

**Independent Auditor's Review Report on Standalone Unaudited Financial Results for the Quarter ended June 30, 2020 of Ircon International Limited Pursuant to the regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

To

The Board of Directors

**Ircon International Limited**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results and Notes to the Statement of Standalone Unaudited Financial Results of **Ircon International Limited** ("the Company") for the **Quarter ended June 30, 2020** (the 'Statement') attached herewith, in which we incorporated the returns for the quarter ended on that date reviewed by branch/other auditors of the company's branches at Northern Region, J&K region, Eastern Region, Patna Region, Mumbai Region, Algeria, Srilanka and Bangladesh, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Regulation') as amended, (the 'Listing Regulation').
2. We have reviewed the financial results of the 2 (two) foreign branches situated at South Africa and Malaysia for the quarter ended June 30, 2020. However, we have not visited any foreign branch and the relevant information for the review purpose were provided to us by the management at corporate level.
3. This Statement which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
4. We conducted our review of the Statement 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 financial statements are 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.
5. Based on our review conducted as above and based on the consideration of the review reports of the branch auditors / other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying statement of Standalone Unaudited Financial Results read with the paragraph 6 below and notes thereon, prepared in accordance with applicable Indian Accounting Standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of aforesaid Regulation and Circular including the manner in which it is to be disclosed, or that it contains any material misstatement.



## 6. Emphasis of Matter:

We invite attention to Note No.6 of the Statement which describe the impact of Covid-19, a global pandemic, on the operations and financial matters of the company. The Company's revenue from operations for the quarter has reduced substantially due to nationwide lockdown imposed to contain the spread of Covid-19. The results for the quarter are therefore not comparable with those of the previous quarters.

Our conclusion on the Statement is not modified in respect of the above matter.

## 7. Other Matters

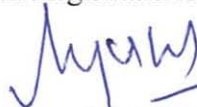
- i) The conclusion expressed in the present report is based on the information, facts and inputs made available to us through electronic means by the company. We wish to highlight that due to the COVID 19 induced restrictions on physical movement and strict timelines, the audit team could not visit the project offices of the company for undertaking the required audit procedures as prescribed under ICAI issued Standards on Auditing.
- ii) We did not review the interim financial statements / financial information / financial results of 8 (eight) branches whose results reflect, total revenue of Rs.481.29 Crores, total net profit after tax of Rs.47.22 Crores and total comprehensive income of Rs. 49.73 Crores for the quarter ended June 30, 2020 and company's share in 3 (three) integrated joint operations (unincorporated) whose results reflect net profit of Rs. 0.05 Crores included in the standalone Unaudited interim financial statements / financial information / financial results for the quarter ended 30<sup>th</sup> June 2020. The interim financial statements/ financial information / financial results of these branches and joint operations have been reviewed by the branch auditors/other auditors whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these branches and joint operations, is based solely on the report of such branch auditors/other auditors and the procedures performed by us as stated in paragraph 4 above.
- iii) The statement includes the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year ended 31<sup>st</sup> March 2020 and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review by us, as required under the Listing Regulations.

Our conclusion on the Statement is not modified in respect of the above matters.

**For K.G. Somani & Co.**

Chartered Accountant

Firm Registration No: 06591N



(Bhuvnesh Maheshwari)

Partner

Membership No: 088155



UDIN:20088155AAAAHC8903

Place: New Delhi

Date: 25<sup>th</sup> August 2020

**Independent Auditor's Review Report on Consolidated Unaudited Financial Results for the Quarter ended June 30, 2020 of Ircon International Limited Pursuant to the regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
The Board of Directors  
**Ircon International Limited**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Ircon International Limited** ("the Parent"), its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net profit/(loss) after tax, and total comprehensive income/(loss) of its jointly controlled entities **for the Quarter ended June 30, 2020** ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Regulation"). Attention is drawn to the fact that the figures for the 3 months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
2. We have reviewed the financial results of the 2 (two) foreign branches situated at South Africa and Malaysia for the quarter ended 30th June 2020. However, we have not visited any foreign branch and the relevant information for the review purpose were provided to us by the management at corporate office level
3. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
4. We conducted our review of the Statement 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



5. The Statement includes the results of the following entities:

| Sr.No. | Name of Company                                         | Relations                 |
|--------|---------------------------------------------------------|---------------------------|
| A      | Ircon Infrastructure & Services Limited                 | Subsidiary                |
| B      | Ircon PB Tollway Limited                                | Subsidiary                |
| C      | Ircon Davanagere Haveri Highway Limited                 | Subsidiary                |
| D      | Ircon Shivpuri Guna Tollway Limited                     | Subsidiary                |
| E      | Ircon Vadodara Kim Expressway Limited                   | Subsidiary                |
| F      | Ircon-Soma Tollway Private Limited                      | Jointly Controlled Entity |
| G      | Indian Railway Stations Development Corporation Limited | Jointly Controlled Entity |
| H      | Bastar Railways Private Limited                         | Jointly Controlled Entity |
| I      | Jharkhand Central Railway Limited                       | Jointly Controlled Entity |
| J      | Mahanadi Coal Railway Limited                           | Jointly Controlled Entity |
| K      | Chhattisgarh East-West Railway Limited                  | Jointly Controlled Entity |
| L      | Chhattisgarh East Railway Limited                       | Jointly Controlled Entity |

6. Based on our review conducted and procedures performed as stated in paragraph 4 above and based on the consideration of the review reports of the other auditors referred to in paragraph 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement of Consolidated Unaudited Financial Results read with the paragraph 7 below and notes thereon, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### 7. Emphasis of Matter:

We invite attention to Note No.6 of the Statement which describe the impact of Covid-19, a global pandemic, on the operations and financial matters of the Group. The Group's revenue from operations for the quarter has reduced substantially due to nationwide lockdown imposed to contain the spread of Covid-19. The results for the quarter are therefore not comparable with those of the previous quarters.

Our conclusion on the Statement is not modified in respect of the above matter.

#### 8. Other Matters

i) The conclusion expressed in the present report is based on the information, facts and inputs made available to the auditors through electronic means by the Group. We wish to highlight that due to the COVID 19 induced restrictions on physical movement and strict timelines, the audit teams could not visit the project offices of the Group for undertaking the required audit procedures as prescribed under ICAI issued Standards on Auditing.



ii) We did not review the interim financial statements / financial information / financial results of 8 (eight) branches of parent Company whose results reflect total revenue of Rs.481.29 Crores, total net profit after tax of Rs.47.22 Crores and total comprehensive income of Rs. 49.73 Crores for the quarter ended June 30, 2020 and parent company's share in 3 (three) integrated joint operations (unincorporated) whose results reflect net profit of Rs.0.05 Crores included in the Consolidated unaudited interim financial statements / financial information / financial results for the quarter ended 30<sup>th</sup> June 2020. The interim financial statements/ financial information / financial results of these branches and joint operations have been reviewed by the branch auditors/other auditors whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these branches and joint operations, is based solely on the report of such branch auditors/other auditors and the procedures performed by us as stated in paragraph 4 above.

iii) We did not review the interim financial statements / financial information / financial results of 5 (five) subsidiaries included in the consolidated unaudited financial results, whose financial statements / financial information / interim financial results reflect total revenue of Rs.100.56 Crores, total net profit/(loss) after tax of (Rs.5.10 Crores) and total comprehensive income/(loss) of (Rs.5.10 Crores) for the quarter ended June 30, 2020 as considered in the consolidated unaudited financial results. The unaudited consolidated financial results also include the Group's share of net profit/(loss) after tax. of Rs. (0.45) Crores and total comprehensive income/(loss) of Rs. (0.45) Crore for the quarter ended 30th June 2020, as considered in the consolidated unaudited financial results in respect of 7 (seven) jointly controlled entities whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 4 above.

Our conclusion 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 and the financial results/ financial information certified by the board of directors.

**For K. G. Somani & Co,**

Chartered Accountants

Firm Registration No: 06591N

  
(Bhuvnesh Maheshwari)

Partner

Membership No: 088155

UDIN: **20088155AAAAHD5489**

Place: New Delhi

Date: 25<sup>th</sup> August 2020

