

**CHATURVEDI & PARTNERS**  
Chartered Accountants  
212A, Chiranjiv Tower  
43, Nehru Place  
New Delhi – 110 019

**DELOITTE HASKINS & SELLS**  
Chartered Accountants  
Gowra Grand  
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Secunderabad – 500 003

**INDEPENDENT AUDITORS' REVIEW REPORT  
TO THE BOARD OF DIRECTORS OF  
IVRCL LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **IVRCL LIMITED** ("the Company") for the Quarter and Six Months Ended September 30, 2013 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 6 below. 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 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 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. Attention is invited to Note 2 of the Statement wherein the Management of the Company has considered Trade Receivables amounting to ₹ 22,332.31 lakhs, as good and fully recoverable. In the absence of external balance confirmations from the customers from whom these amounts are due or other alternate audit evidence to corroborate management's assessment of recoverability of these balances and having regard to the age of these balances, we are unable to comment the extent to which these balances are recoverable.
4. Based on our review conducted as stated above, except for the possible effects of the matter described in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. Attention is invited to:

- a. Note 3 of the Statement regarding the investment amounting to ₹ 6,575.25 lakhs in its subsidiary Hindustan Dorr-Oliver Limited whose net worth has been substantially eroded and is dependent on the improvement of its operations to continue as a going concern.
- b. Note 4 of the Statement regarding the managerial remuneration where the company is awaiting Central Government approval and/or in the process of making application to the Central Government.
- c. Note 5 of the Statement regarding Trade Receivables and Other Current Assets amounting to ₹ 3,041.36 lakhs and ₹ 20,780.52 lakhs respectively in respect of which the Company has initiated action for recovery from the customers.

Our report is not qualified in respect of the above matters for the reasons stated in the respective notes.

6. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Six Months Ended September 30, 2013 of the Statement, from the details furnished by the Registrars.

For **Chaturvedi & Partners**  
Chartered Accountants  
(Firm Registration No. 307068E)

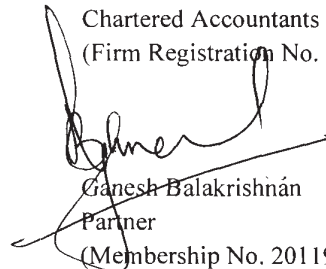


R. N. Chaturvedi  
Partner  
(Membership No. 092087)

New Delhi, November 14, 2013



For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm Registration No. 008072S)



Ganesh Balakrishnan  
Partner  
(Membership No. 201193)

Hyderabad, November 14, 2013

