

# Walker Chandiook & Co LLP

**Walker Chandiook & Co LLP**  
(Formerly Walker, Chandiook & Co)  
21st Floor, DLF Square  
Jacaranda Marg, DLF Phase II  
Gurgaon 122002  
India

T +91 124 462 8000  
F +91 124 462 8001

## **Auditors' Report on Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement**

**To the Board of Directors of A2Z Infra Engineering Limited (formerly known as A2Z Maintenance & Engineering Services Limited)**

1. We have audited the standalone financial results ("the Statement") of A2Z Infra Engineering Limited ("the Company") 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. This Statement has been prepared on the basis of the standalone financial statements of the Company for the year ended March 31, 2015, which are the responsibility of the Company's management. Our responsibility is to express an opinion on this Statement based on our audit of such standalone financial statements, which have been prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
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 Statement is free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the standalone 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, this Statement :
  - (i) is presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
  - (ii) gives a true and fair view of the net loss and other financial information for the year ended March 31, 2015.



4. Further, 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.
5. We draw attention to
  - (a) Note 3(a) to the financial results which describes the uncertainty relating to the assumptions used by management with respect to the impairment assessment of the cogeneration power plants and the extension of the concession period for an additional term as per the conditions stipulated in the agreement.
  - (b) Note 3(b) to the financial results with respect to unbilled receivables relating to certain contracts which are still in progress aggregating to Rs. 196 crores, recognized in the earlier years. Management, based on ongoing discussions/ negotiations with the customers believes that these amounts are completely billable and accordingly no adjustments have been made in the financial results.
  - (c) Note 3(c) to the financial results which describes the uncertainty relating to the outcome of litigation pertaining to income tax matters pursuant to assessment orders received by the Company for the Assessment years 2009-10 to 2013-14 against which management has filed Appeals with Commissioner of Income Tax (CIT) (Appeals). Pending the final outcome of these matters, which is presently unascertainable, no adjustments have been made in the financial results.

Our opinion is not qualified in respect of above matters.

6. We did not audit the financial statements of certain branches, included in the statement, whose financial statements reflect total assets (after eliminating intra-group transactions) of Rs. 2,494.65 lacs as at March 31, 2015; as well as the total revenue (after eliminating intra-group transactions) of Rs. 3,463.04 lacs for the year ended March 31, 2015. These financial statements and other financial information have been audited by other auditors whose audit reports have been furnished to us, and our opinion in respect thereof is based solely on the audit reports of such other auditors. Our opinion is not qualified in respect of this matter

*Walker Chandiook & Co LLP*

For Walker Chandiook & Co LLP  
(formerly Walker, Chandiook & Co)  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

*Neeraj*

per Neeraj Sharma  
Partner  
Membership No. 502103



New Delhi  
May 26, 2015

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(Formerly Walker, Chandiook & Co)  
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Gurgaon 122002  
India

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F +91 124 462 8001

## Auditors' Report on Consolidated Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement

To the Board of Directors of A2Z Infra Engineering Limited (formerly known as A2Z Maintenance & Engineering Services Limited)

1. We have audited the accompanying consolidated financial results ("the Statement") of A2Z Infra Engineering Limited (Formerly known as A2Z Maintenance & Engineering Services Limited) ("the Company"), its subsidiaries and joint ventures (collectively referred to as "the Group") 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. This Statement has been prepared from consolidated financial statements for the year ended March 31, 2015, which are the responsibility of the Company's management. Our responsibility is to express an opinion on this Statement based on our audit of such consolidated financial statements, which have been prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
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 Statement is free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as consolidated interim 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, and upon consideration of reports of other auditors, this Statement:
- (i) includes the financial results of the consolidating entities as at and for the year ended March 31, 2015;
  - (ii) has been presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
  - (iii) gives a true and fair view of the consolidated net loss and other financial information for the year ended March 31, 2015.
4. Further, 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.
5. We draw attention to
- (a) Note 3(a) to the consolidated financial results which describes the uncertainty relating to the assumptions used by management with respect to the impairment assessment of the cogeneration power plants and the extension of the concession period for an additional term as per the conditions stipulated in the agreement. .
  - (b) Note 3(b) to the consolidated financial results with respect to unbilled receivables relating to certain contracts which are still in progress aggregating to Rs. 196 crores, recognized in the earlier years. Management, based on ongoing discussions/ negotiations with the customers believes that these amounts are completely billable and accordingly no adjustments have been made in the financial results.
  - (c) Note 3(c) to the consolidated financial results which describes the uncertainty relating to the outcome of litigation pertaining to income tax matters pursuant to assessment orders received by the Company for the Assessment years 2009-10 to 2013-14 against which management has filed Appeals with Commissioner of Income Tax (CIT) (Appeals). Pending the final outcome of these matters, which is presently unascertainable, no adjustments have been made in the financial results.
  - (d) Note 3(d) to the consolidated financial results where the independent auditor of one of the subsidiary company in his report has drawn attention regarding outstanding recoverable of Rs. 762.66 lacs from a customer which is presently under litigation. There exists however material uncertainty in respect of the collectability of the above receivables. Pending the final outcome of the matter, no adjustments have been made in the statement.

Our opinion is not qualified in respect of above matters.



6. We did not audit the financial statements of some consolidated entities and branches included in the Statement, whose financial statements reflect total assets (after eliminating intra-group transactions) of Rs. 105,841.80 lacs as at March 31, 2015, the total revenue (after eliminating intra-group transactions) of Rs. 42,637.28 lacs and net losses after tax and prior period items (after eliminating intra-group transactions) of Rs. 8,693.40 lacs for the year ended March 31, 2015. These financial Statements and other financial information have been audited by other auditors whose audit reports have been furnished to us, and our opinion, to the extent they have been derived from such financial statements, is based solely on the audit reports of such other auditors. Our opinion is not qualified in respect of this matter.

*Walker Chandiook & Co*

For Walker Chandiook & Co LLP  
(formerly Walker, Chandiook & Co)  
Chartered Accountants  
Firm Registration No: 001076N/N500013

*Neeraj*

per Neeraj Sharma  
Partner  
Membership No. 502103



Gurgaon  
May 26, 2015