

B S R & Co. LLP

Chartered Accountants

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Independent Auditors' report on the standalone financial results of AIA Engineering Limited pursuant to Regulation 33 of the SEBI (Listing and Obligation Disclosure Requirements) Regulations, 2015

**To,
Board of Directors of AIA Engineering Limited**

We have audited the accompanying standalone financial results of AIA Engineering Limited ('the Company') for the year ended 31 March 2018 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended 31 March 2018 and the corresponding quarter ended in the previous year as reported in these standalone financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These standalone financial results have been prepared on the basis of the annual standalone financial statements and reviewed quarterly standalone financial results upto the end of the third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone financial results based on our audit of the annual standalone financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

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(s). 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.

The comparative standalone financial results of the Company for the quarter and year ended 31 March 2017, included in these standalone financial results were audited by predecessor auditors, whose audit report dated 25 May 2017 expressed an unmodified opinion on those standalone financial results.

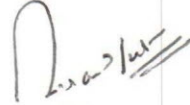


Independent Auditors' report on the standalone financial results of AIA Engineering Limited pursuant to Regulation 33 of the SEBI (Listing and Obligation Disclosure Requirements) Regulations, 2015 (Continued)

In our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view of the net profit and other comprehensive income and other financial information for the year ended 31 March 2018.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022



Nirav Patel
Partner

Membership No.: 113327

Ahmedabad
16 May 2018

B S R & Co. LLP

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Independent Auditor's Report on the consolidated financial results of AIA Engineering Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
Board of Directors of AIA Engineering Limited

We have audited the consolidated financial results of AIA Engineering Limited ('the Company') and its subsidiaries (collectively, 'the Group') as listed in Annexure-I for the year ended 31 March 2018 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended 31 March 2018 and the corresponding quarter ended in the previous year as reported in these consolidated financial results are the balancing figures between consolidated audited figures in respect of the full financial year and the published year to date consolidated figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These consolidated financial results have been prepared from consolidated annual financial statements and reviewed quarterly consolidated financial results upto the end of the third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated annual financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

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.

The comparative consolidated financial results of the Company for the quarter and year ended 31 March 2017, included in these consolidated financial results were audited by predecessor auditors, whose audit report dated 25 May 2017 expressed an unmodified opinion on those consolidated financial results.

We did not audit the financial statements of 8 subsidiaries included in the consolidated financial results, whose annual financial statements reflect total assets of INR 95,047.61 lakhs as at 31 March 2018, total revenue of INR 201,805.73 lakhs as well as the total profit after tax (including other comprehensive income) of INR 6,231.73 lakhs for the year ended 31 March 2018. These

Independent Auditor's Report on the consolidated financial results of AIA Engineering Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

annual financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the annual financial results, to the extent they have been derived from such annual financial statements is based solely on the report of such other auditors. Our opinion is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

We did not audit the financial statements of 2 subsidiaries whose financial statements reflect total assets of INR 455.22 lakhs as at 31 March 2018, total revenues of INR 162.34 lakhs and total loss after tax (including other comprehensive income) of INR 15.41 lakhs for the year ended on that date, as considered in the consolidated financial results. These financial statements of the aforesaid subsidiaries are unaudited and have been furnished to us by the Management of the company and our opinion on the consolidated financial results, in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management of the company, these financial results are not material to the Group. Our opinion is not modified in respect of this matter.

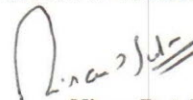
Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors on separate financial statements and on other information of the subsidiaries as aforesaid, these consolidated annual financial results:

- (i) have been presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view of the consolidated net profit and other comprehensive income and other financial information for the year ended 31 March 2018.

Ahmedabad
16 May 2018

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022



Nirav Patel
Partner

Membership No.: 113327

Independent Auditor's Report on the consolidated financial results of AIA Engineering Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Annexure – I

Sr. no.	Name of entity	Country	Relationship
1	Welcast Steels Limited	India	Subsidiary
2	Vega Industries (Middle East) F.Z.C.	U.A.E.	Wholly owned subsidiary
3	AIA CSR Foundation	India	Wholly owned subsidiary
4	Vega Industries Limited	U.K.	Step down subsidiary
5	Vega Industries Limited	U.S.A.	Step down subsidiary
6	Vega Steel Industries (RSA) PTY Limited	South Africa	Step down subsidiary
7	Wuxi Vega Trade Co. Limited	China	Step down subsidiary
8	PT. Vega Industries Indonesia	Indonesia	Step down subsidiary
9	Vega Industries Chile SPA	Chile	Step down subsidiary
10	AIA Ghana Limited	Ghana	Step down subsidiary

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