



Ref No.: MPL/SES/CS/2018

Date: 28.05.2018

To,

The Bombay Stock Exchange (BSE)
Corporate Relationship Dept.,
1st Floor, New Trading Ring
Rotunda Building, PJ Towers
Dalal Street, Fort, Mumbai -400 001

The National Stock Exchange (NSE) of India
Limited,
5th Floor, Exchange Plaza,
Bandra (East), Mumbai- 400 051.

Dear Sir/Madam,

Sub: Audited financial Statements approved Board Meeting held on 28th May, 2018 at 04.00 PM

Ref: 1) BSE Scrip Code: 531497, NSC Scrip code: MADHUCON

2) Our letter no. MPL/SES/CS/2018 dated 28.05.2018 uploaded on NSE vide ref. no. 2018/May/7299/7501 and on BSE vide ref. No. 313267 on 28.05.2018

Pursuant to Regulation 30 & 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Outcome of Board Meeting held on 28th May, 2018 and further to our letter sited above please find attached herewith the following:

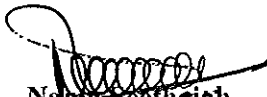
1. Audit Report on Consolidated with Unmodified opinion and the Statement of Impact of Audit Qualifications on Consolidation in Annexure – I. (Approved the Audited Financial Statements of the Company (Standalone and Consolidated) for the year ended 31.03.2018 along-with Auditors Report and Standalone and Consolidated Annual Audited Financial results along-with the declaration signed by our Managing Director)

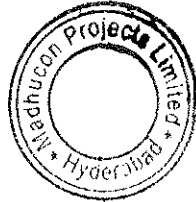
We would request you to please take on record the above and host the same on your website for viewing to the public.

Thanking You,

Yours faithfully

For Madhucon Projects Limited

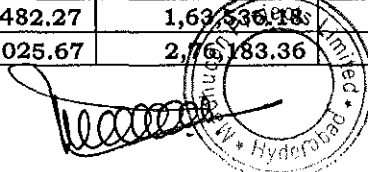

Nama Seethaiah
Managing Director
DIN: 00784491



MADHUCON PROJECTS LIMITED
SANDALONE AND CONSOLIDATED BALANCE SHEET

(Rs. in Lakhs)

S. No.	Particulars	Standalone		Consolidated	
		Audited		Audited	
		31.03.2018	31.03.2017	31.03.2018	31.03.2017
1	ASSETS				
	Non-current assets				
	(a) Property, Plant and Equipment	5,147.73	5,478.85	3,27,998.91	3,42,771.11
	Capital Work in Progress	-	-	15,041.41	15,036.77
	Intangible Assets	-	-	1,27,095.01	1,36,332.91
	Investment Properties	-	-	81.56	38.77
	(b) Financial Assets				
	(i) Investments	1,77,181.38	1,77,181.38	53.58	45.70
	(ii) Trade receivables	525.46	3,050.52	-	2,434.98
	(iii) Loans	5,131.79	3,519.56	596.09	748.73
	(iv) Others Financial Assets	16,407.97	12,835.55	2,20,752.47	2,00,596.56
	(c) Deferred Tax Asset	2,301.81		2,301.81	-
	(d) Other non-current assets	20,443.57	22,602.96	23,590.51	38,054.45
	Sub-total Non-current assets	2,27,139.71	2,24,668.82	7,17,511.35	7,36,059.98
2	Current assets				
	(a) Inventories	4,493.41	3,938.39	10,002.53	6,530.39
	(b) Financial Assets				
	(i) Investments		-	57.11	57.51
	(ii) Trade receivables	19,618.07	13,592.38	3,115.38	21,028.25
	(iii) Cash and cash equivalents	1,799.32	1,746.59	4,398.66	6,348.35
	(iv) above	258.13	518.53	1,064.12	1,435.22
	(v) Loans	7,189.77	10,241.10	4,866.30	3,229.79
	(vi) Others Financial Assets	7,121.77	4,404.07	25,190.71	27,271.75
	(c) Current tax asset (net)	5,922.18	1,619.35	6,469.53	1,975.32
	(d) Other current assets	17,483.31	15,454.13	16,521.65	18,999.86
	Sub-total Current assets	63,885.96	51,514.54	71,685.99	86,876.44
	Total Assets	2,91,025.67	2,76,183.36	7,89,197.34	8,22,936.42
	EQUITY AND LIABILITIES				
	Equity				
	(a) Equity Share capital	740.32	740.32	740.32	740.32
	(b) Other Equity	78,826.86	77,576.10	(1,77,495.81)	(82,921.27)
	Less: Profit or Loss from Associates	-	-	-	(9.73)
	Sub-total Other Equity	79,567.19	78,316.42	(1,76,755.49)	(82,190.68)
	Non Controlling Interest	-	-	(806.13)	11,148.34
	Sub-total Equity	-	-	(1,77,561.62)	(71,042.34)
	LIABILITIES				
1	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	4,558.60	2,465.23	4,51,636.11	4,76,402.99
	(ii) Trade payables	8,250.99	8,788.20	8,318.19	10,903.12
	(iii) Other financial liabilities	8,044.18	7,894.13	1,643.69	1,214.22
	(b) Provisions	175.56	146.27	9,350.54	7,729.57
	(c) Deferred tax liabilities (Net)	-	129.65	5.03	134.68
	(d) Other non-current liabilities	21,946.87	14,907.29	9,545.05	4,856.90
	Sub-total Non-current liabilities	42,976.21	34,330.75	4,80,498.61	5,01,241.48
2	Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	57,893.74	53,789.41	1,53,350.39	1,39,538.59
	(ii) Trade payables	40,026.97	40,847.29	56,897.02	57,323.00
	(iii) Other financial liabilities	11,084.29	16,603.39	1,71,974.59	1,11,348.29
	(b) Other current liabilities	48,711.57	48,439.03	74,096.86	57,724.94
	(c) Provisions	4,758.21	2,553.62	23,929.96	21,485.66
	(d) Current tax liabilities (net)	6,007.48	1,303.43	6,011.53	5,316.80
	Sub-total Current liabilities	1,68,482.27	1,62,536.18	4,86,260.35	3,92,737.28
	Total Equity and Liabilities	2,91,025.67	2,76,183.36	7,89,197.34	8,22,936.42

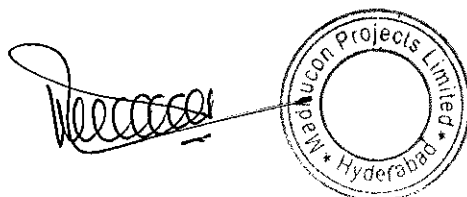


The company has reported the Audited financial results of standalone and consolidated as per Indian Accounting standard (Ind As) read with SEBI circular dated 05.July.2016. These financials were reviewed by the Audit committee in the meeting held on 28.May.2018 and approved by the board of directors of the company at the meeting held on 28.May.2018.

1. The above results are in compliance with Indian Accounting Standards (Ind As) notified by the Ministry of Corporate Affairs, Government of India.

The company has reported the Audited financial results of standalone and consolidated as per Indian Accounting standard (Ind As) read with SEBI circular dated 05.July.2016. These financials were reviewed by the Audit committee in the meeting held on 28.May.2018 and approved by the board of directors of the company at the meeting held on 28.May.2018.

2. The carrying value of investments held in and unsecured loans and advances given by the company to its subsidiaries, which have been incurring losses and in some of these companies, net worth was fully or substantially eroded. Taking into account the management's internal assessment and initiatives to be implemented to improve the profitability in the medium to long run, the management of the company is of the view that carrying value of the investments and loans and advances are realizable at the value stated in the books.
3. In relation to Madhucon Mega Mall Private Limited (MMMPL) a subsidiary of the company incorporated for developing shopping mall cum multiplex on leased land taken from Andhra Pradesh Housing Board (now known as Telangana Housing Board) ("the Board") at Kukatpally in Hyderabad. The Board issued letter for revoking the power of attorney and resumption of land. The Company got a status quo order from court and the case is pending in that court. Taking into account the constitution of and visit made by cabinet subcommittee of Telangana Government, management internal assessment and legal opinion obtained, Company management is confident in succeeding the case and financials of MMMPL are prepared on going concern basis.
4. The outstanding loans and advances which were granted to Nama Investments Limited and NNR Investments Private Limited in which the company's directors have interest are realizable at the carrying values in the books of accounts though both these companies have been incurring losses and accumulated losses exceeded the net worth of these companies for the reasons stated. According to the books of accounts, the closing balance as at March 31, 2018 with respect to Nama Investments Limited and NNR Investments Limited are Rs.4189.75 Lakhs and Rs.511.98 Lakhs respectively. Hence no interest has been considered for current financial year.

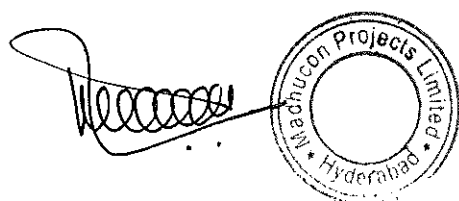


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5. "Barasat-Krishnagar Expressways Limited (BKEL), a subsidiary company entered into an agreement with NHAI, for developing road project in West Bengal State. The Construction work is delayed due to pending approvals and rights of way to be provided by NHAI. BKEL had issued notice for termination of the projects to NHAI on 31st December, 2015. BKEL and NHAI entered into a Supplementary Agreement to the 'Concession Agreement dated 20th June, 2011' on 2nd May, 2016 for inclusion of the clause of 'Society for Affordable Redressal of Disputes' (SAROD) Committee for arbitration. NHAI Had also issued notice for termination of the project vide its letter dated 3rd May, 2016 and BKEL had replied that the notice is not valid. Both BKEL and NHAI appointed arbitrators. The arbitration proceedings are in progress". As the borrowings from secured lenders have been declared as Non-performing asset by the lender, interest on related borrowings have not been accounted for.
6. Rajauli - Bakhtiyarpur Project of the company has been foreclosed with mutual consent, cost incurred on the project up-to 31.03.2018 Rs.8,15,39,853/- instead of writing-off, has been accounted as claims receivable under the head "other Current Assets.
7. Vijayawada-Machilipatnam Expressways Limited (VMEL), which is a subsidiary to the Company, was Incorporated under the Companies Act, 1956, on 28th Day of November, 2011 as a Special Purpose Vehicle for undertaking the work of Four Laning of Vijayawada-Machilipatnam Section of NH-9 from Km.0.000 to Km.63.800 in the State of Andhra Pradesh on Design, Build, Finance, Operate, Maintain and Transfer -DBFOT (Toll) Basis, under NHDP Phase III . This project was awarded by National Highway Authority of India (NHAI). The Company was to hand over the Project Highway to NHAI on the expiry of the concession period of 20 years.

As per the Agreement, NHAI failed to hand over 80% land within six months of the Agreement. They have failed to do so, because of which company filed claims. Reacting to that NHAI terminated the Concession Agreement on 29.10.2013 though NHAI failed to issue ROW and further confirmed vide its letter dated 27th August,2014. Company has preferred a claim on NHAI for an amount of Rs.1,610.07 Crores towards expenses incurred and losses suffered on account of obtaining permits, financial costs, agency charges, and consultants fees etc. on this Project by the Company and the EPC Contractor. An Arbitral Tribunal was constituted on 27.01.2017 for adjudicating the Claims. The Arbitral proceedings commenced on 02.03.2017.

8. Madhucon Infra Ltd, a subsidiary company has defaulted in repayment of dues to Banks / Financial Institutions and they have been classified as non-Performing assets by the lenders. Interest Provision has not been made on these borrowings which have been classified as NPA. MIL also defaulted in repayment of dues to the Debenture Holders (i.e IFCI) and interest provision has not been made in respect of 12% Non-Convertible Debentures.



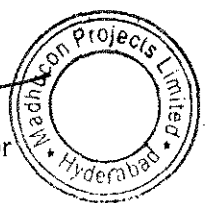
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9. The company has provided the excess depreciation in earlier years on certain assets, accordingly current year depreciation has been adjusted in March, 18 quarter.

10. The figures of the previous year have been re-arranged/ regrouped wherever necessary.

For and on behalf of the Board of Directors of
Madhucon Projects Ltd.


N. Seethalak
Managing Director
DIN: 00784491



Date : 28.5.2018
Hyderabad

MADHUCON PROJECTS LIMITED

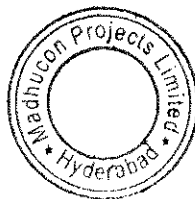
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Regd. Office:1-7-70, Jubilipura, Khammam - 507003, Telangana

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2018 AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2018

Rs. In Lakhs

Sl. No.	Particulars	STANDALONE					CONSOLIDATED	
		Quarter ended			Year ended		Year ended	
		31.03.2018 (Audited) Refer Note	31.12.2017 (Un Audited)	31.03.2017 (Audited) Refer Note	31.03.2018 (Audited)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)
1	Income from Operations:							
	(a) Net Sales/ Income from Operations	22,025.17	11,447.24	22,369.59	66,393.34	69,307.24	1,03,546.55	1,57,641.67
	(b) Other Income	1,722.02	316.57	250.89	2,211.28	1,932.58	4,820.25	2,538.89
	Total Income	23,747.19	11,763.80	22,620.48	68,604.62	71,239.82	1,08,366.80	1,60,180.56
2	Expenses:							
	(a) Cost of Materials Consumed	16,445.65	7,609.72	15,684.27	47,401.29	45,926.95	71,154.82	1,09,864.16
	(b) Purchase of Stock-in-trade	-	-	-	-	-	-	-
	(c) Changes in Inventory of Finished goods, Work-in-Progress and stock-in-trade	224.03	(205.72)	(133.71)	(337.40)	579.55	(3,753.17)	416.64
	(d) Employee benefits expense	880.97	1,042.95	1,255.20	4,457.49	4,543.41	4,505.99	4,731.90
	(e) Other expenses	3,774.62	337.14	1,674.69	4,945.57	4,686.08	29,087.26	6,174.71
	(f) Financial Costs	3,199.80	1,843.86	2,390.72	9,313.06	9,825.63	83,477.19	75,090.49
	(g) Depreciation and amortisation expense	(67.27)	594.72	592.65	1,744.13	2,513.55	24,876.77	26,924.52
	Total Expenses	24,457.79	11,222.67	21,463.80	67,524.14	68,075.17	2,09,348.86	2,23,202.42
3	Profit/(Loss) Before Exceptional Items (1-2)	(710.60)	541.13	1,156.68	1,080.48	3,164.65	(1,00,982.06)	(63,021.86)
4	Exceptional Items	-	-	-	-	-	-	-
5	Profit/(Loss) Before Tax (3-4)	(710.60)	541.13	1,156.68	1,080.48	3,164.65	(1,00,982.06)	(63,021.86)
6	Tax Expense							
	a) Current Tax	1,535.01	198.62	575.68	2,200.55	1,265.00	(1,937.22)	1,265.00
	b) Deferred Tax	(2,431.46)	-	129.65	(2,431.46)	129.65	(2,431.46)	129.65
	Total Tax (a+b)	(896.45)	198.62	705.33	(230.91)	1,394.65	(4,368.68)	1,394.65
7	Net Profit/(Loss) After Tax (5-6)	185.85	342.52	451.35	1,311.39	1,770.01	(96,613.38)	(64,416.51)
	Share of Loss transferred to Non Controlling Interest	-	-	-	-	-	(10,029.72)	8,060.92
	Profit/(Loss) after Tax after Non Controlling Interest	185.85	342.52	451.35	1,311.39	1,770.01	(86,583.66)	(72,477.43)
	Share of Profit or Loss from Associated Companies	-	-	-	-	-	-	(0.15)
	Profit/(Loss) after Tax after Share of Minority Interest & Associated Companies	185.85	342.52	451.35	1,311.39	1,770.01	(86,583.66)	(72,477.58)
8	Other Comprehensive Income	28.19	-	-	28.19	(18.29)	406.51	6.67
	Share of Other Comprehensive Income transferred to Non Controlling Interest	-	-	-	-	-	54.79	-
9	Total Comprehensive Income (7+8)	214.04	342.52	451.35	1,339.58	1,751.72	(86,231.94)	(72,470.92)
10	Paid up equity share capital (Face Value of Rs.1/- each)	737.95	737.95	737.95	737.95	737.95	737.95	737.95
11	Other Equity	-	-	-	78,826.86	77,576.10	(1,77,495.81)	(82,931.00)
12	(I) Earning per share of Re.1/- each (not annualised)	-	-	-	-	-	-	-
	(a) Basic	0.25	0.46	0.61	1.78	2.40	(117.33)	(98.21)
	(b) Diluted	0.25	0.46	0.61	1.78	2.40	(117.33)	(98.21)
	See accompanying notes to the financial results							





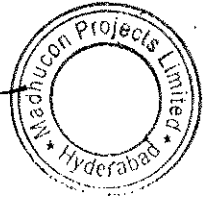
DECLARATION PURSUANT TO REGULATION 52(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2013

We, Madhucon Projects Limited, a Company within the provisions of the Companies Act, 2013, do hereby state and declare that the Auditors Report on the Consolidated Financial Statements for the year ended March 31, 2018 is with an unmodified opinion.

Date : 28/05/2018
Place : Hyderabad

For Madhucon Projects Limited,


Nanda Seethaiah
Managing Director
DIN-00784491



ANNEXURE I

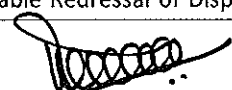
Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone and Consolidated separately)

(Rupees in Lakhs)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	108,366.80	Not Ascertainable
	2.	Total Expenditure	194,598.74	Not Ascertainable
	3.	Net Profit/(Loss)	(86,231.94)	Not Ascertainable
	4.	Earnings Per Share	(117.33)	Not Ascertainable
	5.	Total Assets	789,197.34	Not Ascertainable
	6.	Total Liabilities	965,952.83	Not Ascertainable
	7.	Net Worth	(176,755.49)	Not Ascertainable
	8.	Any other financial item(s) (as felt appropriate by the management)	---	---



II.	Audit Qualification (each audit qualification separately):
	a. Details of Audit Qualification: i. Due to termination of the Project allotted by National Highway Authority of India NHAI to Barasat-Krishnagar Expressways Limited ('BKEL'), which is a Subsidiary to the Company, Going Concern Assumption is not appropriate and Financial Statements have been drawn accordingly. Cost incurred on the Project up to March 31st, 2018 Rs 57,362.99 Lakhs instead of Writing off, has been accounted as NHAI claims receivable under the head "other current assets" which is in contravention of the provisions of Ind AS 37 (Provisions, Contingent Liability and Contingent Assets) claims being contingent asset in nature. This has resulted in overstatement of Current Assets Rs. 57,362.99 lakhs and understatement of loss for the year by Rs. 370.19 lakhs and cumulative loss by Rs. 57,362.99 lakhs. ii. As the project of the Rajauli-Bakhtiyarpur Expressways Limited ('RBEL'), which is a subsidiary to the company has been foreclosed with mutual consent, cost incurred on the project up to March 31, 2018 Rs. 815.39 lakhs instead of writing-off, has been accounted as claims receivables under the head "Other Current Assets" which is contravention of the provisions of Indian Accounting Standard 37 (Provisions, Contingent Liabilities and Contingent Assets) claims being contingent asset in nature. This has resulted in overstatement of Current Assets Rs.815.39 lakhs and understatement of cumulative loss by the same amount. iii. The termination of the concession agreement and pending settlement of the claim by NHAI till date indicate the existence of a material uncertainty that cast significant doubt about the ability of Vijayawada-Machilipatnam Expressways limited ('VMEL'), which is a subsidiary to the company to continue as going concern. iv. a) The management of Simhapuri Energy Limited, which is a subsidiary to the company has reversed an amount of Rs. 15,188.17/- Lakhs viz Rs. 4,754.91/- Lakhs in respect of PTC India Limited, Rs. 4,257.75/- Lakhs in respect of Telangana State Power Corporation Committee (TSPCC), Rs. 5,616.15/- Lakhs in respect of Sree Nagendra Constructions and Rs. 559.34/- Lakhs in respect of M/s. Meenakshi Energy Limited which pertains to FY 2015-16 and earlier years, being the amounts remaining unrealized, in case of Trade Receivables and advances given, written off as Bad debts. The management did not provide evidence with respect to such write off. b) Simhapuri Energy Limited, which is a subsidiary to the company has defaulted in repayment of dues to Banks/Financial Institutions. Borrowings from banks and financial institutions have been classified as Non Performing Assets by the lenders. v. a) Madhucon Infra Limited, which is a subsidiary to the company has defaulted in repayment of dues to Banks/Financial Institutions. Borrowings from banks and financial institutions have been classified as Non Performing Assets by the lenders. During the year under review, no provision have been made for unapplied interest on account of NPA which is not in accordance with the generally accepted accounting principles b) Madhucon Infra Limited has defaulted in repayment of 12% Non-Convertible Debentures and also not provided any provision for interest which is not in accordance with the generally accepted accounting principles.
vi.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion Qualified Opinion as per the report attached herewith
vii.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive
viii.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: i. "Barasat-Krishnagar Expressways Limited (BKEL), a subsidiary company entered into an agreement with NHAI, for developing road project in West Bengal State. The Construction work is delayed due to pending approvals and rights of way to be provided by NHAI. BKEL had issued notice for termination of the projects to NHAI on 31st December, 2015. BKEL and NHAI entered into a Supplementary Agreement to the 'Concession Agreement dated 20th June, 2011' on 2nd May, 2016 for inclusion of the clause of 'Society for Affordable Redressal of Disputes' (SAROD) Committee for



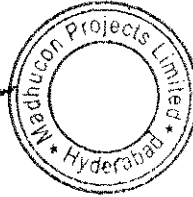
	arbitration. NHAI Had also issued notice for termination of the project vide its letter dated 3rd May, 2016 and BKEL had replied that the notice is not valid. Both BKEL and NHAI appointed arbitrators. The arbitration proceedings are in progress. ii. Rajauli - Bakhtiyarpur Project of the company has been foreclosed with mutual consent, cost incurred on the project up-to 31.03.2018 Rs.8,15,39,853/- lakhs instead of writing-off, has been accounted as claims receivable under the head "other Current Assets. The management is confident that the claims are recoverable from contractee client. iii. Vijayawada-Machilipatnam Expressways Limited (VMEL), which is a subsidiary to the Company, was Incorporated under the Companies Act, 1956, on 28th Day of November, 2011 as a Special Purpose Vehicle for undertaking the work of Four Laning of Vijayawada-Machilipatnam Section of NH-9 from Km.0.000 to Km.63.800 in the State of Andhra Pradesh on Design, Build, Finance, Operate, Maintain and Transfer -DBFOT (Toll) Basis, under NHDP Phase III. The Company has filed claim with NHAI and gone for arbitration and the arbitration proceedings are in progress. iv. The management of Simhapuri Energy Limited reviewed the total receivables and advances and based on the assessment, the Company has written off certain receivables/advances during the year.
	ix. For Audit Qualification(s) where the impact is not quantified by the auditor: -----NIL-----
	(i) Management's estimation on the impact of audit qualification: No Further financial impact is envisaged by the Company other than those reported above
	(ii) If management is unable to estimate the impact, reasons for the same: As most of the claims submitted are under arbitral proceedings and impact of which is dependent on the outcome of the proceedings, management is unable to estimate the impact at this point.
	(iii) Auditors' Comments on (i) or (ii) above: -Self Explanatory -



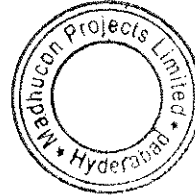
III.

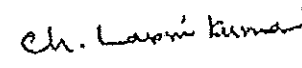
Signatories:


Nandha Seethalath,
Managing Director

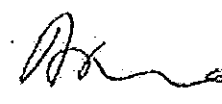


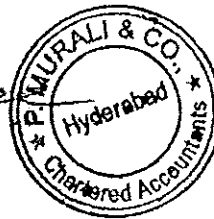

Prasanna Pal
CGM - Finance & Accounts




Ch. Lakshmi Kumari, Independent Women Director
Audit Committee Chairman




P. Murall & Co.,
Chartered Accountants
Statutory Auditor of the Company



Place: Hyderabad
Date: 28/05/2018



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Auditor's Report on Standalone Quarterly Financial Results and Year to Date Financial Results of M/s. Madhucon Projects Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

To
The Board of Directors
M/S. MADHUCON PROJECTS LIMITED

1. We have audited the standalone quarterly financial results of M/s. Madhucon Projects Limited for the quarter ended March 31, 2018 and to the year to date financial results for the year ended March 31, 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, 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, 2018 and the published year-to-date figures up to December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The Standalone financial results for the quarter ended March 31, 2018 have been prepared on the basis of the annual standalone IND AS financial Statements for the nine-month period ended December 31, 2017, the Standalone audited annual financial statements as at and for the year ended March 31, 2018, and the relevant requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 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 Standalone financial results based on our review of the financial results for the nine-month period ended December 31, 2017 which was prepared in accordance with applicable Ind AS and other recognised accounting policies laid down in Ind AS34, Interim Financial Reporting, specified under section 133 of the act, read with relevant rules issued there under and other accounting principles generally accepted in India and our audit of the annual financial statements as at and for the year ended March 31, 2018; and the relevant requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
2. These Standalone financial results have been prepared on the basis of Ind AS financial statements and reviewed quarterly financial results up to the end of the third quarter, which are the responsibility of Companies Management. Our responsibility is to express an opinion on these Standalone financial results based on our Audit of such annual Ind AS Financial statements, which has been prepared in accordance with the recognised and measurements principles laid down in Indian Accounting Standards, prescribed under section 133 of the Companies Act, 2013 and the relevant requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The comparative financial information of the Company for the corresponding quarter and year ended 31 March 2017, included in these standalone financial results for the year ended 31 March 2018 were audited by predecessor auditor.

Handwritten signature



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3. 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. 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.
4. In our opinion and to the best of our information and according to the explanations given to us, these standalone quarterly financial results as well as the year to date standalone financial results:
- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI(Listing Obligations and Disclosures Requirements) Regulations, 2015 in this regard; and
 - (ii) give a true and fair view of the total comprehensive income (Comprising of net profit and other Comprehensive income) and other financial information for the quarter ended March 31, 2018 as well as the year to date results for the period from April 1, 2017 to March 31, 2018.

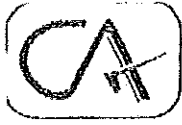
5. Emphasis of Matter Paragraph:

- a. Note No.2, to the financial results, in relation to carrying value of investments held in and unsecured loans and advances given by the company to its subsidiaries listed in that note, which have been incurring losses and in some of these companies, net worth was fully or substantially eroded. Taking into account the management internal assessment and initiatives to be implemented to improve the profitability in the medium to long term, the management of the company is of the view that carrying value of investments and loans and advances are realizable at the value stated in the books.
- b. Note No. 3, to the financial results, in relation to the Madhucon Mega Mall Private Limited (MMMPL) a subsidiary of the company incorporated for developing shopping mall cum multiplex on leased land taken from Andhra Pradesh housing Board (Now known as Telangana housing Board) ("The Board") at Kukatpally in Hyderabad. The board issued letter for revoking the power of attorney and resumption of land. The company got a status Quo order from Court and the case is pending in the Court. Taking into Account the Constitution of and visit made by Cabinet Sub Committee of Telangana Government, Management Internal Assessment and Legal Opinion Obtained, Management of the Company is confident in Succeeding the case and Carrying values of Investments in and Loans Sanctioned to MMMPL and realizable at the Values Stated in the Books of Accounts.

According to the Books of Accounts and Information and Explanations given to us, the Investment and Balance of Loan as at March 31st, 2018 was Rs 3500 Lakhs and Rs 134.44 Lakhs.

- c. Note No. 4 to the Financial Results indicate that the outstanding Loans and Advances which were granted to Nama Investments Limited and NNR Infra Investments Private Limited in which the Company's Directors have Interest are realizable at the Carrying Values in the Books of Accounts though both these Companies have been incurring Losses and Accumulated Losses exceeded the Net Worth of these Companies for the reasons stated in that Note.

[Signature]



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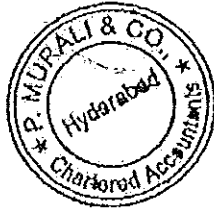
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According to the Books of Accounts and Information and Explanations given to us, the Closing Balances as at March 31st, 2018 with respect to Nania Investments Limited and NNR Investments Limited are Rs 4189.75 Lakhs and Rs 511.98 Lakhs respectively. The company has not recognized interest income for the same during current financial year.

- d. The company has not complied with the provisions of section 124(5) of the Companies Act, 2013 regarding the remittance of unpaid dividend of FY 2008-09 amounting to Rs. 2,16,049.60 and FY 2009-10 Rs. 2,45,028.80 to Investor Education and Protection Fund (IEPF) within the stipulated period.
- e. During the FY 2017-18 the management of the company has made provision for Corporate Social Responsibility (CSR) expenditure which is pertaining to previous financial year (i.e., 2016-17).

For P. Murali & Co,
Chartered Accountants,
FRN No: 007257S

A Krishna Rao
Partner
M.No: 020085



Place: Hyderabad
Date: 28.05.2018



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Auditor's Report on Consolidated Quarterly Financial Results and Year to Date Financial Results of M/s. Madhucon Projects Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

To
The Board of Directors
M/S. MADHUCON PROJECTS LIMITED

1. We have audited the Consolidated quarterly financial results of M/s. Madhucon Projects Limited for the quarter ended March 31, 2018 and to the year to date financial results for the year ended March 31, 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, 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, 2018 and the published year-to-date figures up to December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The Consolidated financial results for the quarter ended March 31, 2018 have been prepared on the basis of the annual Consolidated IND AS financial Statements for the nine-month period ended December 31, 2017, the Consolidated audited annual financial statements as at and for the year ended March 31, 2018, and the relevant requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 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 Consolidated financial results based on our review of the financial results for the nine-month period ended December 31, 2017 which was prepared in accordance with applicable Ind AS and other recognised accounting policies laid down in Ind AS34, Interim Financial Reporting, specified under section 133 of the act, read with relevant rules issued there under and other accounting principles generally accepted in India and our audit of the annual financial statements as at and for the year ended March 31, 2018; and the relevant requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
2. These Consolidated financial results have been prepared on the basis of Ind AS financial statements and reviewed quarterly financial results up to the end of the third quarter, which are the responsibility of Companies Management. Our responsibility is to express an opinion on these Consolidated financial results based on our Audit of such annual Ind AS Financial statements, which has been prepared in accordance with the recognised and measurements principles laid down in Indian Accounting Standards, prescribed under section 133 of the Companies Act, 2013 and the relevant requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The comparative financial information of the Company, for the corresponding quarter and year ended 31 March 2017, included in these consolidated financial results for the year ended 31 March 2018 were audited by predecessor auditor.



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3. 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. 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.
4. In our opinion and to the best of our information and according to the explanations given to us, these Consolidated quarterly financial results as well as the year to date Consolidated financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the SEBI(Listing Obligations and Disclosures Requirements) Regulations, 2015 in this regard; and
 - (ii) give a true and fair view of the total comprehensive income (Comprising of net profit and other Comprehensive income) and other financial information for the quarter ended March 31, 2018 as well as the year to date results for the period from April 1, 2017 to March 31, 2018.

5. Other Matter Paragraph:

We did not audit the financial statement and other financial information of nine subsidiaries included in the statement, whose financial statements together comprise total assets of Rs. 4,94,729 Lakhs as at March 31, 2018, total revenue of Rs. 68,363 Lakhs, total loss of Rs.10,282 Lakhs and the total comprehensive income of Rs. 10,299 Lakhs for the year then ended. The financial statements and other financial information including comparative figures of the earlier years of these subsidiaries have been audited by other auditors whose reports have been furnished to us by the Management, and our audit opinion in the consolidated financial results, to the extent they have been derived from such financial statement is solely based on the reports of the other auditors.

Our opinion on the statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

6. The independent auditors of certain subsidiaries have qualified their audit report on the financial statement for the year ended March 31,2018 reproduced by us here under
 - i) Due to termination of the Project allotted by National Highway Authority of India NHAI to Barasat-Krishnagar Expressways Limited ('BKEL'), which is a Subsidiary to the Company, Going Concern Assumption is not appropriate and Financial Statements have been drawn accordingly. Cost incurred on the Project up to March 31st,2018 Rs 57,362.99 Lakhs instead of Writing off, has been accounted as NHAI claims receivable under the head "other current assets" which is in contravention of the provisions of Ind AS 37 (Provisions ,Contingent Liability and Contingent Assets) claims being contingent asset in nature. This has resulted in overstatement of Current Assets Rs. 57,362.99 lakhs and understatement of loss for the year by Rs. 370.19 lakhs and cumulative loss by Rs. 57,362.99 lakhs.
 - ii) As the project of the Rajauli-bakhtiyarpur Expressways Limited ('RBEL'), which is a subsidiary to the company has been foreclosed with mutual consent, cost incurred on the project up to March 31, 2018 Rs. 815.39 lakhs instead of writing-off, has been accounted as claims receivables under the head



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"Other Current Assets" which is contravention of the provisions of Indian Accounting Standard 37 (Provisions, Contingent Liabilities and Contingent Assets) claims being contingent asset in nature. This has resulted in overstatement of Current Assets Rs.815.39 lakhs and understatement of cumulative loss by the same amount.

- iii) The termination of the concession agreement and pending settlement of the claim by NHAI till date indicate the existence of a material uncertainty that cast significant doubt about the ability of Vijayawada-Machilipatnam Expressways limited ('VMEL'), which is a subsidiary to the company to continue as going concern.
- iv) a) The management of Simhapuri Energy Limited, which is a subsidiary to the company has reversed an amount of Rs. 15,188.17/- Lakhs viz Rs. 4,754.91/- Lakhs in respect of PTC India Limited, Rs. 4,257.75/- Lakhs in respect of Telangana State Power Corporation Committee (TSPCC), Rs. 5,616.15/- Lakhs in respect of Sree Nagendra Constructions and Rs. 559.34/- Lakhs in respect of M/s. Meenakshi Energy Limited which pertains to FY 2015-16 and earlier years, being the amounts remaining unrealized, in case of Trade Receivables and advances given, written off as Bad debts. The management didn't provide the evidence with respect to such write off.
- b) Simhapuri Energy Limited, which is a subsidiary to the company has defaulted in repayment of dues to Banks/Financial Institutions. Borrowings from banks and financial institutions have been classified as Non Performing Assets by the lenders.
- v) a) Madhucon Infra Limited, which is a subsidiary to the company has defaulted in repayment of dues to Banks/Financial Institutions. Borrowings from banks and financial institutions have been classified as Non Performing Assets by the lenders. During the year under review, no provision have been made for unapplied interest on account of NPA which is not in accordance with the generally accepted accounting principles
- b) Madhucon Infra Limited has defaulted in repayment of 12% Non-Convertible Debentures and also not provided any provision for interest which is not in accordance with the generally accepted accounting principles.
7. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on subsidiaries of the Group referred to in para 5 above and except for the possible effects of the matters described in para 6 above, the year to date consolidated financial statement;
- i) Includes the results of the entities listed in Annexure,
- ii) Is presented in accordance with the requirements of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by circular no. CIR/CFD/FAC/62/2016 dated July 5,2016 in this regard; and
- iii) Give a true and fair view in conformity with the afore said Ind As and other accounting principles generally accepted in India of the net profit, total comprehensive income and other financial information for the year ended March 31,2018.

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8. Without qualifying our report we draw attention to:

- i) Note No. 02 to the Financial Results, the carrying value of investments held in and unsecured loans and advances given by the company to its subsidiaries, which have been incurring losses and in some of these companies, net worth was fully or substantially eroded. Taking into account the management's internal assessment and initiatives to be implemented to improve the profitability in the medium to long run, the management of the company is of the view that carrying value of the investments and loans and advances are realizable at the value stated in the books.
 - ii) Note No. 3 to the financial results, in relation to Madhucon Mega Mall Private Limited (MMMPL) a subsidiary of the company incorporated for developing shopping mall cum multiplex on leased land taken from Telangana Housing Board (Formerly known as Andhra Pradesh Housing Board) ("the Board") at Kukatpally in Hyderabad. The Board issued Letter of revoking the Power of Attorney and resumption of Land. The Company got a Status Quo Order from Court and the case is pending in that Court. Taking into Account the Constitution of and visit made by cabinet subcommittee of Telangana Government, Management Internal Assessment and Legal Opinion Obtained, management of the Company is confident in succeeding the case and Financials are prepared on going concern basis.
 - iii) Note No. 4 to the financial results, the outstanding loans and advances which were granted to Nama Investments Limited and NNR Investments Private Limited in which the company's directors have interest are realizable at the carrying values in the books of accounts though both these companies have been incurring losses and accumulated losses exceeded the net worth of these companies for the reasons stated. According to the books of accounts, the closing balance as at March 31, 2018 with respect to Nama Investments Limited and NNR Investments Limited are Rs.4189.75/- Lakhs and Rs.511.98/- Lakhs respectively. Hence no interest has been considered for current financial year.
 - iv) Note No. 5 to the financial results, "Barasat-Krishnagar Expressways Limited" (BKEL), a Subsidiary Company entered into an Agreement with NHAI, for developing road project in West Bengal State. The Construction Work is delayed due to pending approvals and rights of way to be provided by NHAI. BKEL had issued notice for termination of the Projects to NHAI on 31st December 2015. BKEL and NHAI entered into a Supplementary Agreement to the 'Concession Agreement dated 20th June, 2011' on 2nd May, 2016 for inclusion of the clause of 'Society for Affordable Redressal of Disputes' (SAROD) Committee for Arbitration. NHAI had also issued notice for the termination of the Project vide its Letter dated 3rd May 2016 and BKEL had replied that the Notice is not valid. Both BKEL and NHAI appointed Arbitrators. The Arbitration proceedings commenced on 21st July, 2016. However, the period of 18 months from the date of reference (08th June, 2016) has elapsed on 07th December 2017. But the matter has still not been adjudicated upon. In terms of section 20-A of the Act, mandate of the present Arbitral Tribunal stands expired due to efflux of time on 07th December 2017. We have requested NHAI to take appropriate steps for continuation of Arbitration proceedings. Since there is no response from NHAI, BKEL has approached the Honourable High Court. "
- As the Borrowings from Secured lenders have been declared as Non-Performing Asset by the Lender, interest on related borrowings have not been accounted for.
- v) Note No 6 to the Financial Results, that the Project of Rajauli-Bakthiyarpur Expressways Limited ('RBEL'), a subsidiary company has been foreclosed with mutual consent, therefore, going concern assumption is not appropriate and Financial Statements of RBEL have been drawn accordingly.



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- vi) Note No. 7 to the Financial Results, "Vijayawada-Machilipatnam Expressways Limited (VMEL), which is a subsidiary to the Company, was incorporated under the Companies Act, 1956, on the 28th Day of November, 2011 as a Special Purpose Vehicle for undertaking the work of Four Laning of Vijayawada-Machilipatnam Section of NH-9 from Km.0.000 to Km.63.800 in the State of Andhra Pradesh on Design, Build, Finance, Operate, Maintain and Transfer -DBFOT(Toll) Basis, under NHDP Phase III. This project was awarded by National Highway Authority of India (NHAI). The Company was to hand over the Project Highway to NHAI on the expiry of the Concession Period of 20 years. NHAI has not provided 80% of the Land. Later the agreement for the said project was terminated by NHAI.

In view of the above circumstances, the Project was terminated; Expenses incurred on the Project have been Charged-off to the Statement of Profit and Loss. The Company is not confident of discharging it's liabilities in the normal course of business from the available funds.

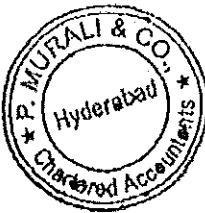
- vii) "Chhapra- Hajipur Expressways Limited (CHEL), which is a subsidiary to the Company, was incorporated under the Companies Act, 1956, on the 02nd Day of June, 2010 as a Special Purpose Vehicle for design, build, operate, finance and transfer of 4 laning of Chhapra- Hajipur section of NH-19 from Kilometres 143.200 to kilometres 207.200 in the state of Bihar on annuity basis for a Concession Period of 15 years (2.5 years of construction period and 12.5 years of operating period).

The contract was awarded by NHAI. The company shall hand over project to the NHAI on expiry of concession period. The concession agreement, on execution, will entitle the company to take a fixed sum of annuity for every 6 months, in arrears, starting from the date of commencement of commercial operations (COD) from NHAI. The construction work is in Progress.

Our Opinion is not modified in respect of these matters.

For P. Murali & Co,
Chartered Accountants,
ERN No: 007257S

A Krishna Rao
Partner
M.No:020085



Place: Hyderabad
Date: 28.05.2018