



May 29, 2015

To

The Secretary
BSE Limited
P.J.Towers, Dalal Street,
Mumbai- 400 001.
Tel: 022-22721234, Fax-2272 3121.

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Bandra Kurla Complex,
Bandra(East), Mumbai-400 051.
Tel: 022 – 26598235, Fax-26598237/38

Scrip Code: 532907

Scrip Code: IL&FSENGG

Dear Sir,

Sub: Audited Financial Results for the quarter and year ended March 31, 2015

Ref: Clause 41 of the Listing Agreement.

Pursuant to Clause 41 of the Listing Agreement, please find enclosed Audited Financial Results of the Company for the quarter and year ended March 31, 2015, as approved by the Board of Directors of the Company in their meeting held on May 29, 2015.

Also find enclosed herewith, the Auditors' Report on the Audited financial results for the quarter ended March 31, 2015 received from the Statutory Auditors, S.R. Batliboi & Associates LLP, Chartered Accountants.

Thanking you,

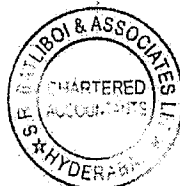
Yours faithfully,
for IL&FS Engineering and Construction Company Limited

G Venkateswar Reddy
Company Secretary

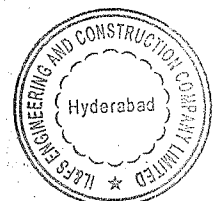
IL&FS Engineering and Construction Company Limited
CIN: L45201AP1988PLC008624
Regd. Office : D No 8-2-120/113/3/4F, Sanali Info Park, Cyber Towers, Road No 2, Banjara Hills, Hyderabad - 500033
Phone-040 40409333; Fax-040 40409444
Website- www.ilfsengg.com; Email- cs@ilfsengg.com
Statement of Audited financial results for the year ended March 31, 2015

PART I	(Rs. In Lakhs, unless otherwise stated)						
	Standalone			Consolidated			
	Three months ended	Three months ended	Three months ended	For the Year ended	For 18 months ended	For the Year ended	For 18 months ended
Particulars	31-Mar-15 (Audited) Also refer note 9	31-Dec-14 (Unaudited)	31-Mar-14 (Audited)	31-Mar-15 (Audited)	31-Mar-14 (Audited)	31-Mar-15 (Audited)	31-Mar-14 (Audited)
1. Income from operations							
(a) Income from operations	57,773	67,579	82,844	234,820	325,888	277,102	397,604
(b) Other operating income	583	384	181	1,170	829	1,170	1,506
Total Income from operations (net)	58,356	67,963	83,025	235,990	326,717	278,272	399,110
2. Expenses							
(a) Cost of materials consumed	18,329	18,822	16,099	67,324	71,681	81,518	97,999
(b) Changes in inventories of work-in-progress	-	-	-	-	-	(930)	(658)
(c) Employee benefits expenses	3,386	3,582	1,380	13,617	16,671	31,909	41,524
(d) Depreciation/ amortisation expenses	1,131	1,049	1,401	4,373	8,532	6,418	11,405
(e) Subcontracting expenses	27,241	31,339	56,417	121,724	211,406	129,799	222,544
(f) Other expenses	3,670	3,803	3,322	13,640	16,327	16,180	22,212
Total expenses	53,757	58,595	78,619	220,678	324,617	264,894	395,016
3. Profit from operations before Other Income and Finance costs (1-2)	4,599	9,368	4,406	15,312	2,100	13,378	4,094
4. Other Income	2,569	5,260	4,828	11,743	15,711	11,754	15,784
5. Profit from ordinary activities before Finance costs (3+4)	7,168	14,628	9,234	27,055	17,811	25,132	19,878
6. Finance costs	7,084	6,982	5,905	26,831	33,182	27,348	33,436
7. Profit/ (Loss) from ordinary activities before tax (5-6)	84	7,646	3,329	224	(15,371)	(2,216)	(13,558)
8. Tax Expense	-	-	-	-	-	95	426
9. Net Profit / (Loss) from ordinary activities after tax (7-8)	84	7,646	3,329	224	(15,371)	(2,311)	(13,984)
10. Share of Profit / (loss) from integrated joint ventures	1	6	30	43	273	-	-
11. Net Profit / (Loss) after taxes (9+10)	85	7,652	3,359	267	(15,098)	(2,311)	(13,984)
12. Minority Interest*	-	-	-	-	-	(1,221)	521
13. Net Profit/(Loss) for the year/period after taxes, minority interest and share of Profit/(Loss) of joint ventures (11-12)*	85	7,652	3,359	267	(15,098)	(1,090)	(14,505)
14. Paid-up equity share capital (Face Value of Shares is Rs. 10/- each)	11,212	8,986	8,979	11,212	8,979	11,212	8,979
15. Reserves excluding Revaluation Reserves as per balance sheet	-	-	-	3,035	(7,861)	1,969	(7,687)
16. Earnings per share of Rs. 10/- each (not annualised):							
(a) Basic	0.55	8.01	3.27	(0.85)	(19.72)	(2.34)	(19.06)
(b) Diluted	0.55	8.01	3.27	(0.85)	(19.72)	(2.34)	(19.06)
See accompanying note to the Financial Results							
* Applicable in case of consolidated results							
PART II							
Select Information for the quarter ended March 31, 2015							
A. Particulars of Shareholding							
1. Public Shareholding							
- No. of shares	75,584,341	63,115,112	63,044,612	75,584,341	63,044,612	75,584,341	63,044,612
- Percentage of shareholding	67.41%	70.24%	70.22%	67.41%	70.22%	67.41%	70.22%
2. Promoters and Promoter Group Shareholding							
a) Pledged/Encumbered							
- Number of shares	-	-	13,245,250	-	13,245,250	-	13,245,250
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	49.53%	-	49.53%	-	49.53%
- Percentage of shares (as a % of the total share capital of the Company)	-	-	14.75%	-	14.75%	-	14.75%
b) Non-encumbered							
- Number of Shares	36,538,477	26,742,631	13,497,381	36,538,477	13,497,381	36,538,477	13,497,381
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	50.47%	100.00%	50.47%	100.00%	50.47%
- Percentage of shares (as a % of the total share capital of the Company)	32.59%	29.76%	15.03%	32.59%	15.03%	32.59%	15.03%

Particulars	Three months ended 31-Mar-2015
B. Investor Complaints	
Pending at the beginning of the Quarter	0
Received during the Quarter	0
Disposed off during the Quarter	0
Remaining unresolved at the end of the Quarter	0



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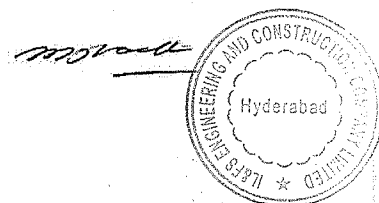
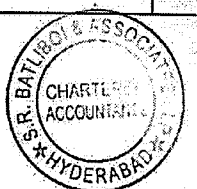


IL&FS ENGINEERING AND CONSTRUCTION COMPANY LIMITED

STATEMENT OF ASSETS AND LIABILITIES AS AT March 31, 2015

(Rs. In Lakhs, unless otherwise stated)

S.No	Particulars	Standalone as at		Consolidated as at	
		31-Mar-15 (Audited)	31-Mar-14 (Audited)	31-Mar-15 (Audited)	31-Mar-14 (Audited)
A	Equity and liabilities				
1	Shareholders' Funds				
	(a) Share capital	24,912	33,965	24,912	33,965
	(b) Reserves and surplus	3,035	(7,861)	1,969	(7,687)
	Sub-Total - Shareholders' funds	27,947	26,104	26,881	26,278
2	Minority Interest			1,830	2,956
3	Non current liabilities				
	(a) Long term borrowings	147,176	103,632	147,176	103,632
	(b) Deferred tax liabilities (net)	-	-	-	-
	(c) Other long term liabilities	40,398	32,159	43,504	35,192
	(d) Long term provisions	484	818	484	818
	Sub-Total - Non current liabilities	188,058	136,609	191,164	139,642
4	Current liabilities				
	(a) Short term borrowings	35,128	51,627	41,786	59,353
	(b) Trade payables	90,509	82,176	108,263	99,489
	(c) Other current liabilities	53,940	56,634	60,550	63,464
	(d) Short term provisions	3,143	3,880	3,186	4,214
	Sub-Total - Current liabilities	182,720	194,317	213,785	226,520
	TOTAL - EQUITY AND LIABILITIES	398,725	357,030	433,660	395,396
B	ASSETS				
1	Non current assets				
	(a) Fixed Assets	16,920	17,408	18,733	20,125
	(b) Non current investments	32,592	32,614	28,417	28,417
	(c) Deferred tax assets (net)	-	-	1	1
	(d) Long term loans and advances	85,984	88,354	87,422	88,490
	(e) Other non current assets	58,005	45,247	68,095	50,538
	Sub-Total - Non current assets	193,501	183,623	202,668	187,571
2	Current assets				
	(a) Inventories	96,520	76,412	110,710	91,954
	(b) Trade receivables	71,039	58,470	79,575	71,839
	(c) Cash and cash equivalents	3,744	6,660	4,010	6,967
	(d) Short term loans and advances	27,989	26,236	30,765	31,436
	(e) Other current assets	5,932	5,629	5,932	5,629
	Sub-Total - Current assets	205,224	173,407	230,992	207,825
	TOTAL - ASSETS	398,725	357,030	433,660	395,396

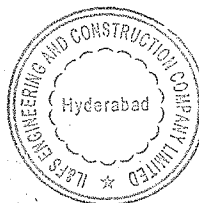


Notes to the financial results:

- (1) The above financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective Meetings held on May 29, 2015. These financial results were audited by the Statutory Auditors of the Company
- (2) The Company's business activity falls within a single business segment i.e. Construction and Infrastructure development, in terms of Accounting Standard 17 on Segment Reporting
- (3) Employee Stock Options (ESOPs) :

ESOP 2009:

- (i) Out of the 1,201,407 options granted under ESOP-2009 as Grant-I 1,036,079 options expired as at March 31, 2015. No Stock options were exercised during the year
- (ii) Out of the 2,849,984 options granted under ESOP-2009 as Grant-II 1,031,298 Options expired as at March 31, 2015. During the year, the Company has allotted 1,061,133 equity shares of Rs 10/- each at a price of Rs. 58.90 per share pursuant to exercise of Employee Stock Options
- (4) The Board of Directors of the Company in their meeting held on November 28, 2014 had resolved, subject to statutory and other approvals, to issue 21,274,442 equity shares of Rs.10/- each at an applicable price as per SEBI Regulations to Infrastructure Leasing & Financial Services Ltd., IL&FS Financial Services Limited and SBG Projects Investments Ltd. on preferential basis to meet inter-alia the obligation of redemption of preference shares which were due for redemption during the year. Accordingly, upon receipt of various approvals, the Company has allotted 21,274,442 equity shares to the above parties on March 13, 2015 at a price of Rs.60.50 per share and has utilized the proceeds mainly to redeem 5,000,000 6% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of Rs. 100 each and 300,000 6% Cumulative Redeemable Preference Shares (CRPS) of Rs. 100 at par on March 23, 2015 and to redeem 5,985,780 CRPS of Rs. 100 at par on March 31, 2015
- (5) Prior to April 1, 2009 the erstwhile promoters had given certain Inter Corporate Deposits (ICDs) to various companies aggregating to Rs. 34,378 lakhs and Rs.36,236 lakhs at the stand-alone and consolidated financial statements level respectively. Of the foregoing, documentary evidences had been established that, for an amount of Rs. 32,378 lakhs and Rs.34,211 lakhs at standalone entity and consolidated level respectively, the then Satyam Computer Services Limited (SCSL) was the ultimate beneficiary and for which a claim together with compensation receivable had been lodged by the Company. During the previous year, SCSL had merged into Tech Mahindra Limited (TML) pursuant to a Scheme of Arrangement u/s.391-394 of the Companies Act 1956. As provided in the Scheme and as per the Judgment of Hon'ble High Court of Andhra Pradesh on the said Scheme, the aforesaid amount in books of SCSL was transferred to TML. The Company, through its subsidiaries, preferred an Appeal before the Division Bench of Hon'ble High Court of A.P. against the single judge's Order approving the merger scheme of SCSL which is pending as on date. TML, in its Audited Financial Results for March 31, 2015 continued to disclose as "Amounts Pending Investigation Suspense Account (Net) Rs. 123,040 lakhs" as disclosed by SCSL earlier. Management is of the opinion that the claim made by the Company on SCSL is included in the aforesaid amount



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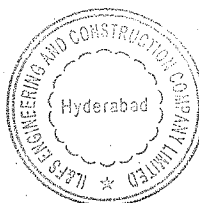
disclosed by TML in their Audited Financial Results. The Company is confident of recovering the said ICDs together with compensation due thereon from SCSL/TML.

Further, based on internal evaluation and/or expert advice, recent developments, documentary evidences available with the company and in view of the observations of the Special Court in its verdict dated April 9, 2015 on the criminal case filed by the Central Bureau of Investigation, confirming that an amount of Rs. 142,500 lakhs was transferred to SCSL through the intermediary companies, out of which an amount of Rs. 123,040 lakhs continues to subsist with SCSL, Management is of the opinion that the Company's case on the recoverability of the aforesaid amounts is ultimately certain. The statutory auditors of the Company have drawn Emphasis of Matter in their Standalone and Consolidated Audit Reports for the year ended March 31, 2015

- (6) Effective April 01, 2014, the Company has revised the useful life of fixed assets based on Schedule II of the Companies Act 2013 for the purpose of providing depreciation on fixed assets. Accordingly, the carrying amount of the assets as on April 01, 2014 has been depreciated over the remaining revised useful life of the fixed assets. Consequently, the depreciation for quarter and year ended March 31, 2015 is lower and profit before tax for the quarter and year ended March 31, 2015 is higher to the extent of Rs.209 lakhs and Rs.1,162 lakhs respectively. Further, an amount of Rs.250 lakhs representing the carrying amount of assets with useful life as nil, has been charged to the opening balance of retained earnings i.e, deficit in the statement of profit and loss as on April 01, 2014 pursuant to the Companies Act, 2013
- (7) In the earlier years, pursuant to the Debt Restructuring Programme, the Company had settled an irrevocable trust, namely, Maytas Investment Trust (Trust). The objective of the Trust is to dispose certain underlying investments held and settle the liability towards the Pass Through Certificate (PTC) holders, wherein the Company was also a contributory. As at March 31, 2015, the Investment of the Company includes Rs.25,967 Lakhs contributed towards these PTCs.

The aforesaid Trust portfolio includes an investment wherein the investee company has gas based power plant, which is facing concerns on account of continued lower supplies/availability of natural gas. However, based on evaluation of few alternates including representations/discussions with various government authorities to secure the gas linkage/supplies, Management is of the view that the concerns in the industry are temporary in nature and will not have any material impact on the carrying value of the underlying investments held by the Trust and consequently on the carrying value of the PTCs held by the Company. In continuation to the previous year, the Statutory Auditors of the Company have drawn Emphasis of Matter in their Standalone and Consolidated Audit Reports for the year ended March 31, 2015

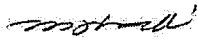
- (8) Consequent to an arbitration award, during the year, the Company has accrued proportionate revenue to the extent of percentage of completion in case of a road project amounting to Rs.13,754 lakhs (including interest of Rs.3,630 lakhs). The customer has filed an appeal with the Honorable High Court of New Delhi against the said award. Based on internal evaluation and/or legal advice, the Management is confident on the realization of the same. The statutory auditors of the Company have drawn Emphasis of Matter in their Standalone and Consolidated Audit Reports for the year ended March 31, 2015



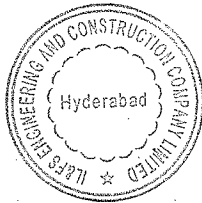
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- (9) The Company has extended its previous Financial Year (October 1, 2012 to September 30, 2013) by a period of Six months i.e, up to March 31, 2014 in order to align the financial year of the Company in terms of the provisions of the Companies Act, 2013, which has been approved by the Registrar of Companies, Andhra Pradesh. Accordingly, the Company prepared its annual accounts for a period of eighteen months commencing October 1, 2012 to March 31, 2014. Hence, current year figures being for 12 months are not comparable with the previous year's figures comprising a period of 18 months. The figures for the quarter ended March 31, 2015 are the balancing figures between audited figures in respect of the year ended March 31, 2015 and the unaudited published year to date figures for nine months period ended December 31, 2014
- (10) During the year, Maytas Infra Saudi Arabia Company (Limited Liability Company), a foreign subsidiary of the Company had incorporated Maytas Infra for Construction WLL as its Subsidiary in Qatar. As at the year end, Maytas Infra for Construction WLL is under liquidation
- (11) These financial results will be made available on the Company's Website viz., www.ilfsengg.com and websites of BSE Limited and National Stock Exchange of India Limited viz., www.bseindia.com and www.nseindia.com respectively
- (12) Previous year/period figures have been regrouped and/or rearranged wherever necessary

By Order of the Board
For IL&FS Engineering and Construction Company Limited


M D Khattar
Managing Director

Place: New Delhi
Date: May 29, 2015



**Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company
Pursuant to the Clause 41 of the Listing Agreement**

To
Board of Directors of
IL&FS Engineering and Construction Company Limited

1. We have audited the quarterly financial results of IL&FS Engineering and Construction Company Limited for the quarter ended March 31, 2015 and the financial results for the year ended March 31, 2015, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2015 and the published year-to-date figures up to December 31, 2014, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter ended March 31, 2015 have been prepared on the basis of the financial results for the nine-month period ended December 31, 2014, the audited annual financial statements as at and for the year ended March 31, 2015, and the relevant requirements of Clause 41 of the Listing Agreement and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2014 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31, 2015; and the relevant requirements of Clause 41 of the Listing Agreement.
2. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results as well as the year to date results:
 - i. are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - ii. give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2015 and for the year ended March 31, 2015.



S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

4. Without qualifying our opinion, we draw attention to note no. 7 of the accompanying statement regarding Rs. 25,967 lakhs investment of the Company in Pass Through Certificates ("PTC") issued by the Maytas Investment Trust ("the Trust"). As more fully described in the aforesaid note, the portfolio held by the Trust includes an investment where the investee company has gas based power plant wherein uncertainties towards availability of gas has been considered as temporary in nature. Based on the fair valuation of underlying investments held by the Trust, the Company does not currently envisage any diminution in the value of PTCs on this account.
5. Without qualifying our opinion, we draw attention to note no. 8 of the accompanying statement regarding accrual of proportionate revenue to the extent of percentage completion in case of a road project amounting to Rs. 13,754 lakhs (including interest of Rs. 3,630 lakhs) based on an arbitration award, against which the customer has filed an appeal in the Honourable High Court of New Delhi.
6. Without qualifying our opinion, we draw attention to note no. 5 of the accompanying statements regarding Inter Corporate Deposits (ICDs) amounting to Rs. 34,378 lakhs which is under litigation. Based on internal evaluation of recent developments after considering expert advice, Management is of the opinion that the Company has the ability to ultimately recover the aforesaid ICDs.
7. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2015 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2015 and the published year-to-date figures up to December 31, 2014, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Clause 41(I)(d) of the Listing Agreement.
8. Further, read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W



per Vikas Kumar Pansari
Partner
Membership No.: 093649



Place: New Delhi
Date: May 29, 2015