AMESL/SE/2013-14/028

BY E-FILING/FAX/COURIER

10th August, 2013

To,
Bombay Stock Exchange 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-A2ZMES

Sub: Outcome of Board Meeting held on 10th August, 2013

Dear Sir

The decisions and outcome of the Meeting of Board of Directors of the Company held on Saturday, 10th August, 2013 are as follows:

1. The Financial Results have been reviewed by the Audit Committee and on the recommendations of committee, the Board of Director have approved the Standalone Unaudited Financial Results for the Quarter (Q1) ending on June 30, 2013.

2. Mr. Manoj Khetan, has been re-designated to President-Finance & Acting Chief Financial Officer of the Company.

You are requested to take the above information on records.

Thanking you,

Yours Truly
For A2Z Maintenance & Engineering Services Limited

(Atul Kumar Agarwal)
Company Secretary cum Compliance Officer

A2Z Maintenance & Engineering Services Ltd. Gurgaon

A2Z GROUP

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A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

Statement of Unaudited Financial Results for the quarter ended June 30, 2013

Part I

(Amount in Rs Lacs)

S. No.	Particulars	Standalone			
		Three months period ended			Year ended
		June 30, 2013 (Unaudited)	March 31, 2013 (Audited)	June 30, 2012 (Unaudited)	March 31, 2013 (Audited)
1	**Revenue from operations**				
	(a) Net sales / income from operations	7,759.35	11,556.22	20,720.07	55,203.16
	(b) Other operating income	51.57	98.98	47.25	292.64
	Total revenue (1)	**7,810.92**	**11,655.20**	**20,767.32**	**55,495.80**
2	**Expenses**				
	(a) Cost of material consumed	5,189.20	7,076.82	10,870.07	31,922.26
	(b) Purchase of stock in trade	90.12	-	-	257.08
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	238.56	-	(17.61)
	(d) Sub contractor / erection charges	2,054.37	2,519.44	2,979.00	8,850.39
	(e) Employee benefits expense	1,104.53	1,169.14	1,404.00	5,122.54
	(f) Depreciation and amortisation expense	178.21	190.24	163.76	718.10
	(g) Other expenses	2,599.55	3,420.14	2,791.12	10,591.92
	Total expenses (2)	**11,215.98**	**14,614.34**	**18,207.95**	**57,444.68**
3	(Loss) / profit from operations before other income, finance costs and exceptional items (1-2)	(3,405.06)	(2,959.14)	2,559.37	(1,948.88)
4	Other income	230.33	168.95	201.05	1,011.01
5	(Loss) / profit before finance costs and exceptional items (3+4)	(3,174.73)	(2,790.19)	2,760.42	(937.87)
6	Finance costs	2,201.58	2,247.81	2,208.26	8,670.03
7	(Loss) / profit after finance costs but before exceptional items (5-6)	(5,376.31)	(5,038.00)	552.16	(9,607.90)
8	Exceptional items gain	-	415.57	-	1,016.56
9	(Loss) / profit before tax (7+8)	(5,376.31)	(4,622.43)	552.16	(8,591.34)
10	Tax (credit) / expense	(278.76)	(1,719.02)	128.08	(3,210.29)
11	**Net (loss) / profit for the period (9-10)**	**(5,097.55)**	**(2,903.41)**	**424.08**	**(5,381.05)**
12	Paid-up equity share capital (Face value of the share - Rs 10/- each)	7,417.77	7,417.77	7,417.77	7,417.77
13	Reserve excluding revaluation reserves	-	-	-	103,043.22
14	Earnings Per Share				
	(a) Basic earnings per share (Not annualised)	(6.87)	(3.91)	0.57	(7.25)
	(b) Diluted earnings per share (Not annualised)	(6.87)	(3.91)	0.57	(7.25)

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A2Z Maintenance & Engineering Services Limited Gurgaon

Select financial information for the quarter ended June 30, 2013

Part II

S. No.	Particulars	Standalone			
		Three months period ended			Year ended
		June 30, 2013	March 31, 2013	June 30, 2012	March 31, 2013
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
A	**Particulars of shareholding**				
1	Public Shareholding				
	- Number of shares	41,203,054	41,036,054	41,036,054	41,036,054
	- Percentage of shareholding	55.55%	55.32%	55.32%	55.32%
2	Promoters and promoter group shareholding				
	a) Pledged / encumbered				
	- Number of shares	14,936,000	15,103,000	11,788,500	15,103,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group).	45.30%	45.57%	35.57%	45.57%
	- Percentage of shares (as a% of the total share capital of the Company)	20.14%	20.36%	15.89%	20.36%
	b) Non-encumbered				
	- Number of shares	18,038,640	18,038,640	21,353,140	18,038,640
	- Percentage of shares (as a% of the total shareholding of promoter and promoter group)	54.70%	54.43%	64.43%	54.43%
	- Percentage of shares (as a % of the total share capital of the Company)	24.32%	24.32%	28.79%	24.32%

	Particulars	Three months period ended June 30, 2013
B	**Investor Complaints**	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	Nil
	Disposed of during the quarter	Nil
	Remaining unresolved at the end of the quarter	Nil

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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 August10, 2013. The statutory auditors of the Company have reviewed the above financial results for the quarter ended June 30, 2013.

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

   a) The Company has incurred a net loss of Rs. 5,097.55Lacs for the quarter ended June 30, 2013 and is presently facing acute liquidity problems on account of delayed realisation of trade receivables coupled with delays in commencement of commercial production at its biomass based power generation plants. Management is evaluating various options and in addition to consolidation of business by focusing on core operations and disposing off the non-core assets, has also made reference to Corporate Debt Restructuring Cell ('CDR Cell') under the Master Circular on Corporate Debt Restructuring issued by Reserve Bank of India for restructuring of its existing debt obligations, including interest and other related terms and conditions pursuant to the approval of Board of Directors in their meeting held on March 22, 2013, the CDR cell has accepted the Company's application in the meeting held on April 26, 2013. The Company is still in the process of complying with the conditions precedent to the restructuring process and obtaining the approval of the lending banks and the CDR Cell Empowered Group.

      Pending the requisite approvals from the CDR cell, no effect of the proposed restructuring has been given in these financial statements. Management believes that the Company will be able to receive the approval of the CDR cell in the due course and in view of the proposed restructuring of debt obligations, no adjustments are required in the financial statements and accordingly, these have been prepared on a going concern basis.

   b) The managerial remuneration paid to directors as approved by shareholder in earlier year, for the year ended March 31, 2013 and for the quarter ended June 30, 2013 was in excess of limits prescribed under the Companies Act, 1956. The Company has taken necessary steps and applied for central government for seeking the approval of excess remuneration so paid.

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2. The primary reporting of the Companyis 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			Year ended
	June 30, 2013	March 31, 2013	June 30, 2012	March 31, 2013
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1. Segment revenue				
(a) Segment – ES	6,818.00	10,927.86	20,546.30	53,995.41
(b) Segment – PGP	-	-	-	-
(c) Segment – Others	992.92	727.34	221.02	1,500.39
Total	7,810.92	11,655.20	20,767.32	55,495.80
Less: Inter segment revenue	-	-	-	-
Net sales / income from operations	**7,810.92**	**11,655.20**	**20,767.32**	**55,495.80**
2. Segment results [(Loss) / pofit before tax and interest from each segment]				
(a) Segment – ES	(3,706.68)	(2,915.56)	2,729.62	(1,401.61)
(b) Segment – PGP	(7.73)	(2.53)	(7.02)	(12.12)
(c) Segment – Others	442.29	18.30	(107.41)	(53.39)
Total	(3,272.12)	(2,899.79)	2,615.19	(1,467.12)
Less: Inter segment results	-	-	-	-
Net segment results	(3,272.12)	(2,899.79)	2,615.19	(1,467.12)
Add: Interest income	97.40	109.61	143.57	527.21
Less:				
(i) Interest expense	1,849.36	1,871.46	1,742.11	7,024.43
(ii) Other unallocable expenditure net off unallocable income	352.23	(39.21)	464.49	627.00
Total (loss) / profit before tax	**(5,376.31)**	**(4,622.43)**	**552.16**	**(8,591.34)**
3. Capital employed				
(Segment assets – Segment liabilities)				
(a) Segment – ES	103,353.41	104,137.81	116,725.50	104,137.81
(b) Segment – PGP	42,483.24	40,499.17	35,445.31	40,499.17
(c) Segment – Others	590.35	925.76	1,087.57	925.76
(d) Unallocated	(41,063.55)	(35,101.75)	(36,992.27)	(35,101.75)
Total	**105,363.45**	**110,460.99**	**116,266.11**	**110,460.99**

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3. During the year ended March 31, 2013, pursuant to the Share Purchase Agreement executed by and between the Company, Weensure Asset Recovery Private Limited (formerly Sardana Recycling Private Limited) (the "buyer"), Weensure E Waste Limited (formerly A2Z E Waste Management Limited) and Dataserv APAC Limited (formerly A2Z Dataserv Limited) along with addendums thereto, the Company has proposed to sell the entire shareholding in the paid up Equity and Preference Share Capital to the buyer in one or more tranches at a total consideration of Rs. 2,300 Lacs.

   As at June 30, 2013, equity shares comprising 44.37% of total paid up equity share capital of Weensure E Waste Limited have been transferred to the buyer and as a consequence, the Company's holding has reduced to 45.63% from existing 89.99% in the paid up Equity Share Capital of Weensure E Waste Limited.

4. 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 during the previous year. Pending receipt of further communication from the authorities, no adjustment has been done in the financial results.

5. The above financial results are on standalone basis.

6. The figures of previous periods have been regrouped or recast wherever necessary to make them comparable with those of the current period.

For and on behalf of A2Z Maintenance & Engineering Services Limited

WALKER CHANDIOK & CO. CHARTERED ACCOUNTANTS

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A2Z Maintenance & Engineering Services Ltd. Gurgaon

Amit Mittal
Managing Director

Place: Gurgaon
Date:August10, 2013

Walker, Chandiok & Co

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Limited Review Report

The Board of Directors
A2Z Maintenance & Engineering Services Limited

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of A2Z Maintenance & Engineering Services Limited ("the Company") for the quarter ended June 30, 2013, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from the disclosures made by the management and have not been audited by us. 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 review report on this Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (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, as notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. We draw attention to:

   (a) Note 1(a) to the Statement which describes that the Company has incurred a net loss of Rs. 5,097.55 lacs for the quarter ended June 30, 2013 and is currently facing acute liquidity problems. Management is evaluating various options and has applied for restructuring of its existing debt obligations, including interest and other related terms and conditions under the Corporate Debt Restructuring program. These conditions as set forth in the aforesaid note indicates the existence of a material uncertainty that may cast significant doubt on Company continuing as a going concern. Our report is not qualified in respect of this matter.

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(b) Note 1(b) to the Statement regarding managerial remuneration paid to directors which is in excess of the limits prescribed under the Companies Act, 1956. The Company has applied to the Central Government for seeking approval for the excess remuneration so paid. Pending the receipt of approval, we are unable to comment on consequential adjustment, if any, in the financial results. Our report is not qualified in respect of this matter.

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. 1,255.01 lacs and net profit after tax of Rs. 249.72 lacs for the quarter ended June 30, 2013. 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.

For **Walker, Chandiok & Co**
Chartered Accountants
Firm Registration No: 001076N

WALKER CHANDIOK & CO. CHARTERED ACCOUNTANTS

Per **Neeraj Sharma**
Partner
Membership No. 502103

Place: Gurgaon
Date: August 10, 2013