

Walker Chandiook & Co LLP

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Independent Auditor's Report on Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of ITD Cementation India Limited

1. We have audited the consolidated financial results of ITD Cementation India Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its unincorporated joint ventures for the year ended 31 December 2017, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to Note 4 to the consolidated financial results regarding the figures for the quarter ended 31 December 2017 as reported in these consolidated financial results, which are the balancing figures between audited consolidated figures in respect of the full financial year and the published consolidated year to date figures upto the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. These consolidated financial results are based on the consolidated financial statements for the year ended 31 December 2017, prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting standards ("Ind AS"), specified under Section 133 of the Companies Act, 2013 ("the Act") and published consolidated year to date figures up to the end of third quarter of the financial year, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting specified under Section 133 of the Act and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Holding Company's Management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated financial statements for the year ended 31 December 2017 and our review of consolidated financial results for the nine months ended 30 September 2017.
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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the 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 opinion.



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Independent Auditor's Report on Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Cont'd)

3. In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial results:

(i) includes the financial results for year ended 31 December 2017 of the following entities:

Sr.	Name of the entity	Relationship
1.	ITD Cem Projects India Limited	Subsidiary
2.	ITD Cem-Maytas Consortium	Joint Venture (treated as subsidiary)
3.	ITD CemIndia Joint Venture	Joint Venture (treated as subsidiary)
4.	ITD-ITD Cem Joint venture (Consortium of ITD-ITD Cementation)	Joint Venture
5.	ITD-ITD Cem Joint Venture	Joint Venture
6.	CEC-ITD-TPL Joint Venture	Joint Venture

(ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and

(iii) give a true and fair view of the consolidated net profit (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act for the year ended 31 December 2017.

4. The Holding Company had prepared separate consolidated financial results for the year ended 31 December 2016, based on the consolidated financial statements for the year ended 31 December 2016 prepared in accordance with Accounting Standards ("AS") prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and consolidated financial results for the nine months period ended 30 September 2016 prepared in accordance with the recognition and measurement principles laid down in AS 25, Interim Financial Reporting, prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circular CIR/CFD/CMD/15/2015 dated 30 November 2015 and other accounting principles generally accepted in India, on which we issued auditor's report dated 21 February 2017. These consolidated financial results for the year ended 31 December 2016 have been adjusted for the differences in the accounting principles adopted by the Group on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

per Rakesh R. Agarwal
Partner
Membership No. 109632

Mumbai
22 February 2018

ITD Cementation India Limited

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STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED DECEMBER 31, 2017

(₹ in Lakhs unless specified)

Sr. No.	Particulars	Three months ended	Preceding three months ended	Corresponding three months ended	Current year ended	Previous year ended
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016
		Unaudited (Refer note 4)	Unaudited	Unaudited (Refer note 4)	Audited	Audited
1	Income from operations	57,491.01	47,298.24	68,267.80	2,06,050.89	2,93,772.01
2	Other income	1,505.91	416.04	1,251.22	3,526.06	2,724.12
3	Total Income (1+2)	58,996.92	47,714.28	69,519.02	2,09,576.95	2,96,496.13
4	Expenses					
	a) Cost of materials consumed	19,437.25	12,622.38	13,988.99	62,241.54	65,910.54
	b) Subcontracting expenses	13,249.60	10,177.78	33,284.27	46,336.03	1,29,568.80
	c) Employee benefits expense	6,610.42	6,461.59	5,501.09	25,737.01	22,185.93
	d) Depreciation expense	1,646.79	1,393.13	978.51	5,774.33	4,631.00
	e) Finance costs	2,183.18	2,262.05	2,032.56	8,757.67	8,914.76
	f) Other expenses	10,337.83	11,816.24	10,089.16	44,589.63	49,674.60
	Total expenses (a+b+c+d+e+f)	53,465.07	44,733.17	65,874.58	1,93,436.21	2,80,885.63
5	Profit before tax and share of profit/(loss) of joint ventures (3-4)	5,531.85	2,981.11	3,644.44	16,140.74	15,610.50
6	Share of profit/(loss) of joint ventures	88.51	0.94	(1,282.11)	(1,382.66)	(5,702.21)
7	Profit before exceptional items and tax (5+6)	5,620.36	2,982.05	2,362.33	14,758.08	9,908.29
8	Exceptional items (refer note 5)	2,183.94	-	-	2,183.94	-
9	Profit before tax (7-8)	3,436.42	2,982.05	2,362.33	12,574.14	9,908.29
10	Tax expense/ (credit)					
	(a) Current income tax	(489.69)	1,397.29	(425.76)	5,149.34	991.62
	(b) Deferred income tax	2,160.41	(344.27)	1,591.02	132.21	3,794.80
	Total tax expense (a+b)	1,670.72	1,053.02	1,165.26	5,281.55	4,786.42
11	Profit for the period (9-10)	1,765.70	1,929.03	1,197.07	7,292.59	5,121.87
12	Other comprehensive income (OCI)					
	a) Items not to be reclassified subsequently to profit or loss					
	- Profit/(loss) on fair value of defined benefit plans as per actuarial valuation	200.74	45.84	97.22	(317.16)	(219.23)
	- Income tax effect on above	(69.47)	(15.87)	(33.64)	109.77	75.88
	b) Items that will be reclassified subsequently to profit or loss					
	- Fair value change on designated cash flow hedges (net)	18.38	-	-	18.38	-
	- Impairment of investment carried at fair value	(0.26)	-	-	(0.26)	-
	- Income tax effect on above	(6.36)	-	-	(6.36)	-
	Other comprehensive income/(loss) for the period, net of tax	143.03	29.97	63.58	(195.63)	(143.35)
13	Total Comprehensive Income for the period, net of tax (11+12)	1,908.73	1,959.00	1,260.65	7,096.96	4,978.52
	Total comprehensive income for the period attributable to:					
	Owners of the parent	1,923.18	1,942.60	1,251.66	7,085.92	4,941.09
	Non controlling interest	(14.45)	16.40	8.99	11.04	37.43
14	Paid-up equity share capital (Face Value: ₹ 1 per share)	1,551.58	1,551.58	1,551.58	1,551.58	1,551.58
15	Other equity (excluding revaluation reserve)				60,176.02	53,650.33
16	Earnings per share (Face Value: ₹ 1 per share)					
	a) Basic (not annualised) in ₹	1.15	1.23	0.77	4.69	3.28
	b) Diluted (not annualised) in ₹	1.15	1.23	0.77	4.69	3.28

See accompanying notes to the consolidated financial results



Notes:

- The above consolidated results have been reviewed by the Audit Committee at its meeting held on February 22, 2018 and based on the recommendation of the Audit Committee, have been approved by the Board of Directors of the Company at its meeting held on February 22, 2018.
- The Board of Directors of the Company have recommended a final dividend of ₹ 0.40 per share having a face value of ₹ 1 each.
- The Group has adopted Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs with effect from January 1, 2017 and accordingly these financial results have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The date of transition is January 01, 2016. The impact of transition has been accounted and comparative period results have been restated accordingly. Reconciliation of the financial results to those reported under previous Generally Accepted Accounting Principles (GAAP) (hereinafter referred to as previous Indian GAAP) and Ind AS is summarized as follows:

Particulars	(₹ in Lakhs)	
	Quarter ended 31.12.2016	Year ended 31.12.2016
	(Unaudited) (refer note 4)	(Audited)
Net Profit for the period under previous Indian GAAP	1,301.23	4,810.77
Impact of reversal of revenue on fair valuation of retention deposits	(684.02)	(684.02)
Interest income recognised on fair valuation of financial assets	631.03	651.68
Impact of reversal of provision for expected credit loss	15.23	267.94
Re-classification of actuarial gain on defined employee benefit obligation to OCI	(97.22)	219.23
Rent expenses recognised on fair valuation of security deposits	(11.67)	(33.34)
Net gain on fair value measurement of financial liabilities	8.10	34.47
Impact of consolidation of certain unincorporated entities	8.99	37.43
Others	(0.63)	(3.44)
Deferred tax on above adjustments (net)	26.03	(178.85)
Net Profit for the period under Ind AS	1,197.07	5,121.87
Other comprehensive income/(loss) (net of tax)	63.58	(143.35)
Total Comprehensive Income under Ind AS	1,260.65	4,978.52

Reconciliation of equity attributable to the shareholders of the Company as at December 31, 2016:

Particulars	(₹ in Lakhs)
	As at 31.12.2016 (Audited)
Total equity reported under previous Indian GAAP	55,071.98
Impact of reversal of revenue on fair valuation of retention deposits	(684.02)
Impact of provision for expected credit loss	(613.57)
Interest income recognised on fair valuation of security deposits	651.68
Net share of profit from unincorporated entities	2.68
Fair value measurement of financial liabilities	49.27
Rent expenses recognised on fair valuation of security deposits and corporate guarantees	(33.34)
Proposed dividend (including dividend distribution tax) accounted in the year of Shareholder's approval	560.23
Deferred tax on above adjustments (net)	197.00
Total equity under Ind AS	55,201.91

- In compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, an audit of the above results has been carried out by the Statutory Auditors.
The figures of the quarter ended December 31, 2017 and December 31, 2016 are the balancing figures between the audited figures for the full year ended December 31, 2017 and December 31, 2016 and the unaudited published year to date figures up to the period ended September 30, of the respective years.
- Exceptional items for the quarter and year ended December 31, 2017, represent write off of non-current trade receivables and non-current other financial assets amounting to ₹ 11,232.17 lakhs and write back of provisions no longer required in respect of a project amounting to ₹ 9,048.23 lakhs.
- Subsequent to December 31, 2017, the Company has issued 16,629,684 equity shares of ₹ 1 each, at an issue price of ₹ 202.55 per equity share (of which ₹ 201.55 per share is towards securities premium) aggregating ₹ 33,683.42 lakhs to Qualified Institutional Buyers in accordance with Chapter VIII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended and Section 42 of the Companies Act, 2013, as amended, and the rules made thereunder.
- The Group is principally engaged in a single business segment viz Construction.

8) Standalone results

Particulars	(₹ in Lakhs)				
	Three months ended	Preceding three months ended	Corresponding three months ended	Current year ended	Previous year ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016
	Unaudited (Refer note 4)	Unaudited	Unaudited (Refer note 4)	Audited	Audited
a) Income from operations	46,743.15	41,372.27	67,727.04	1,87,292.02	2,91,735.11
b) Profit before tax	3,350.21	2,939.27	2,355.63	12,435.59	9,896.92
c) Profit after tax	1,780.22	1,912.64	1,188.26	7,281.64	5,084.62
d) Total comprehensive income for the period (net of tax)	1,923.25	1,942.61	1,251.84	7,086.01	4,941.27

For and on behalf of the Board of Directors

Place : Mumbai
Dated: February 22, 2018Adun Saraban
Managing Director
DIN No. 01312769

(₹ in Lakhs)

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES		
Particulars	As at 31.12.2017	As at 31.12.2016
ASSETS		
Non-current assets		
Property, plant and equipment	46,175.25	38,534.25
Capital work-in-progress	3,849.03	560.20
Financial assets		
Investments	57.49	57.49
Trade receivables	309.00	2,863.37
Loans	225.29	248.56
Other financial assets	39.00	8,677.57
Deferred tax assets (net)	293.98	199.42
Income tax assets (net)	1,108.26	6,672.90
Other non-current assets	22,440.67	15,039.38
Total non-current assets	74,497.97	72,853.14
Current assets		
Inventories	15,741.70	11,057.78
Financial assets		
Investments	-	0.26
Trade receivables	23,985.01	21,464.86
Cash and cash equivalents	11,324.89	16,255.46
Other bank balances	253.41	272.48
Loans	40,025.29	16,211.93
Other financial assets	66,804.53	45,318.21
Other current assets	6,248.30	4,642.71
	1,64,383.13	1,15,223.69
TOTAL ASSETS	2,38,881.10	1,88,076.83
EQUITY AND LIABILITIES		
Equity		
Share capital	1,551.58	1,551.58
Other equity	60,176.02	53,650.33
Total equity attributable to equity holders of the Parent	61,727.60	55,201.91
Non-controlling interests	88.31	77.26
Total equity	61,815.91	55,279.17
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	2,461.76	4,062.13
Provisions	1,110.31	902.36
Deferred tax liabilities (net)	123.37	-
Total non-current liabilities	3,695.44	4,964.49
Current Liabilities		
Financial liabilities		
Borrowings	42,238.52	29,348.43
Current maturities of long-term-borrowings	4,159.57	2,210.61
Trade payables	61,966.96	61,398.12
Other financial liabilities	7,085.97	4,205.04
Other current liabilities	55,516.58	28,689.37
Provisions	2,402.15	1,981.60
	1,73,369.75	1,27,833.17
TOTAL EQUITY AND LIABILITIES	2,38,881.10	1,88,076.83

See accompanying notes to the consolidated financial results

