



UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER 2013

(₹ Crore)

Sr. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Six months ended		Year ended
		30th September	30th June	30th September	30th September		31st March
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)		(Audited)
		2013	2013	2012	2013	2012	2013
		(1)	(2)	(3)	(4)	(5)	(6)
PART I							
1	INCOME FROM OPERATIONS						
	(a) Net sales / income from operations (Net of excise duty)	908.72	1,149.56	864.26	2,058.28	1,833.62	3,837.29
	(b) Other operating income	-	-	-	-	-	-
	Total income from operations (a+b)	908.72	1,149.56	864.26	2,058.28	1,833.62	3,837.29
	Less: Company's share of Turnover in Integrated Joint Ventures	18.58	7.15	0.20	25.73	0.20	0.20
	Income from operations excluding Integrated Joint Ventures	890.14	1,142.41	864.06	2,032.55	1,833.42	3,837.09
2	Company's Share of Profit / (Loss) in Integrated JV's (Net)	(0.49)	0.51	1.50	0.02	1.58	(4.80)
3	Total (1+2)	889.65	1,142.92	865.56	2,032.57	1,835.00	3,832.29
4	Expenses						
	(a) Cost of materials consumed	215.55	275.90	266.23	491.45	594.62	1,290.73
	(b) Employee benefits expenses	95.88	105.01	95.32	200.89	189.84	402.03
	(c) Construction expenses	458.65	532.82	368.57	991.47	824.21	1,659.03
	(d) Depreciation and amortisation expenses	37.49	37.10	39.81	74.59	80.34	163.40
	(e) Other expenses	30.65	27.45	23.37	58.10	45.19	101.93
	(f) Total expenses 4 (a to e)	838.22	978.28	793.30	1,816.50	1,734.20	3,617.12
5	Profit / (Loss) from operations before other income, finance costs & exceptional items (3-4)	51.43	164.64	72.26	216.07	100.80	215.17
6	Other income	112.29	14.78	34.81	127.07	84.36	119.77
7	Profit / (Loss) from ordinary activities before finance costs & exceptional items (5+6)	163.72	179.42	107.07	343.14	185.16	334.94
8	Finance costs	152.29	148.86	133.72	301.15	265.53	544.10
9	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (7-8)	11.43	30.56	(26.65)	41.99	(80.37)	(209.16)
10	Exceptional items	-	-	2.17	-	11.71	15.58
11	Profit / (Loss) from ordinary activities before tax (9-10)	11.43	30.56	(24.48)	41.99	(68.66)	(193.58)
12	Tax expense	(20.17)	11.33	(6.61)	(8.84)	(19.80)	(55.94)
13	Net Profit / (Loss) from ordinary activities after tax (11-12)	31.60	19.23	(17.87)	50.83	(48.86)	(137.64)
14	Extraordinary items	-	-	-	-	-	-
15	Net Profit / (Loss) for the period (13+14)	31.60	19.23	(17.87)	50.83	(48.86)	(137.64)
16	Paid up equity share capital (Face value of Re. 1/- each)	60.66	60.66	60.66	60.66	60.66	60.66
17	Reserve excluding Revaluation Reserves	-	-	-	-	-	1,102
18	Basic EPS ₹						
	-before and after Extraordinary items	0.52	0.32	(0.29)	0.84	(0.81)	(2.27)
19	Diluted EPS ₹						
	-before and after Extraordinary items	0.52	0.31	(0.29)	0.83	(0.80)	(2.25)
20	Debt Equity Ratio				3.87	3.70	3.98
21	Debt service coverage Ratio				1.29	0.98	0.82
22	Interest Service Coverage Ratio				1.39	1.04	0.94
PART II							
A. PARTICULARS OF SHAREHOLDING							
1	Public shareholding						
	i) Number of shares	364811026	364811026	364811026	364811026	364811026	364811026
	ii) Percentage of shareholding	60.14%	60.14%	60.14%	60.14%	60.14%	60.14%
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	-- Number of shares	200703600	200703600	NIL	200703600	NIL	200703600
	-- Percentage of shares	83.00%	83.00%	NIL	83.00%	NIL	83.00%
	(as a % of the total shareholding of promoter and promoter group)						
	-- Percentage of shares	33.09%	33.09%	NIL	33.09%	NIL	33.09%
	(as a % of the total share capital of the company)						
	b) Non-encumbered						
	-- Number of shares	41095794	41095794	241799394	41095794	241799394	41095794
	-- Percentage of shares	17.00%	17.00%	100.00%	17.00%	100.00%	17.00%
	(as a % of the total shareholding of promoter and promoter group)						
	-- Percentage of shares	6.77%	6.77%	39.86%	6.77%	39.86%	6.77%
	(as a % of the total share capital of the company)						

Particulars		3 Months ended 30.09.2013
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	NIL
	Received during the quarter	1
	Disposed of during the quarter	1
	Remaining unresolved at the end of the quarter	NIL

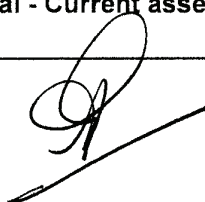
Hindustan Construction Co Ltd

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STANDALONE STATEMENT OF ASSETS AND LIABILITIES

₹ Crore

Particulars		As at 30th Sept, 2013	As at 31st March, 2013
A	EQUITY AND LIABILITIES		
1	Shareholders' funds:		
	(a) Share capital	60.67	60.67
	(b) Reserves and surplus	1,161.92	1,102.11
	(c) Share Warrant	16.00	
	Sub-total - Shareholders' funds	1,238.59	1,162.78
2	Non-current liabilities		
	(a) Long-term borrowings	3,152.11	3,257.03
	(b) Deferred tax liabilities (net)	5.12	14.29
	(c) Long-term trade payables	31.74	33.51
	(c) Other long-term liabilities	61.90	56.86
	(d) Long-term provisions	36.69	36.17
	Sub-total - Non-current liabilities	3,287.56	3,397.86
3	Current liabilities		
	(a) Short-term borrowings	1,391.63	1,317.85
	(b) Trade payables	958.65	960.01
	(c) Other current liabilities	1,686.63	1,681.35
	(d) Short-term provisions	9.54	9.22
	Sub-total - Current liabilities	4,046.45	3,968.43
	TOTAL - EQUITY AND LAIBILITIES	8,572.60	8,529.07
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	1,000.37	1,022.66
	(b) Non-current investments	683.59	601.22
	(c) Long-term loans & advances	1,222.65	1,213.31
	(d) Long-term trade receivables	886.06	665.56
	(e) Other non-current assets	1.49	1.42
	Sub-total - Non-current assets	3,794.16	3,504.17
2	Current assets		
	(a) Inventories	3,469.31	3,672.18
	(b) Trade receivables	548.73	570.19
	(c) Cash and cash equivalents	54.52	99.14
	(d) Short-term loans & advances	696.57	674.53
	(e) Other current assets	9.31	8.86
	Sub-total - Current assets	4,778.44	5,024.90
	TOTAL - ASSETS	8,572.60	8,529.07



Notes :

- 1 a) The Company is engaged in Engineering & Construction activities which are substantially seasonal in character. Therefore, the financial results for three months ended 30th September, 2013 are not necessarily indicative of annual results.
b) The Company's margins in the quarterly results vary based on the accrual of cost and recognition of income in different quarters due to nature of its business, receipt of awards/claims or events which lead to revision in Cost To Completion. Due to this reason, quarterly results may vary in different quarters and may not be indicative of annual results.
- 2 The Company has a single Segment namely "Engineering and Construction". Therefore, the Company's business does not fall under different business segments as defined by AS-17- "Segmental Reporting" issued by ICAI.
- 3 The total balance value of work on hand as on 30th September, 2013 is ₹ 12,861crore (₹ 14,935crore as on 31st March, 2013).
- 4 Other Income for the quarter ending 30th September, 2013 include amount no longer payable of ₹ 81.50crore pursuant to a settlement arrived with creditor and interest on Income Tax Refund of ₹ 5.44crore(Corresponding previous quarter nil).
- 5 Previous period/year figures have been regrouped/recast wherever necessary.
- 6 The above results have been reviewed by the Statutory Auditors as per clause 41 of the listing agreement.
- 7 The above results were reviewed by Audit Committee and approved by the Board of Directors at its meeting held on 31st October, 2013.

for Hindustan Construction Co. Ltd.



Ajit Gulabchand

Chairman & Managing Director

Mumbai, Dated : 31st October, 2013.

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**The Board of Directors
Hindustan Construction Co. Ltd.
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L. B. S. Marg, Vikhroli (West)
Mumbai – 400 083**

Dear Sir,

Re: Limited Review of the Unaudited Financial Results for the period ended 30th September, 2013.

1. Introduction

We have reviewed the accompanying statement of unaudited financial results of Hindustan Construction Company Limited for the period ended 30th September, 2013 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management but have neither been reviewed nor been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors on 31st October, 2013. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Indian Generally Accepted Accounting Principles. Our responsibility is to issue a report on these financial results based on our review.

2. Scope of Review

We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

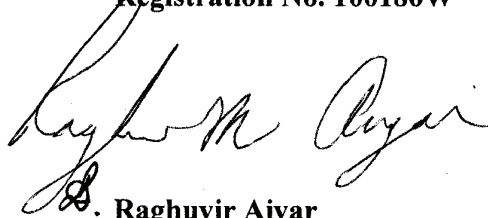
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4. Emphasis of Matter

Without qualifying our review conclusion, we draw attention to:

- (a) Company's exposure in the nature of long-term investments and loans advances of ₹ 833.63 Crs and ₹ 788.87 Crs in its subsidiaries namely HCC Real Estate Ltd. and HCC Infrastructure Ltd. On the basis of the books value of these companies, there is a diminution in the value of these investments and advances, which in the opinion of the management is of temporary in nature.
- (b) Trade Receivables representing favourable arbitration awards amounting to ₹ 35.50 Crs which are more than one year old as on September 30, 2013, that have been subsequently set-aside by Courts of Law, on appeal by client. The recoverability is dependent upon the final outcome of the appeals getting resolved in favour of the Company.
- (c) Company's claims of ₹ 324.35 Crs, ₹ 38.40 Crs and ₹ 424.90 Crs being included under "Long Term Trade Receivables", "Short Term Loans and Advances" and "Uncompleted Contracts and Value of Work Done" respectively, which have been outstanding for over 5 years. The Company has assessed the recoverability of these claims based on favourable arbitration awards, court orders and legal opinion. Considering the contractual tenability and legal advice from Company's counsel in the matter, the management is confident of recovery of the same.
- (d) Company's application seeking approval from the Central Government for the excess remuneration paid to managerial personnel.

**For K. S. Aiyar & Co.
Chartered Accountants
Registration No. 100186W**



**R. Raghuvir Aiyar
Partner
Membership No. : 38128**

**Place: Mumbai
Date: 31st October, 2013**

Press Release**HCC Net Profit at Rs 31.6 crore in Q2 FY2013-14****Turnover up 5.1% to Rs 908.7 crore vs Rs 864.3 crore**

Mumbai: October 31, 2013: HCC has registered a net profit of Rs 31.6 crore in Q2 2013-14 compared to a loss of Rs 17.8 crore in the corresponding period last year.

HCC unaudited standalone financial results highlights:

- **For the quarter ended September 30, 2013:**
 - Turnover up 5.1% to Rs 908.7 crore v/s Rs 864.3 crore same period last year
 - Net Profit of Rs 31.6 crore v/s Net loss of Rs 17.8 crore
 - EBITDA margin at 10%
 - Order backlog is at Rs 12,861 crore excluding L1 contracts worth Rs 2,265 crore
- **For the half year ended September 30, 2013:**
 - Turnover up 12.3% to Rs 2,058.3 crore v/s Rs 1,833.6 crore same period last year
 - Net Profit of Rs 50.8 crore v/s Net loss of Rs 48.9 crore
 - EBITDA margin at 14.3%
 - Operating Profit Rs 290.6 crore v/s Rs 179.6 crore

Commenting on the performance, **Mr. Praveen Sood, Group Chief Financial Officer, HCC** said, "HCC is making all possible efforts in its control to sustain its performance during this challenging period. Focus on cost rationalisation, effective liability management and sustained operational efficiency have contributed to the performance in the second quarter."

Performance of HCC subsidiaries:

Steiner AG: For the half year ended September 30, 2013, the company has registered a revenue of CHF 410.7 million (Rs 2603 crore). During Q2 2013-14, Steiner secured orders worth CHF 33.8 million (Rs 232.7 crore). The order book as on September 30, 2013 stands at CHF 1.02 billion (Rs 7,021 crore). In addition to this, the company has secured orders for more than CHF 200 million (Rs 1376.8 crore), where the contracts are yet to be signed.

Lavasa Corporation Limited (LCL): The development in Dasve and Mugaon towns has picked up pace with over 4200 construction workers on ground. Till date around 520 residential units have been completed and handing over the possessions is in progress. In Mugaon, around 10 lakh sq ft development including around 1000 residential units, has commenced, while in Dasve around 8 lakh sq ft of residential, commercial and social development has started. Around 4.5 lakh tourists visited Lavasa during last six months with average hotel occupancy of 70%. Ecole Hoteliere de Lausanne, the hotel management institute has shifted its operations to the new sprawling campus. Three leading organisations have signed agreements for setting up commercial establishments in the city.

HCC Infrastructure Co Limited: Packages 3 & 4 of the NH34 concession in West Bengal have achieved 72% and 59% progress, respectively. COD is expected within the next few months, during which point the bulk of the Company's BOT portfolio will be operational. The Dhule Palesner Highway (NH3) toll rates have been revised from September 13, 2013 with the additional 13km phase of this

project commencing operations; revenue is up approximately 60% y-o-y with nearly Rs.40 lacs of collection daily.

About HCC:

HCC is a business group of global scale developing and building responsible infrastructure through next practices. With an engineering heritage of nearly 100 years, HCC has executed a majority of India's landmark infrastructure projects, having constructed 25% of India's Hydel Power generation and over 50% of India's Nuclear Power generation capacities, over 3,364 lane km of Expressways and Highways, more than 207 km of complex Tunneling and over 324 Bridges. HCC's landmark projects include the Bandra Worli Sea Link, Mumbai - India's first and longest open sea cable-stayed bridge; the Kolkata Metro, Farakka Barrage and India's largest nuclear power plant at Kudankulam - Tamil Nadu, to name a few. Today, HCC Ltd. serves the infrastructure sectors of Transportation, Power and Water. HCC is also developing Lavasa City, a planned hill city and one of India's largest urban development and management initiatives. The HCC Group, with a group turnover of Rs 8,510 crore, comprises of HCC Ltd, HCC Infrastructure Co. Ltd, HCC Real Estate Ltd, Lavasa Corporation Ltd and Steiner AG in Switzerland.

For further information:

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