to by the Company for divestment of subsidiary companies. The sale consideration agreed for such divestment is lower than the carrying value of investments and outstanding advances. This will result into losses on divestment/diminution aggregating to ₹ 33,917.58 Lakhs as on March 31, 2016.

6. Note 4f in respect of loans and advances of ₹ 42,893.64 Lakhs given to subsidiaries engaged in BOT and other projects, which are under disputes with the concessionaire, and other subsidiaries that have significant accumulated losses as at March 31, 2016. We are unable to comment on the extent to which the carrying amount of such loans and advances is recoverable.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification:** First time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:**

In respect of qualification 4 above considering the long term nature of investment no provision has been made in books of account.

In respect of qualification 5 above, considering the long term nature of investment no provision has been made in books of account.

In respect of qualification 6 above, the company is hope full of resolving the disputes and realization of balances.

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

(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 qualification 1 above, The Company is confident of implementing the divestment plan and approved restructuring scheme with lenders and meeting its obligations in due course of time. Accordingly financial statements have been prepared as a Going Concern.

In respect of qualification 2, above, the management of the Company is confident of positive outcome of ligations/ resolutions of disputes and recovering the aforesaid dues.

In respect of qualification 3 above, management is in engagement on lender bank to resolve the issue and respective liability is appearing in subsidiaries books of accounts.

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

III. **Signatories** :

CEO/Managing Director

IVRCL LIMITED HYDERABAD

CHATURVEDI & PARTNERS CHARTERED ACCOUNTANTS

	CFO	R. Balarami Reddy
	Audit Committee Chairman	
	Statutory Auditor **CHATURVEDI & PARTNERS** Chartered Accountants FRN 307068E RAVINDRA NATH CHATURVEDI Partner Membership No. 092087	CHATURVEDI & PARTNERS CHARTERED ACCOUNTANTS
Place :	Hyderabad	
Date:	30-05-2016	

HYDERABAD * IVRCL LIMITED *

IVRCL LIMITED
Regd. Office : M-22/3RT, Vijaya Nagar Colony, Hyderabad-500 057
Website: www.ivrcl.com Email: info@ivrinfra.com
CIN: L45201AP1987PLC007959

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

(Rs. in lakhs)

Sl. No.	Particulars (Refer Notes below)	Standalone				
		Quarter ended			Year ended	
		March 31, 2016	December 31, 2015	March 31, 2015	March 31, 2016	March 31, 2015
		Refer Note 13	UNAUDITED	Refer Note 13	AUDITED	AUDITED
1.	Income from operations					
	a) Net income from operations	65,225.80	44,812.93	1,02,754.85	2,36,167.77	3,11,741.69
	b) Other operating income	-				
	Total income from operations (net)	65,225.80	44,812.93	1,02,754.85	2,36,167.77	3,11,741.69
2.	Expenses					
	a) Construction stores, spares and materials consumed	10,833.66	10,085.69	11,358.39	48,321.88	54,966.57
	b) Sub-contracting expense	45,335.03	24,587.52	54,685.73	1,21,568.44	1,41,962.46
	c) Masonry, labour and other construction expense	15,293.30	17,113.62	18,304.45	71,231.26	69,816.41
	d) Employee benefits expense	3,248.54	3,687.87	4,150.99	15,175.02	18,917.08
	e) Depreciation and amortisation expense	2,025.36	1,968.58	2,066.32	8,019.70	9,035.39
	f) Other expense	800.71	1,563.54	13,733.80	17,637.32	29,007.07
	Total expenses	77,336.60	59,006.82	1,04,299.68	2,83,953.62	3,23,705.43
3.	(Loss) / Profit from operations before other income, finance costs and exceptional items	(12,110.80)	(14,193.89)	(1,544.83)	(47,785.85)	(11,963.74)
4.	Other income	(47.83)	428.37	1,529.90	2,014.62	4,351.25
5.	(Loss) / Profit before finance costs and exceptional items	(12,158.63)	(13,765.52)	(14.93)	(45,771.23)	(7,612.49)
6.	Finance costs	18,332.41	16,619.19	15,493.30	66,481.54	65,292.37
7.	(Loss) / Profit after finance costs and before exceptional items	(30,491.04)	(30,384.71)	(15,508.23)	(1,12,252.77)	(72,904.86)
8.	Exceptional items	(417.29)			(2,529.65)	(5,681.45)
9.	Loss from ordinary activities before tax	(30,073.75)	(30,384.71)	(15,508.23)	(1,09,723.12)	(67,223.41)
10.	Tax expense	(3,679.20)			(3,679.20)	
11.	Net Profit / (Loss) for the year/period	(26,394.55)	(30,384.71)	(15,508.23)	(1,06,043.92)	(67,223.41)
12.	Paid up equity share capital (Face Value of Rs. 2)	14,571.67	10,636.70	9,182.77	14,571.67	9,182.77
13.	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting period				30,184.38	1,04,157.69
14.	Earnings per share (of Rs. 2 each) (not annualised for the quarterly results)					
	EPS (in Rs.)					
	Basic & Diluted					
	before exceptional item	(5.24)	(6.29)	(4.50)	(21.49)	(21.13)
	after exceptional item	(5.05)	(6.29)	(4.50)	(20.30)	(19.49)

CHATURVEDI & PARTNERS
CHARTERED ACCOUNTANTS

IVRCL LIMITED
HYDERABAD

Statement of Assets and Liabilities

Particulars	Standalone As at March 31, 2016	Standalone As at March 31, 2015
Equity and Liabilities		
Shareholders' Funds		
a) Share Capital	14,573.67	9,182.77
b) Reserves and Surplus	30,466.72	1,04,440.39
	45,040.39	1,13,623.16
Minority Interest		
Non-Current Liabilities		
a) Long-Term Borrowings	1,60,736.30	2,04,198.39
b) Other Long Term Liabilities		
c) Long-Term Provisions	1,074.26	1,193.12
	1,61,810.56	2,05,391.51
Current Liabilities		
a) Short-Term Borrowings	2,23,533.77	2,24,207.05
b) Trade Payables	1,40,750.63	1,46,423.17
c) Other Current Liabilities	2,65,164.47	1,86,025.83
d) Short-Term Provisions *	11,145.66	11,446.27
	6,40,594.53	5,68,102.32
Total Equity and Liabilities	8,47,445.48	8,87,116.99
Assets		
Non-Current Assets		
a) Fixed Assets	39,278.41	47,681.19
b) Goodwill on consolidation		
c) Non Current Investments	1,87,625.94	1,87,113.61
d) Deferred Tax Asset (Net)		3,065.70
e) Long-Term Loans and Advances	71,290.50	71,017.46
f) Other Non-Current Assets	60,169.28	49,190.23
	3,58,364.13	3,53,070.21
Current Assets		
a) Inventories	12,880.45	16,723.44
b) Trade Receivables	1,47,099.92	1,74,175.79
c) Cash and Bank Balances	9,698.45	12,432.73
d) Short-Term Loans and Advances	79,713.96	85,197.96
e) Other Current Assets	2,39,697.57	2,45,516.86
	4,89,081.35	5,34,046.78
Total Assets	8,47,445.48	8,87,116.99

Notes :

1. The statement of audited financial results of the Company for the Quarter and year ended March 31, 2016 has been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on May 30, 2016.

2. The Company is engaged in one business segment, namely 'Engineering & Construction' only. No separate geographical segment disclosure is considered necessary as the Company is engaged primarily in the business within India where uniform business conditions of significant nature prevail.

3. The statutory auditors of the Company have qualified their opinion in respect of following matters:

4. a. During the year the Company has incurred a Net Loss of Rs. 1,06,013.92 lakhs resulting in to accumulated losses of Rs. 2,04,014.17 lakhs and substantial erosion of its Net worth. The Company has obligations towards borrowings and statutory dues as at March 31, 2016. The Company's current liabilities exceed current assets. These matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. The Lenders of the Company had in earlier year approved a Corporate Debt Restructuring Scheme (CDR) with certain reliefs in relation to repayment timelines of loans and accumulated unpaid interest with certain conditions. This restructuring envisages certain sacrifices from lenders and commitments from the promoters in terms of infusion of additional funds and sale of its stake in certain subsidiaries undertaking BOT and other projects. The efforts to raise additional funds, however, could not materialise during the year. The Joint Lenders Forum have approved and implemented the Strategic Debt Restructuring (SDR) involving conversion of part of their debt into equity share capital to facilitate majority shareholding by the Joint Lenders Forum (JLF). Accordingly, 26,95,44,648 no. of equity shares have been allotted to the JLF converting a debt amounting to Rs 37,358.47 Lakhs in to equity share capital (including securities premium). The Company is confident of implementing the divestment plan and approved restructuring scheme with lenders and meeting its obligations in due course of time. Accordingly financial statements have been prepared as a Going Concern.

   b. In connection of certain unbilled revenue, trade receivables, including bank guarantees encashed by the customers and withheld amount aggregating to Rs.1,60,041.74 lakhs, which are subject matters of various disputes /arbitration proceedings/ negotiations with the customers and contractors due to termination / foreclosure of contracts and other disputes. The management of the Company is confident of positive outcome of litigations/ resolutions of disputes and recovering the aforesaid dues.

   c. In respect of invocation of corporate guarantees of Rs. 79,568.00 lakhs and initiation of recovery action against the company in respect of such guarantees extended / executed for two subsidiaries in favour of the lenders.

   d. In respect of equity investment of Rs. 6,575.25 Lakhs and loans and advances of Rs. 3,476.70 lakhs as on March 31, 2016 in Hindustan Dorr Oliver Limited, a subsidiary company whose net worth has eroded and continues to incur losses as on March 31, 2016.

   e. In respect of MOU/ definitive agreement entered in to by the Company for divestment of subsidiary companies. The sale consideration agreed for such divestment is lower than the carrying value of investments and outstanding advances. This will result into losses on divestment/dennution aggregating to Rs.33,917.58 Lakhs as on March 31, 2016.

   F. The Company has outstanding loans and advances of Rs. 42,893.64 Lakhs given to subsidiaries engaged in BOT and other projects, which are under disputes with the concessionaire and other subsidiaries that have significant accumulated losses as at March 31, 2016. the company is hopeful resolving the disputes and realization of balances.

CHATURVEDI & PARTNERS CHARTERED ACCOUNTANTS

IVRCL LIMITED HYDERABAD

5	The Company has investment of Rs. 67,378.47 Lakhs in subsidiaries engaged in BOT and other projects, which are under disputes with the concessionaire, and other subsidiaries that have significant accumulated losses as at March 31, 2016. Considering the long term nature of investments the management has considered such investments as good and fully recoverable.
6	During the quarter the company has recognized claims of Rs.6,107 lakhs on certain irrigation projects which are at advance stage of approval/ release of payment by the respective clients/departments and a claim of Rs.3,384 lakhs towards cost escalation on a road projects which has been accepted by the concessionaire, a subsidiary Company and concessionaire is in the process of financing from the lenders.
7	As at March 31, 2016, certain trade receivable aggregating to Rs. 22,468.18 lakhs and unbilled revenue amounting to Rs. 11,433.97 lakhs, outstanding in respect of the projects having slow progress/no billing for long period of time, have been considered good and fully recoverable by the management.
8	In respect of advances to various parties aggregating to Rs. 11,104.22 lakhs which are outstanding for long period of time and considered good by the management.
9	Certain creditors have filed winding up petitions against the Company under section 433, 434 and 439 of the Companies Act, 1956 before Hon'ble High Court of Telengana & Andhra Pradesh. The matter is presently subjudice and the Company is taking appropriate steps to settle the matter.
10.	During the year managerial remuneration paid to Chairman & Managing Director was in excess of the minimum remuneration allowable as per Companies Act, 2013, accordingly an amount of Rs. 124.57 lakhs has been accounted as due from director. Total due from director as at March 31, 2016 is Rs. 186.93 lakhs.
11	Subsequent to the year end, one lender has initiated recovery proceedings against the Company under the Securitization and Reconstruction of Financial Assets and enforcement of Security interest Act, 2002 in respect of outstanding loan of aggregating to Rs. 13,728.00 lakhs.
12.	As per the CDR scheme the indicative recompense payable as at March 31, 2016 is Rs. 25,850.00 lakhs, payment of which is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which is currently uncertain and hence the proportion of amount payable as recompense has been treated as contingent liability.
13	Exceptional item for the quarter and year ended March 31, 2016 relates reduction in interest on restructured debt computed and provided at the effective interest rates as per Corporate Debt Restructuring Scheme from cut- off date, subject to confirmation from lenders, has been recorded as exceptional item.
14	Confirmation of balances could not be obtained for various loans aggregating to 416,289.78 Lakhs by lender banks and for banks balances aggregating to Rs. 113.31 lakhs. Management believes that no material adjustments would be required in books of account upon receipt of these confirmations.
15	Standalone financial results include the unaudited financial results of 22 jointly controlled entities as certified by the Management, whose financial results reflect the Company's Share as at March 31, 2016 and share in profit (net) Rs 877.41 lakhs for the year ended on that date.
16	Standalone financial results include the unaudited financial results of a branch Kingdom of Saudi Arabia included in the standalone financial statements of the Company whose financial statements / financial information reflect total assets of Rs.0.08 lakhs as at March 31, 2016 and total revenue is Nil for the year ended on that date.
17	During the quarter and year ended March, 31 2016 an under construction structure of a project in progress collapsed. The matter involving this accident is being investigated by the local police. The company is in process of assessment of damage and filing insurance claim for such loss. Pending assessment of loss in damage, no provision has been made in the books of accounts.
18	The figures for the quarter ended March 31, 2016 are the derived figures between the audited figures for the year ended March 31, 2016 and the published year to date figures upto December 31, 2015 being the date of the end of third quarter of the current financial year, which were subject to limited review. The corresponding figures for the previous year quarter ended March 31, 2015 are the derived figures between the audited figures for the previous year ended March 31, 2015 and the published year to date figures upto December 31, 2014 being the date of the end of third quarter of the corresponding previous financial year, which were subject to limited review.
19	Previous periods figures have been regrouped, wherever considered necessary.

Place : Hyderabad

Date : May 30, 2016

CHATURVEDI & PARTNERS
CHARTERED ACCOUNTANTS

R. Balarami Reddy

R. Balarami Reddy
Joint Managing Director

IVRCL LIMITED
HYDERABAD

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 **IVRCL 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 IVRCL LIMITED

1. We have audited the accompanying consolidated financial results ("the statement") of **IVRCL LIMITED** (the Holding Company) and its subsidiaries (the holding Company and its subsidiaries together referred to as "the group") its jointly controlled entities and its share of the profit/(loss)of its associates for the year ended on March 31, 2016 attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement, which is the responsibility of the Holding company's management and approved by the Board of Directors has been prepared on the basis of related consolidated 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. We refer to Note 4a in respect of preparation of financial statements of the Holding Company on going concern basis for the reasons stated therein. During the year the Company has incurred a Net Loss of Rs.1,06,043.92 Lakhs resulting in to accumulated losses of Rs.2,04,014.17 Lakhs and substantial erosion of its Net worth as at March 31, 2016. The Company's current liabilities exceed current assets. The Company has obligations towards borrowings and pertaining to operations including unpaid creditors and other dues as at March 31, 2016. These matters require the Company to generate additional cash flows to fund the operations as well as other obligations notwithstanding the current level of low operating activities and difficulties with respect to realisation of its current assets including litigation in various projects. In view of these matters, the appropriateness of assumption of going concern is dependent upon the sale/ divestment of Investments and/or the Company's ability to raise requisite finance/generate cash flows from operations to meet its obligations.

4. We refer to Note 4b 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.1,60,041.74 Lakhs, which are subject matters of various disputes /arbitration proceedings/ negotiations with the customers and contractors due to termination / foreclosure of contracts and other disputes. The management of the Holding Company is confident of positive outcome of ligations/ resolutions of disputes 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.

5. We refer to Note 4c in respect of invocation of corporate guarantees of Rs.79,568 Lakhs and initiation of recovery actions against the company in respect of such guarantees extended / executed for its two subsidiaries in favour of the lenders. No provision has been made in the accounts for such possible loss for the reasons stated therein.

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6. We refer to Note 4d regarding equity investment of Rs. 6,575.25 Lakhs and loans and advances of Rs. 3,476.70 lakhs as on March 31, 2016 in Hindustan Dorr Oliver Limited, a subsidiary company whose net worth has eroded and continues to incur losses as on March 31, 2016. We are unable to comment on the extent to which the carrying amount of such investment and loans and advances is recoverable.

7. We refer to Note 4e in respect of MOU/ definitive agreement entered in to by the Company for divestment of subsidiary companies. The sale consideration agreed for such divestment is lower than the carrying value of investments and outstanding advances. This will result into losses on divestment/diminution aggregating to Rs. 33,917.58 Lakhs as on March 31, 2016.

8. We refer to Note 4f in respect of loans and advances of Rs. 42,893.64 Lakhs given to subsidiaries engaged in BOT and other projects, which are under disputes with the concessionaire, and other subsidiaries that have significant accumulated losses as at March 31, 2016. We are unable to comment on the extent to which the carrying amount of such loans and advances is recoverable.

9. Attention is invited to Note 16 (a) to (o) to the consolidated financial statement in respect of Hindustan Dorr Oliver Limited (HDO) and its subsidiary- HDO Technologies Limited, a subsidiary of the Company, whereby the auditors of the Company have reported that,

   a. The accumulated losses of the Company as at March 31, 2016 amounting to Rs. 1,10,432 lakhs have exceeded its net worth. The Company has obligations towards borrowings aggregating to Rs. 97,044 lakhs 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 lakhs. 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.

   b. 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 lakhs, which are subject matters of various negotiations with the customers. Further, Bank Guarantee to the tune of Rs.5,267 lakhs was encashed subsequent to this year. 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.

   c. In respect of invocation of corporate guarantees of Rs.14,118 lakhs 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.

   d. In respect of provision for impairment of goodwill, aggregating to Rs.12,900 lakhs 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.

   e. In respect of certain projects wherein the Management of the Company has considered trade receivable aggregating to Rs. 5,762 lakhs and unbilled revenue amounting to Rs.8,673 lakhs, as good and fully recoverable for the reasons stated therein.

   f. In respect of current year 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 lakhs. The Bank has however demanded Rs. 65,450 lakhs. The differenceof Rs. 7,618 lakhs being penal and other charges, the company has not provided for the same for the reason stated therein.

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g. 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.

h. In respect of balance confirmation, wherein the Company has not received confirmation from one of the Foreign lender having outstanding of Rs. 15,201 lakhs (including interest accrued of Rs.2,764 lakhs) 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.

i. 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 lakhs have exceeded its net worth. The Company has obligations towards borrowings aggregating to Rs.16,472 lakhs 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. 5,038lakhs. 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.

j. In respect of subsidiary, HDO Technologies Limited, wherein deferred tax assets on business losses aggregating to Rs.957 lakhs 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.

k. In respect of subsidiary, HDO Technologies Limited, regarding the status of trade receivable aggregating to Rs. 6,127 lakhs which has been classified as a good and in respect of which no previous has been considered necessary for the reason explained therein.

l. In respect of subsidiary, HDO Technologies Limitedin respect of invocation of corporate guarantees of Rs. 65,450 lakhs and initiation of recovery actions against thecompany 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.

m. 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 lakhs. The Bank has however demanded Rs. 14,118 lakhs. The difference of Rs. 1,600 lakhs being penal and other charges, the company has not provided for the same for the reason stated therein.

n. 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.

o. 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 lakhs as at March 31, 2015 total revenue of Rs. NIL, net loss of Rs. 2.85 Lakhs and cash outflow of Rs.1.90 lakhs for the period then ended.

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10. Attention is invited to Note 19a & 19b to the consolidated financial statement in respect of SPB Developers Private Limited, a subsidiary of the Company, whereby the auditors of the Company have reported that,

   a. Regarding continuance of capitalization of borrowing cost during the year aggregating to Rs.2,292 lakhs and cumulative capitalization of borrowing costs as at March 31, 2016 aggregating to Rs. 4,429 lakhs towards cost of the project for the reasons stated therein. In view of insignificant construction activities during the year, in our opinion, the capitalization of such expenses is not consistent with the Accounting Standard (AS-16), Borrowing Costs. Had the observation under this paragraph would have been considered, the borrowing costs capitalized during the year should have been charged to revenue.

   b. Regarding notice for intention to terminate and termination notice sent by the Company in respect of concession agreement and the financial statements have been prepared on the basis that company is going concern.

11. We did not audit the financial statements of 16 Subsidiaries whose financial statements reflect total assets of Rs.2,95,596.97 lakhs as at March 31, 2016 as well as the total revenue of Rs. 17,825.26 lakhs for the year ended on that date have been considered in the statement. These annual financial statements and other financial information have been audited by other auditors whose report(s) has (have) been furnished to us, and our opinion on the statement, so far as relates to the amounts and disclosure included in respect of these subsidiaries, is based solely on the report of such other auditors.

12. Accompanying consolidated statements of the Company include the financial statement/financial information in respect of 8 subsidiary companies whose financial results reflect the Company's Share in net assets of Rs. 2,88,588.57 lakhs as at March 31, 2016 and as well as the total revenue of Rs. 20,120.89 lakhs for the year ended on that date have been considered in the statement.These financial statements/information have been furnished to us by the management. Our opinion on the statement so far as it relates to the amounts and disclosures included in respect of the aforesaid foreign subsidiary and associate is based solely on such unaudited financial statement/information provided by the management. Any material adjustment upon audit by the respective auditors to the unaudited financial statement/information could have material consequential effect on the statement.

13. 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 para 6, 7, 8 and 16 (b, e, j & k) and 10(a), possible effects of the matter described under para 3,4,5,9 (a, c, d, f, g, h, i, l, m, n & o), 10 (b) and para 12 above, these annual consolidated financial results:

   i. includes results of the entities stated in Annexure.

   ii. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

   iii. give a true and fair view of the net loss and other financial information for the quarter and year ended on March 31, 2016.

14. Attention is invited to

   a. We refer to Note 5 in respect of Investment of Rs. 67,328.47 Lakhs in subsidiaries engaged in BOT and other projects, which are under disputes with the concessionaire, and other subsidiaries that have significant accumulated losses as at March 31, 2016. The value of such Investments is dependent upon various factors including completion of the projects, their operating performance etc.

   b. We refer to Note 6 in respect of recognition of claims aggregating to Rs. 9,491 Lakhs on certain irrigation projects and towards cost escalation on a road project.

   c. We refer to Note 7 to the Statements in respect of certain projects wherein the Management of the Company has considered trade receivable aggregating to Rs.22,468.18 Lakhs and unbilled revenue amounting to Rs.11,433.97 Lakhs, as good and fully recoverable for the reasons stated therein.

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d. We refer to Note 8 to the financial statements in respect of advances to various parties aggregating to Rs.13,104.22 lakhs which are outstanding for long period of time and considered good by the management.

e. We refer to Note 9 in respect of pending winding up petitions against the company and the matter is subjudice.

f. We refer to Note 10 in respect of managerial remuneration where the Company is awaiting central government approval and/or in the process of making application to the central government.

g. We refer to Note 11 to the 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 of aggregating to Rs. 13,228 Lakhs.

h. We refer to Note 12 in respect of the indicative recompense of Rs. 25,850 Lakhs, payment of which is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which is currently uncertain and hence the proportion of amount payable as recompense has been treated as contingent liability.

i. We refer to Note 14 regarding of pending confirmation of balance for various loans aggregating to Rs.16,289.78 Lakhs by lender banks and pending confirmation of balance for banks balances aggregating to Rs. 113.31 lakhs.

j. We refer to Note 15 in respect of collapse of an under construction structure at project site and the company is in process of assessment of damage and filing of insurance claim for such loss.

15. Attention is invited to Note 17 in respect of pending winding up petitions against the Company and the matter is subjudice and our report is not qualified is respect of these matters.

16. Attention is invited to Note 18 to the statement in respect of IVRCL Chengapalli Tollways Limited, a subsidiary of the company, where by the auditors of the company have reported that company has given material advance of Rs. 4,580.87 lakhs to EPC contractor(a related party) not obligated by the EPC contract.

Our report is not qualified in respect of these matters.

ForCHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No. 307068E

RAVINDRA NATH CHATURVEDI
Partner
Membership No. 092087

CHATURVEDI & PARTNERS
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Hyderabad
May 30, 2016

Annexure

Sl. No.	Name of Subsidiary Companies whose standalone/consolidated financial statements are consolidated in Holding Company's financial Statements.
1	SALEM TOLLWAYS LIMITED
2	KUMARAPALYAM TOLLWAYS LIMITED
3	JALANDAR AMRTISAR TOLLWAYS LIMITED
4	SPB DEVLOPERS PRIVATE LIMITED
5	IVRCL CHENGAPALLI TOLLWAYS LIMITED
6	IVRCL INDORE GUJARAT TOLLWAYS LIMITED
7	IVR HOTELS AND RESORTS LIMITED
8	FIRST STP PRIVATE LIMITED
9	ALKOR PETROO LIMITED
10	IVRCL CHANDRAPUR TOLLWAYS LIMITED
11	IVR ENVIRO PROJECTS PRIVATE LIMITED
12	IVRCL PSC PIPES PRIVATE LIMITED
13	CHENNAI WATER DESALINATION LIMITED
14	I V R C L LANKA (PRIVATE) LIMITED
15	IVRCL PATIALA BATHINDA TOLLWAYS LIMITED
16	IVRCL GUNDUGOLANU RAJAHMUNDRY TOLLWAYS LIMITED
17	IVRCL NAURNAL BHIWANI TOLLWAYS LIMITED
18	IVRCL RAIPUR-BILASPUR TOLLWAYS LIMITED
19	IVRCL - CADAGUA HOGENAKKAL WATER TREATMENT CO. PVT. LTD.
20	IVRCL BUILDING PRODUCTS LIMITED
21	IVRCL PATALAGANGA TRUCK TERMINALS PRIVATE LIMITED
22	RIHIM DEVLOPERS PRIVATE LIMITED
23	IVRCL TLT PRIVATE LIMITED
24	IVR PRIME DEVELOPERS(TAMBARAM) PRIVATE LIMITED
25	HDO
26	SAPTHASHVA SOLAR LIMITED
27	IVRCL STEELS CONSTRUCTIONS & SERVICES LIMITED

CHATURVEDI & PARTNERS CHARTERED ACCOUNTANTS

ANNEXURE I
IVRCL Limited

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

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

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) Rs. in Lakhs	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in lakhs)
	1.	Turnover / Total income	301,284.17	301,284.17
	2.	Total Expenditure	151,986.99	217,238.57
	3.	Net Loss after minority interest	(147,920.69)	(213,172.27)
	4.	Earnings Per Share (after exceptional item)	(28.80)	(40.80)
	5.	Total Assets	1,439,854.75	1,374,603.17
	6.	Total Liabilities	1,439,854.75	1,374,603.17
	7.	Net Worth	(85,619.33)	(150,870.91)
	8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil

II. **Audit Qualification:**

a. **Details of Audit Qualification:**
IVRCL Limited

1. Note 4a in respect of preparation of financial statements of the Company on going concern basis for the reasons stated therein. During the year the Company has incurred a Net Loss of ₹ 1,06,043.92 Lakhs resulting in to accumulated losses of ₹ 2,04,014.17 Lakhs and substantial erosion of its Net worth as at March 31, 2016. The Company has obligations towards borrowings and pertaining to operations including unpaid creditors and other dues as at March 31, 2016. The Company's current liabilities exceed current assets. These matters require the Company to generate additional cash flows to fund the operations as well as other obligations notwithstanding the current level of low operating activities and difficulties with respect to realisation of its current assets including litigation in various projects. In view of these matters, the appropriateness of assumption of going concern is dependent upon the sale/ divestment of Investments and/or the Company's ability to raise requisite finance/generate cash flows from operations to meet its obligations.

2. Note 4b 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 ₹ 1,60,041.74 Lakhs, which are subject matters of various disputes /arbitration proceedings/ negotiations with the customers and contractors due to termination / foreclosure of contracts and other disputes. The management of the Company is confident of positive outcome of ligations/ resolutions of disputes 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 4c in respect of invocation of corporate guarantees of ₹ 79,568 Lakhs and initiation of recovery actions against the company in respect of such guarantees extended / executed for its two subsidiaries in favour of the lenders. No provision has been made in

IVRCL LIMITED HYDERABAD

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the accounts for such possible loss.

4. Note 4d regarding equity investment of ₹ 5,575.25 Lakhs and loans and advances of ₹ 3,476.70 lakhs as on March 31, 2016 in Hindustan Dorr Oliver Limited, a subsidiary company whose net worth has eroded and continues to incur losses as on March 31, 2016. We are unable to comment on the extent to which the carrying amount of such investment and loans and advances is recoverable.

5. Note 4e in respect of MOU/ definitive agreement entered in to by the Company for divestment of subsidiary companies. The sale consideration agreed for such divestment is lower than the carrying value of investments and outstanding advances. This will result into losses on divestment/diminution aggregating to ₹ 33,917.58 Lakhs as on March 31, 2016.

6. Note 4f in respect of loans and advances of ₹ 42,893.64 Lakhs given to subsidiaries engaged in BOT and other projects, which are under disputes with the concessionaire, and other subsidiaries that have significant accumulated losses as at March 31, 2016. We are unable to comment on the extent to which the carrying amount of such loans and advances is recoverable.

Hindustan Dorr Oliver Limited

7. Note 16 (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.

8. Note 16(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.

9. Note 16 (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.

10. Note 16 (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.

11. Note 16 (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.

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12. Note 16(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.

13. Note 16 (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.

14. Note 16 (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.

15. Note 16 (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.

16. Note 16 (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.

17. Note 16 (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.

18. Note 16 (l) 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.

19. Note 16 (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.

20. Note 16 (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.

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21. Note 16 (o) 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.1,105lacsas at March 31, 2015 total revenue of Rs. NIL, net loss of Rs. 2.85Lacs and cash outflow of Rs.1.90 lacs for the period then ended.

SPB Developers Private Limited

22. Note 19 (a), Regarding continuance of capitalization of borrowing cost during the year aggregating to Rs.2,292 lacs and cumulative capitalization of borrowing costs as at March 31, 2016 aggregating to Rs. 4429 lacs towards cost of the project for the reasons stated therein. In view of insignificant construction activities during the year, in our opinion, the capitalization of such expenses is not consistent with the Accounting Standard (AS-16), Borrowing Costs. Had the observation under this paragraph would have been considered, the borrowing costs capitalized during the year should have been charged to revenue.

23. Note 19 (b),Regarding notice for intention to terminate and termination notice sent by the Company in respect of concession agreement and the financial statements have been prepared on the basis that company is going concern.

24. Accompanying consolidated statements of the Holding Company include the financial statement/financial information in respect of 8 subsidiary companies whose financial results reflect the Company's Share in net assets of Rs. 2,88,588.57 lakhs as at March 31, 2016 and as well as the total revenue of Rs. 20,120.89 lakhs for the year ended on that date have been considered in the statement. These financial statements/information have been furnished to us by the management. Our opinion on the statement so far as it relates to the amounts and disclosures included in respect of the aforesaid foreign subsidiary and associate is based solely on such unaudited financial statement/information provided by the management. Any material adjustment upon audit by the respective auditors to the unaudited financial statement/information could have material consequential effect on the statement.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification:** Qualification no 1 to 6, 23 & 24 above are first time and rest are repetitive.

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:**

IVRCL Limited

In respect of qualification 4 above considering the long term nature of investment no provision has been made in books of account.

In respect of qualification 5 above, considering the long term nature of investment no provision has been made in books of account.

In respect of qualification 6 above, the company is hope full of resolving the disputes and realization of balances.

Hindustan Dorr Oliver Limited

In respect of audit qualification no 8 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 11 & 17 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.

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SPB Developers private Limited

In respect of audit qualification no 22, the company has sent intention to terminate and termination notice to the client and management expects to realize all costs incurred as part of entitled termination payments.

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

(i) **Management's estimation on the impact of audit qualification:**

(ii) **If management is unable to estimate the impact, reasons for the same:**

IVRCL Limited

In respect of qualification 1 above, The Company is confident of implementing the divestment plan and approved restructuring scheme with lenders and meeting its obligations in due course of time. Accordingly financial statements have been prepared as a Going Concern.

accounts.

Hindustan Dorr Oliver Limited

In respect of audit qualification no 7 & 15 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 9 & 18 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 10 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 12 & 19, the company is in process of reconciling the difference.

In respect of audit qualification no 13, 14 & 20 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 16, The company is confident that sufficient future taxable income will be available against which such deferred tax assets will be realized.

In respect of audit qualification no 21 the management could not receive the financial statement of the said subsidiaries.

CHATURVEDI & PARTNERS CHARTERED ACCOUNTANTS

SPB Developers Private Limited

In respect of audit qualification no 23, the company has sent intention to terminate and termination notice to the client and management expects to realize all costs incurred as part of entitled termination payments.

In respect of audit qualification no 24, the management of the Holding Company does not expect any material adjustment in the statements upon audit of the referred subsidiaries.

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

III.	Signatories :	
		CEO/Managing Director
		CFO
		Audit Committee Chairman
		Statutory Auditor CHATURVEDI & PARTNERS Chartered Accountants FRN 307068E RAVINDRA NATH CHATURVEDI Partner Membership No. 092087
	Place :	Hyderabad
	Date:	30-05-2016

IVRCL Limited

Regd. Office : M-22/3RT, Vijaya Nagar Colony, Hyderabad-500 057

Statement of Consolidated Results for the Year ended March 31, 2016

(Rs in lakhs)

Sl. No.	Particulars (Refer Notes Below)	Year ended 31st March 2016	Year ended 31st March 2015
		AUDITED	AUDITED
1	Income from operations		
	a) Net income from operations (net of excise duty)	3,00,968.75	3,81,468.95
	b) Other operating income	315.42	485.04
	Total income from operations (net)	3,01,284.17	3,81,953.99
2	Expenses		
	a) Construction stores, spares and materials consumed	58,203.38	68,851.46
	b) Development Expenditure	18.08	500.14
	c) Purchases of stock-in-trade	6,039.22	22,835.00
	d) Sub-contracting expense	1,29,320.80	1,51,773.53
	e) Masonry, labour and other construction expense	99,662.11	83,580.79
	f) Employee benefits expense	18,483.71	23,273.41
	g) Depreciation and amortisation expense	26,291.80	25,748.45
	h) Other expense	28,540.19	57,772.49
	Total expenses	3,66,559.29	4,34,335.27
3	Profit from operations before other income, finance costs and exceptional items	(65,275.12)	(52,381.28)
4	Other income (net of expenses)	6,685.90	10,737.72
5	Profit before finance costs and exceptional items	(58,589.22)	(41,643.56)
6	Finance costs	96,731.28	89,662.58
7	Exceptional items	(2,529.65)	14,427.39
8	Profit from ordinary activities before tax	(1,52,790.85)	(1,45,733.53)
9	Tax Expenses / (Credits)		
	- Current Tax	(6,549.28)	161.56
	- Deferred Tax	3,055.61	10,921.38
10	Tax expense	(3,493.67)	11,082.94
11	Net profit for the period	(1,49,297.18)	(1,56,816.47)
	Minority interest	(1,376.49)	(1,163.00)
	Net profit / (loss) after taxes, minority interest and share of profit/ (loss) of associates	(1,47,920.69)	(1,55,653.47)
12	Paid up equity share capital (Face Value of Rs. 2)		
13	Reserves excluding Revaluation Reserve	(42,751.49)	68,092.77
14	Earnings per share (of Rs. 2 each)		
	- Basic & Diluted EPS (in Rs.) before Exceptional Item	(28.31)	(45.12)
	- Basic & Diluted EPS (in Rs.) after Exceptional Item	(28.80)	(40.94)

CHATURVEDI & PARTNERS CHARTERED ACCOUNTANTS

IVRCL LIMITED HYDERABAD

1. Consolidated Statement of Assets and Liabilities

(Rs. in Lakhs)

Sl. No.	Particulars	As at 31st March 2016	As at 31st March 2015
	Equity and Liabilities		
1	Shareholders' Funds		
	a) Share Capital	14,573.68	9,182.77
	b) Share Capital Suspense	-	-
	c) Reserves and Surplus	(33,412.49)	77,432.13
	Sub total - Shareholder's Funds	(18,838.81)	86,614.90
2	Minority Interest	32,456.58	17,213.76
3	Non-Current Liabilities		
	a) Long Term Borrowings	546,386.01	574,600.65
	b) Deferred Tax Liability (Net)	-	-
	c) Other Long Term Liabilities		
	c) Other Long Term Liabilities	19,406.90	19,390.93
	d) Long Term Provisions	18,837.05	10,348.37
	Sub total - Non-Current Liabilities	584,629.96	604,339.95
4	Current Liabilities		
	a) Short Term Borrowings	259,878.70	292,207.00
	b) Trade Payables	178,492.14	186,268.75
	c) Other Current Liabilities	385,342.64	227,415.56
	d) Short Term Provisions	17,893.54	23,181.93
	Sub total - Current Liabilities	841,607.02	729,073.24
	Total Equity and Liabilities	1,439,854.75	1,437,241.85
	Assets		
5	Non-Current Assets		
	a) Fixed Assets	682,596.95	636,790.39
	b) Goodwill on consolidation	10,139.89	10,140.20
	b) Non Current Investments	6,872.22	7,866.72
	c) Deferred Tax Asset (Net)	580.47	3,636.11
	d) Long Term Loans and Advances	15,842.37	17,729.26
	e) Other Non-current Assets	75,975.82	76,368.26
	Sub total - Non-Current Assets	792,007.72	752,530.94
6	Current Assets		
	a) Inventories	116,991.30	122,447.65
	b) Trade Receivables	171,815.71	189,941.69
	c) Cash and Bank Balances	17,295.19	19,849.75
	d) Short Term Loans and Advances	80,513.82	87,246.70
	e) Other Current Assets	261,231.01	265,225.12
	Sub total Current Assets	647,847.03	684,710.91
	Total Assets	1,439,854.75	1,437,241.85

Notes :

1	The statement of consolidated audited financial results of the Company for the year ended March 31, 2016 has been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on May 30, 2016
2	The Consolidated Financial results of the Company are prepared as per AS-21 and AS-27 with its subsidiaries and joint ventures.
3	The Company is engaged in one business segment, namely 'Engineering & Construction' only. No separate geographical segment disclosure is considered necessary as the Company is engaged primarily in the business within India where uniform business conditions of significant nature prevail.

CHATURVEDI & PARTNERS CHARTERED ACCOUNTANTS

IVRCL LIMITED HYDERABAD

Notes :

In respect of the Company

The statutory auditors of the Company have qualified their opinion in respect of following matters:

4 a) During the year the Company has incurred a Net Loss of Rs. 1,06,043.92 lakh resulting in its accumulated losses of Rs.2,04,014.17 lakh and substantial erosion of its Net worth. The Company has obligations towards borrowings and statutory dues as at March 31, 2016. The Company's current liabilities exceed current assets. These matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. The Lenders of the Company had in earlier year approved a Corporate Debt Restructuring Scheme (CDR) with certain reliefs in relation to repayment timelines of loans and accumulated unpaid interest with certain conditions. This restructuring envisages certain sacrifices from lenders and commitments from the promoters in terms of infusion of additional funds and sale of its stake in certain subsidiaries undertaking BOT and other projects. The efforts to raise additional funds, however, could not materialise during the year. The Joint Lenders Forum have approved and implemented the Strategic Debt Restructuring (SDR) involving conversion of part of their debt into equity share capital to facilitate majority shareholding by the Joint Lenders Forum (JLF). Accordingly, 26,95,44,648 no. of equity shares have been allotted to the JLF converting a debt amounting to Rs 37,358.47 Lakhs in to equity share capital (including securities premium). The Company is confident of implementing the divestment plan and approved restructuring scheme with lenders and meeting its obligations in due course of time. Accordingly financial statements have been prepared as a Going Concern.

b) In connection of certain unbilled revenue, trade receivables, including bank guarantees encashed by the customers and withheld amount aggregating to Rs.1,60,041.74 lakh, which are subject matters of various disputes /arbitration proceedings/ negotiations with the customers and contractors due to termination / foreclosure of contracts and other disputes. The management of the Company is confident of positive outcome of litigations/ resolutions of disputes and recovering the aforesaid dues.

c) In respect of invocation of corporate guarantees of Rs. 79,168.00 lakhs and initiation of recovery actions against the company in respect of such guarantees extended / executed for two subsidiaries in favour of the lenders.

d) In respect of equity investment of Rs. 6,575.25 Lakhs and loans and advances of Rs. 1,476.70 lakhs as on March 31, 2016 in Hindustan Dorr Oliver Limited, a subsidiary company whose net worth has eroded and continues to incur losses as on March 31, 2016.

e) In respect of MOU/ definitive agreement entered in to by the Company for divestment of subsidiary companies. The sale consideration agreed for such divestment is lower than the carrying value of investments and outstanding advances. This will result into losses on divestment/diminution aggregating to Rs. 13,917.56 Lakhs as on March 31, 2016.

f) The Company has outstanding loans and advances of Rs. 42,893.64 Lakhs given to subsidiaries engaged in BOT and other projects, which are under disputes with the concessionaire, and other subsidiaries that have significant accumulated losses as at March 31, 2016. the company is hopeful resolving the disputes and realization of balances.

5 The Company has investment of Rs. 67,320.47 Lakhs in subsidiaries engaged in BOT and other projects, which are under disputes with the concessionaire, and other subsidiaries that have significant accumulated losses as at March 31, 2016. Considering the long term nature of investments the management has considered such investments as good and fully recoverable.

6 During the year the company has recognized claims of Rs.6,102 lakhs on certain irrigation projects which are at advance stage of approval/ release of payment by the respective clients/departments and a claim of Rs.2,384 lakhs towards cost escalation on a road projects which has been accepted by the concessionaire, a subsidiary Company and concessionaire is in the process of financing from the lenders.

7 As at March 31, 2016, certain trade receivable aggregating to Rs. 22,468.18 lakhs and unbilled revenue amounting to Rs. 11,433.97 lakhs, outstanding in respect of the projects having slow progress/no billing for long period of time, have been considered good and fully recoverable by the management.

8 In respect of advances to various parties aggregating to Rs. 13,104.77 lakhs which are outstanding for long period of time and considered good by the management.

9 Certain creditors have filed winding up petitions against the Company under section 433, 434 and 439 of the Companies Act, 1956 before Hon'ble High Court of Telangana & Andhra Pradesh. The matter is presently subjudice and the Company is taking appropriate steps to settle the matter.

10 During the year managerial remuneration paid to Chairman & Managing Director was in excess of the maximum remuneration allowable as per Companies Act, 2013, accordingly an amount of Rs. 124.57 lakhs has been accounted as due from director. Total due from director as at March 31, 2016 is Rs. 186.93 lakhs.

11 Subsequent to the year end, one lender has initiated recovery proceedings against the Company under the Securitization and Reconstruction of Financial Assets and enforcement of Security Interest Act, 2002 in respect of outstanding loan of aggregating to Rs. 13,228.00 lakhs.

12 As per the CDR scheme the indicative recompense payable as at March 31, 2016 is Rs. 23,850.00 lakhs, payment of which is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which is currently uncertain and hence the proportion of amount payable as recompense has been treated as contingent liability.

13 Exceptional item for the year ended March 31, 2016 relates reduction in interest on restructured debt computed and provided at the effective interest rates as per Corporate Debt Restructuring Scheme from cut off date, subject to confirmation from lenders, has been recorded as exceptional item.

14 Confirmation of balances could not be obtained for various loans aggregating to Rs. 16,289.78 Lakhs by lender banks and for banks balances aggregating to Rs. 113.31 lakhs. Management believes that no material adjustments would be required in books of account upon receipt of these confirmations.

15 During the year ended March 31 2016 an under construction structure of a project in progress collapsed. The matter involving this accident is being investigated by the local police. The company is in process of assessment of damage and filling insurance claim for such loss. Pending assessment of loss in damage, no provision has been made in the books of accounts.

In respect of the HINDUSTAN DORR-OLIVER LIMITED (subsidiary) of the Company

16 The statutory auditors of the subsidairy have qualified their opinion in respect of the following matters :

CHATURVEDI & PARTNERS
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	a	During the year ended March 31, 2016, the Company has incurred a Net Loss of Rs. 3,827 lakhs and Rs 16,326 lakhs respectively (previous year Rs. 77,316 lakhs as at March 31, 2015) resulting in to accumulated losses of Rs. 1,10,432 lakhs (previous year Rs. 94,106 lakhs as at March 31, 2015) and erosion of its net worth. The Company has obligations towards borrowings aggregating to Rs.97,044 lakhs (previous year Rs. 84,558 lakhs as at March 31, 2015) which includes working capital loan from banks of Rs. 28,163 lakhs (previous year Rs. 43,766 lakhs as at March 31, 2015) , outstanding letters of credit/bill discounting from banks of Rs. 3,849 lakhs (previous year Rs. 10,574 lakhs as at March 31, 2015) and current maturities of long term debts of Rs. 63,149 lakhs(previous year Rs. 11,382 lakhs 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 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 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 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 encashment of bank guarantee by the client. The trade receivables, retention, withheld money, unbilled revenue and other current assets from such customers as at March 31, 2016 aggregates to Rs.5,386 lakhs. Further, Bank Guarantee to the tune of Rs. 3267 lakhs 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 Rs.14,118 lakhs and initiation of recovery actions against the company in respect of such guarantees extended / executed for its one subsidiary in favour of the lenders.
	d	Considering the investment in a subsidiary as a long term investment, provision for impairment of goodwill, aggregating to Rs.12,900 lakhs arising on consolidation of a subsidiary, whose net worth is eroded as at March 31, 2016 not considered necessary by the management.
	e	and Rs. 8,396 lakhs as at March 31, 2015) have been considered good and receivable by the management.
	f	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. 57,832 lakhs. The Bank has however demanded Rs. 65,450 lakhs. The difference of Rs. 7,618 lakhs 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. 15,201 lakhs (including interest accrued of Rs. 2,764 lakhs) as at March 31, 2016
	i	In respect of HDO Technologies Limited, a subsidary company, during the year ended March 31, 2016, the Company has incurred a Net Loss of Rs. 2,935 lakhs (previous year Rs. 1,244 lakhs as at March 31, 2015) resulting in to accumulated losses of Rs. 8,302 lakhs (previous year Rs. lakhs as at March 31 2015) and erosion of its net worth. The Company has obligations towards borrowings aggregating to Rs.16,472 lakhs (previous year Rs. 16,603 lakhs as at March 31, 2015) which includes working capital loan from banks of Rs. 4,311 lakhs (previous year Rs. 8752 lakhs as at March 31, 2015) , outstanding letters of credit /bill discounting from banks of Rs.nil (previous year Rs. 2,000 lakhs as at March 31, 2015) and current maturities of long term debts of Rs. 498 lakhs(previous year Rs. 1,008 lakhs 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 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 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 realize its assets and discharge its liabilities in the normal course of business. The statements does not include any adjustment in this respect.
	j	In respect of HDO Technologies Limited, a subsidiary company, 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.
	k	In respect of HDO Technologies Limited, a subsidiary company, trade receivable as at March 31, 2016 include Rs. 6,127 lakhs (previous year Rs. 5,765 lakhs 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 opinion of the management the receivables are good and fully recoverable.
	l	In respect of HDO Technologies Limited, a subsidiary company, in respect of invocation of corporate guarantees of Rs. 65,450 lakhs and initiation of recovery actions against the company in respect of such guarantees extended / executed for its holding company in favour of the lender.
	m	In respect of HDO Technologies Limited, a subsidiary company, 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 lakhs. The Bank has however demanded Rs. 14,118 lakhs. The difference of Rs. 1,600 lakhs 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.
	n	In respect of HDO Technologies Limited, a subsidiary company, the balances in trade receivables, sundry creditors, retention 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 carried out as and when ascertained.
17		Certain creditors have filed winding up petitions against the Company under section 433 and 439 of The Companies Act, 1956 before the Hon'ble High Court 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 sub judice and the out come of which is subject to the company fulfilling the payment conditions of Memorandum of Understandings/consent terms.
In respect of the IVRCL CHENGAPALLI TOLLWAYS LIMITED (subsidiary) of the Company		
18		The Company has given material advance of Rs. 4,580.67 lakhs to EPC contractor (related party) not obligated by the EPC contract.
In respect of the SPB Devlopers Limited (subsidiary) of the Company		
19		The statutory auditors have qualified their opinion in respect of the following matters :
	a	Capitalization of borrowing cost during the year is aggregating to Rs 2,292 lakhs and cumulative capitalization of borrowing costs as at March 31, 2016 aggregating to Rs. 4429 lakhs towards cost of the project The implementation of the project was delayed due to delay in handing over of land, handing over Right of Way and delay in utility shifting which was beyond the control of the company. During the year the company has sent notices for intention of termination and termination notice for the project work pursuant to clause 37.2.2. of concession agreement The management is confident of recovering all costs incurred by way of entitled termination payments.

CHATURVEDI & PARTNERS CHARTERED ACCOUNTANTS

IVRCL LIMITED HYDERABAD

	b)	During the year the company has sent notices for intention of termination and termination notice for the project work pursuant to clause 37.2.2. of concession agreement stating prolonged delays in curing the defaults and indecisiveness on compensation proposal by the government and the government is in violation of clause 10.3.2. , 35.2 & clause 25.2.3 of the concession agreement. The financial statements have been prepared on the basis that company is going concern as management expects prolonged litigation the company is in process of submission of entitled termination payments as per concession agreement.
20	Previous periods figures have been regrouped, wherever considered necessary.	

By order of the Board

Plakhse: Hyderabad

Date : May 30, 2016

R. Balarami Reddy

R. Balarami Reddy

Joint Managing Director

CHATURVEDI & PARTNERS CHARTERED ACCOUNTANTS

IVRCL LIMITED HYDERABAD