

A2Z INFRA ENGINEERING LTD.

(Previously Known as A2Z Maintenance & Engineering Services Limited)

CIN NO. L74999HR2002PLC034805

BY E-FILING



REF. No. :- A2ZINFRA/SE/2015-16/184

11th February, 2016

To,
BSE Limited
Phiroze Jeejeebhoy Towers
Rotuda Building, Dalal Street,
Mumbai-400 001

Fax-022-22722039
BSE Code-533292

To,
National Stock Exchange of India Limited
Listing Department
Exchange Plaza, 5th Floor
Plot No. C/1 G Block, Bandra Kurla Complex, Bandra
(E), Mumbai-400051
Fax- 022-26598237/38
NSE Code-A2ZINFRA

Subject : Outcome of the Board Meeting held on Thursday, February 11, 2016

Dear Sir,

The decisions and outcome of the Meeting of the Board of Directors of the Company duly held on Thursday, February 11, 2016 are as follows:-

1. The Financial Results have been reviewed by the Audit Committee and on the recommendations of the Committee; the Board of Directors have approved the Standalone Unaudited Financial Results for the Quarter (Q3) and Nine month ending on December 31, 2015 along with the Limited Review Report issued by the Statutory Auditors;
2. Pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has allotted 18,75,000 equity shares of Rs.10/- each to the following mentioned warrants holders, consequent upon the conversion of warrants as per below mentioned details:

S. No	Name of Warrant Holder	No. of Equity Shares
1.	Mr. Naveen Kumar Kedia	17,50,000
2.	Mr. Ajaykumar J Mansukhani	1,25,000
Total		18,75,000

Consequent upon the conversion, the issued and paid up share capital of the Company shall stand at Rs. 126,71,64,800 /- (Rupees One Hundred Twenty Six Crores Seventy One Lacs Sixty Four Thousand Eight Hundred only) divided into 12,67,16,480 (Twelve Crores Sixty Seven Lacs Sixteen Thousand Four Hundred Eighty) Equity Shares of Rs. 10/- each.

The said outcome and results have been uploaded on the website of Stock Exchange and on the website of the Company at www.a2zgroup.co.in.



Regd Office : 0-116, First Floor, Shopping Mall, Arjun Marg, DLF City, Phase - 1, Gurgaon-122002, Haryana (INDIA)

Corporate Office : Plot No. B-38, Sector 32, Institutional Area, Gurgaon - 122001, Haryana (INDIA), Tel : 0124-4517600, Fax:0124-4380014

Website:www.a2zgroup.co.in, E-mail : info@a2zemail.com

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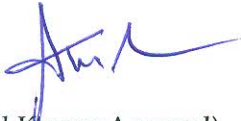
You are requested to take the above information on record.

Thanking you,

Yours truly

FOR A2Z INFRA ENGINEERING LTD.

(Formerly Known as A2Z Maintenance & Engineering Services Limited)



(Atul Kumar Agarwal)
Company Secretary
FCS-6453

Add: - Plot No. B-38, Institutional area,
Sector-32, Gurgaon-Haryana



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A2Z INFRA ENGINEERING LIMITED

(FORMERLY KNOWN AS A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED)

Statement of Unaudited Financial Results for the quarter and nine month ended December 31, 2015

(Amount in Rs Lacs)

S. No.	Particulars	Standalone					
		Three months period ended			Nine months period ended		Year ended
		December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	March 31, 2015
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Income from operations						
1	(a) Net sales / income from operations	26,819.55	26,050.12	5,350.05	61,025.51	15,323.74	21,639.88
	(b) Other operating income	17.14	22.13	72.22	51.85	187.21	276.83
	Total Income from Operations (1)	26,836.69	26,072.25	5,422.27	61,077.36	15,510.95	21,916.71
	Expenses						
2	(a) Cost of material consumed	6,903.20	15,890.96	2,632.05	28,907.05	7,351.20	12,599.03
	(b) Purchase of stock in trade	873.92	1,102.92	-	1,976.83	-	7.38
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	7.38	-	7.38	-	31.95
	(d) Sub contractor / erection charges	14,163.45	4,222.96	1,292.61	19,450.67	4,475.91	6,636.37
	(e) Employee benefits expense	544.76	551.36	838.99	1,684.26	2,446.69	3,220.80
	(f) Depreciation and amortisation expense	299.25	335.19	175.48	990.72	698.36	1,028.43
	(g) Other expenses	1,879.94	2,249.19	2,010.44	5,536.67	5,497.64	8,620.90
	Total expenses (2)	24,664.52	24,359.96	6,949.57	58,553.58	20,469.80	32,144.86
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	2,172.17	1,712.29	(1,527.30)	2,523.78	(4,958.85)	(10,228.15)
4	Other income	113.85	201.98	179.10	927.18	725.28	946.53
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	2,286.02	1,914.27	(1,348.20)	3,450.96	(4,233.57)	(9,281.62)
6	Finance costs	2,856.94	2,912.58	2,874.23	8,617.18	8,610.61	11,753.51
7	(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(570.92)	(998.31)	(4,222.43)	(5,166.22)	(12,844.18)	(21,035.13)
8	Exceptional gain	-	-	-	-	453.63	453.63
9	(Loss) from ordinary activities before tax (7+8)	(570.92)	(998.31)	(4,222.43)	(5,166.22)	(12,390.55)	(20,581.50)
10	Tax expense/(credit)	17.40	2.54	(1,466.51)	15.95	(10,956.41)	(8,193.16)
11	Net profit/(loss) from ordinary activities after tax but before prior period item (09-10)	(588.32)	(1,000.85)	(2,755.92)	(5,182.17)	(1,434.14)	(12,388.34)
12	Prior Period (Expenses) / Income	(29.22)	89.99	-	60.77	-	-
13	Net profit/(loss) for the period/year (11+12)	(617.54)	(910.86)	(2,755.92)	(5,121.40)	(1,434.14)	(12,388.34)
14	Paid-up equity share capital (Face value of the share - Rs 10/- each)	12,306.57	11,846.57	8,651.77	12,306.57	8,651.77	8,651.77
15	Reserve excluding revaluation reserves	-	-	-	-	-	71,023.79
16	Earnings Per Share						
	(a) Basic earnings per share (Not annualised)	(0.51)	(0.83)	(3.58)	(4.65)	(1.91)	(15.91)
	(b) Diluted earnings per share (Not annualised)	(0.51)	(0.83)	(3.58)	(4.65)	(1.91)	(15.91)

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Notes:

1. The above financial results have been reviewed by the Audit Committee and on their recommendation have been approved by the Board of Directors at its meeting held on February 11, 2016. The statutory auditors of the Company have reviewed the above standalone financial results for the quarter ended December 31, 2015.

2. The auditors in their review report have drawn attention to the following matters:

(a) The Management has performed impairment assessment of three cogeneration power plants set up in collaboration with certain sugar mills on Built, Own, Operate and Transfer (BOOT) basis for a period of 15 years. As at December 31, 2015 such plants have a power generation capacity of 15 MW each. The assessment has been done on the basis of assumptions of useful life of assets, discounted cash flows with significant underlying assumptions, achievement of certain operating capacity and the ability of new technology to perform on a consistent basis.

Based on the assessment and advice from an independent legal counsel on the availability of concession period, including the available renewal period and the intent of the management for exercising the option for renewal/extension of the concession period, the management based on the development, is confident, that there exists reasonable certainty that arrangement shall be extended for an additional term. The management has filed an application with the sugar mills for the extension of the concession period and accordingly, believes that the estimates of the useful lives are reasonable and no impairment exists in the carrying value of power generation plants.

(b) Unbilled revenue amounting Rs.15,521.03 lacs, pertains to revenue recognized by the Company during earlier years, representing amounts billable to, and receivable from the customers towards work done on certain EPC contracts under execution by the Company in accordance with the terms implicit in the contract. The delay in billing these amounts is on account of conclusion of reconciliations with the customers, pending joint measurement/ survey of the work done till date and non-achievement of milestones as per the contractual terms. Management is in discussions with the customers and expects to bill these amounts at the earliest, and believes that whilst it may take some time to recover the amounts owing to completion of certain administrative and contractual matters, no adjustments are required in respect of these unbilled receivables.

(c) The Income tax authorities conducted a search and survey at certain premises of the Company under section 132 and 133 of the Income Tax Act, 1961 in April 2012. During the year ended March 31, 2015, the Company received the Assessment Orders for the assessment years 2007-08 to 2013-14 from the Deputy Commissioner of Income Tax (DCIT). The Company has filed Appeals with Commissioner of Income Tax (CIT) (Appeals) challenging the Orders for last five assessment years.

Based on their assessment and upon consideration of advice from the independent legal counsel, the management believes that the Company has reasonable chances of succeeding before the CIT Appeals and does not foresee any material liability. Pending the final decision on the matter, no adjustment has been made in the financial results.



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3. The primary reporting of the Company is on the basis of business segments. Segments have been identified and reported based on the nature of the products, the risks and returns, the organization structure and the internal financial reporting systems. The Company is operating into following segments – (i) Engineering Service (ES), (ii) Power generation projects ("PGP") (iii) Others which primarily includes trading of goods and operation and maintenance services, etc.

(Amount in Rs Lacs)

Particulars	Standalone					
	Three months period ended			Nine months period ended		Year ended
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	March 31, 2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
(a) Segment – ES	25,690.23	24,672.54	5,189.13	58,186.02	14,832.58	20,929.97
(b) Segment – PGP	-	18.49	-	94.72	-	-
(c) Segment – Others	1,146.46	1,381.22	233.14	2,796.62	678.37	986.74
Total	26,836.69	26,072.25	5,422.27	61,077.36	15,510.95	21,916.71
Less: Inter segment revenue	-	-	-	-	-	-
Net sales / income from operations	26,836.69	26,072.25	5,422.27	61,077.36	15,510.95	21,916.71
2. Segment results [Profit / (Loss) before tax and interest from each segment]						
(a) Segment – ES	2,192.36	1,688.11	(1,300.51)	2,504.37	(4,373.51)	(9,439.64)
(b) Segment – PGP	(18.25)	8.95	(71.92)	(39.53)	(88.69)	(376.92)
(c) Segment – Others	39.64	(444.30)	(90.04)	141.76	(145.24)	(101.67)
Total	2,213.75	1,252.76	(1,462.47)	2,606.60	(4,607.44)	(9,918.23)
Less: Inter segment results	-	-	-	-	-	-
Net segment results	2,213.75	1,252.76	(1,462.47)	2,606.60	(4,607.44)	(9,918.23)
Add: Prior Period (Expense)/Income	(29.22)	89.99	-	60.77	-	-
Add: Interest income	67.26	65.51	114.26	209.35	371.88	403.20
Less:						
(i) Interest expense	2,873.98	2,906.08	2,663.65	8,483.15	7,956.67	10,853.27
(ii) Other unallocable expenditure net off unallocable income	(22.05)	(589.50)	210.57	(500.98)	198.32	213.20
Total profit / (loss) before tax	(600.14)	(908.32)	(4,222.43)	(5,105.45)	(12,390.55)	(20,581.50)
3. Capital employed (Segment assets – Segment liabilities)						
(a) Segment – ES	89,172.41	86,438.76	91,580.84	89,172.41	91,580.84	84,481.33
(b) Segment – PGP	42,640.32	42,693.03	43,215.39	42,640.32	43,215.39	43,300.70
(c) Segment – Others	722.72	654.45	1,621.22	722.72	1,621.22	1,719.00
(d) Unallocated	(52,446.20)	(50,059.62)	(43,567.70)	(52,446.20)	(43,567.70)	(47,605.47)
Total	80,089.25	79,726.62	92,849.75	80,089.25	92,849.75	81,895.56

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4. During the current quarter, the Company has received remaining 75% of the proceeds for the issue of 4,600,000 equity shares. Accordingly, pursuant to the requisite approvals, the Company has issued equity shares against equivalent number of warrants at an issue price of Rs 21.66 each on a preferential basis to persons other than the Promoters and Promoter group. Pursuant to the aforementioned allotment, the paid up share capital of the Company has increased from Rs 1,184,656,940 (118,465,694 equity shares of Rs. 10 each) to Rs 1,230,656,940 (123,065,694 equity shares of Rs 10 each).
5. The above financial results are on standalone basis.
6. The figures of previous periods/year have been regrouped or recast wherever necessary to make them comparable with those of the current period/year.

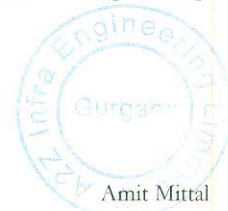
For and on behalf of A2Z Infra Engineering Ltd
(Formerly Known As A2Z Maintenance & Engineering Services Limited)

Place: Gurgaon
Date: February 11, 2016

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SIGNED FOR
IDENTIFICATION
PURPOSE ONLY

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Amit Mittal
Managing Director
DIN: 00058944

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Walker Chandiook & Co LLP

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(Formerly Walker, Chandiook & Co)
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Review Report on Quarterly Financial Results and Year to Date 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 A2Z Infra Engineering Limited

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of A2Z Infra Engineering Limited ("the Company") for the quarter ended December 31, 2015 and the year to date results for the period April 01, 2015 to December 31, 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to :
 - (a) Note 2(a) to the Statement which describes the uncertainty related to the estimates and assumptions used by management with respect to its assessment of impairment of the cogeneration power plants which includes the extension of the concession period for an additional term as per the conditions stipulated in the concessionaire agreement entered with sugar mills.



Walker Chandiok & Co LLP

- (b) Note 2(b) to the Statement which indicates the uncertainty related to the outcome of the discussions/negotiations with the customers with respect to unbilled receivables, recognized in the earlier years, relating to certain contracts which are still in progress aggregating to Rs 15,521.03 lacs. Pending the final outcome of these matters, which is presently unascertainable, no adjustments have been recorded in the accompanying Statement.
- (c) Note 2(c) to the Statement which describes the uncertainty related 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 recorded in the accompanying Statement.

Our report is not qualified in respect of above matters.

5. We did not review the interim financial results of certain branches, included in the Statement, whose interim financial results reflect total revenues of Rs 429.63 lacs and Rs 1,614.68 lacs and net profit/(loss) after tax of Rs 177.95 lacs and Rs (29.60) lacs for the quarter ended December 31, 2015 and the year to date results for the period April 01, 2015 to December 31, 2015 respectively. These financial results have been reviewed by the branch auditors whose report has been furnished to us and our report in respect thereof is based solely on their reports. Our report is not qualified in respect of this matter.

Walker Chandiok & Co LLP

For Walker Chandiok & Co LLP

(formerly Walker, Chandiok & Co)

Chartered Accountants

Firm Registration No: 001076N/N500013

Neeraj

per **Neeraj Sharma**
Partner

Membership No. 502103



Gurgaon
February 11, 2016