

# M P GUPTA & ASSOCIATES

## CHARTERED ACCOUNTANTS

B-3/59, 3<sup>RD</sup> FLOOR, SECTOR 6, ROHINI, NEW DELHI – 110085  
Mobile No : 9717276191 Email –ID : mpg\_ca2006@yahoo.co.in

### INDEPENDENT AUDITOR'S REPORT

To the Members of

A2Z Infraservices Limited

Gurgaon

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of A2Z Infraservices Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March 2021, and its financial performance (including other comprehensive income) and its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

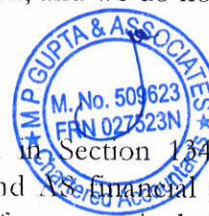
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS)





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specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.





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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The balance sheet, the statement of profit and loss including other comprehensive income, the statement of cash flows and the statement of changes in equity dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
  - e. On the basis of the written representations received from the directors as on 31 March 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act;





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- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure I”; and
- g. with respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position in its Ind AS financial statements;
  - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For M P Gupta & Associates  
Chartered Accountants

Regn. No. 027523N

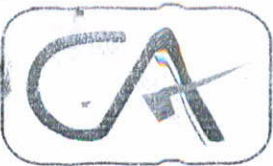


Mata Prasad  
Proprietor  
M. No. 509623

Date : 18.06.2021

Place: Gurugram

UDIN : 21509623AAAAEU7835



# M P GUPTA & ASSOCIATES

## CHARTERED ACCOUNTANTS

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### Annexure - II to the Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of the company of even date)

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over consolidated financial reporting of A2Z Infraseservices Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the Ind AS financial statements of the Company and its subsidiary companies for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

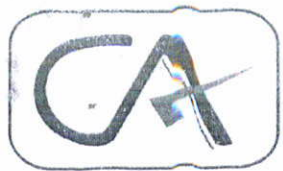
### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.





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### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M P Gupta & Associates  
Chartered Accountants  
Regn. No. 027523N

M. No. 509623  
ERN 027523N  
Mata Prasad  
Proprietor  
M. No. 509623

Date : 18.06.2021

Place: Gurugram

UDIN : 21509623AAAAEU7835

**ASSETS:**

**Non-current assets:**

Property, plant and equipment

Capital work in progress

Other intangible assets

Right to use of assets

Intangible assets under development

Financial assets:

Investments

Loans

Other financial assets

Deferred tax assets (net)

Non-current tax assets (net)

Other non-current assets

**Current Assets:**

Inventories

Financial assets:

Trade receivables

Cash and cash equivalents

Other bank balances

Loans

Other financial assets

Other current assets

**EQUITY AND LIABILITIES:**

**Equity:**

Equity share capital

Other equity

Equity attributable to equity holders of the Company

Non-controlling interests

Total equity

**Liabilities:**

**Non-current liabilities:**

Financial liabilities:

Borrowings

Lease liability

Other financial liabilities

Long term provisions

Other non-current liabilities

**Current liabilities:**

Financial liabilities:

Borrowings

Lease liability

Trade payables

Total outstanding dues of micro enterprises and small enterprises

Total outstanding dues of creditors other than micro enterprises and small enterprises

Other financial liabilities

Other current liabilities

Short term provisions

Current tax liabilities

Note No.	As at March 31, 2021	As at March 31, 2020
3	3,207.05	3,464.43
3	4,076.39	4,071.87
4	9.77	13.40
3	25.46	40.49
4	41.94	41.94
5	55.89	55.65
6	156.22	158.18
7	303.66	420.10
8	415.22	502.25
9	2,579.17	2,304.34
10	545.27	419.67
	<b>11,416.04</b>	<b>11,492.32</b>
11	707.75	590.58
12	8,421.40	9,954.30
13	907.46	469.56
14	116.83	116.83
6	8,139.68	7,718.84
7	8,645.70	6,007.29
10	653.93	2,440.72
	<b>27,592.75</b>	<b>27,298.12</b>
	<b>39,008.79</b>	<b>38,790.44</b>
15	381.60	381.60
15	9,496.97	8,726.17
	<b>9,878.57</b>	<b>9,107.77</b>
	(255.75)	(324.71)
	<b>9,622.82</b>	<b>8,783.06</b>
16	617.19	598.41
17	-	18.45
18	-	-
19	613.12	192.39
20	3,045.97	3,072.53
	<b>4,276.28</b>	<b>3,881.78</b>
21	4,538.43	5,274.95
22	17.77	19.41
	5.73	7.60
	8,712.39	9,996.23
18	6,177.83	3,207.29
20	5,641.45	7,082.82
19	16.09	470.67
23	-	66.63
	<b>25,109.69</b>	<b>26,125.60</b>
	<b>39,008.79</b>	<b>38,790.44</b>

The accompanying notes are part of consolidated financial statements.  
This is the consolidated balance sheet referred to in our report of even date.

For M.P. Gupta & Associates

Chartered Accountants

Reg. No. 027523N

No. 509623

Reg. No. 027523N

Mata Prasad

Proprietor

M.No. 509623

For and on behalf of the Board of Directors

Amit Mittal  
Managing Director  
(DIN 00053944)

Dipali Mittal  
Whole Time Director  
(DIN 00872628)

	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Revenue:</b>			
Revenue from operations	24	24,752.48	31,407.63
Other income	25	756.64	1,004.06
<b>Total revenue</b>		<b>25,509.12</b>	<b>32,411.69</b>
<b>Expenses:</b>			
Cost of materials consumed	26	9,262.34	8,728.09
Change in inventories	27	(112.32)	(162.65)
Employee benefits expense	28	11,833.89	19,804.69
Finance costs	29	1,205.07	1,177.12
Depreciation and amortisation expenses	30	455.92	334.05
Other expenses	31	1,829.21	1,702.17
<b>Total expenses</b>		<b>24,474.11</b>	<b>31,583.47</b>
<b>Profit/ (loss) before exceptional items and tax</b>		<b>1,035.01</b>	<b>828.22</b>
Exceptional items		(528.78)	(680.31)
<b>Profit/(Loss) before tax</b>		<b>506.23</b>	<b>147.91</b>
<b>Tax expense</b>	32		
Current tax		289.68	343.52
Deferred tax charge		70.59	92.51
		<b>360.27</b>	<b>436.03</b>
<b>Profit / (Loss) for the year</b>		<b>145.96</b>	<b>(288.12)</b>
<b>Other comprehensive income:</b>			
a) Remeasurement of defined benefit obligations		215.57	161.60
b) Income tax relating to items that will not be reclassified to profit or loss		(16.44)	(42.21)
		<b>199.13</b>	<b>119.39</b>
<b>Total comprehensive income/ (loss) for the year (comprising loss and other comprehensive income)</b>		<b>345.09</b>	<b>(168.73)</b>
<b>Profit is attributable to:</b>			
Equity holders of the Company		303.06	(240.78)
Non-controlling interests		(157.10)	(47.35)
<b>Other comprehensive income is attributable to:</b>			
Equity holders of the Company		172.65	121.12
Non-controlling interests		26.48	(1.73)
<b>Total comprehensive income is attributable to:</b>			
Equity holders of the Company		475.72	(119.66)
Non-controlling interests		(130.63)	(49.08)
<b>Profit per equity share :</b>	33		
(Nominal value of shares INR 10)			
Basic		7.94	(6.31)
Diluted		7.94	(6.31)

The accompanying notes are part of consolidated financial statements.

This is the consolidated statement of profit and loss referred to in our report of even date.

For M.P. Gupta & Associates

Chartered Accountants

Regn. No. 427523N

Mata Prasad  
Proprietor  
M.No. 509623



For and on behalf of the Board of Directors

*[Signature]*

Amit Mittal

Managing Director  
(DIN 00058944)

*[Signature]*

Dipali Mittal

Whole Time Director  
(DIN 00872628)

Place: Gurugram

Date: 18.06.2021

**A Cash flow from operating activities**

Net Profit before tax and non-controlling interest (after exceptional items)

**Adjustments:**

Exceptional items

Depreciation and amortisation expense

Interest expense

Interest income

Profit on sale of Property, plant &amp; equipment

Amount written off

Subsidy amortised

Recognition of share based payments at fair value

**Operating profit before working capital changes****Changes in working capital:**

Changes in inventories

Change in trade receivables

Changes in loans

Changes in other financial assets

Changes in other assets

Changes in trade payable

Changes in other financial liabilities

Changes in other liabilities

Changes in provisions

**Net changes in working capital:****Net cash generated from operations**

Current taxes paid (net of refunds)

**Net cash generated from operating activities****B Cash flow from investing activities**

Purchase of property, plant and equipment (including capital work in progress)

Fixed deposits matured / (placed) - (net)

Interest received

Outflow due to acquisition/loss of control

**Net cash generated from investing activities****C Cash flow from financing activities**

(Repayment of)/ Proceeds from long term borrowings (net)

(Repayment of)/ Proceeds from short term borrowings (net)

Interest paid

**Net cash used in financing activities****Net decrease in cash and cash equivalents (A+B+C)**

Cash and cash equivalents at the beginning of the year

Cash and cash equivalents through business combination

**Cash and cash equivalents at the end of the year****Reconciliation of cash and cash equivalents as per the cash flow statement.**

Cash and cash equivalents as per above comprises of the following:

a. Cash in hand

b. Balances with banks

- in current account

	For the year ended March 31, 2021	For the year ended March 31, 2020
Net Profit before tax and non-controlling interest (after exceptional items)	1,035.01	147.90
<b>Adjustments:</b>		
Exceptional items	-	680
Depreciation and amortisation expense	455.92	334.05
Interest expense	1,205.07	1,177.12
Interest income	(651.57)	(958.44)
Profit on sale of Property, plant & equipment	(31.19)	-
Amount written off	-	1.85
Subsidy amortised	(60.15)	(45.36)
Recognition of share based payments at fair value	23.62	16.09
<b>Operating profit before working capital changes</b>	<b>1,976.71</b>	<b>1,353.52</b>
<b>Changes in working capital:</b>		
Changes in inventories	(117.17)	(140.77)
Change in trade receivables	1,532.90	341.49
Changes in loans	112.15	600.52
Changes in other financial assets	(2,629.54)	(878.89)
Changes in other assets	1,661.19	(1,104.50)
Changes in trade payable	(1,312.34)	348.77
Changes in other financial liabilities	2,841.89	(1,084.89)
Changes in other liabilities	(1,407.78)	2,932.02
Changes in provisions	165.28	72.65
<b>Net changes in working capital:</b>	<b>846.58</b>	<b>1,086.40</b>
<b>Net cash generated from operations</b>	<b>2,823.29</b>	<b>2,439.92</b>
Current taxes paid (net of refunds)	(614.70)	(134.29)
<b>Net cash generated from operating activities</b>	<b>2,208.59</b>	<b>2,305.64</b>
<b>B Cash flow from investing activities</b>		
Purchase of property, plant and equipment (including capital work in progress)	(152.63)	(547.44)
Fixed deposits matured / (placed) - (net)	116.44	(51.94)
Interest received	111.43	383.19
Outflow due to acquisition/loss of control	(57.74)	(632.37)
<b>Net cash generated from investing activities</b>	<b>16.90</b>	<b>(848.56)</b>
<b>C Cash flow from financing activities</b>		
(Repayment of)/ Proceeds from long term borrowings (net)	49.41	(1,008.84)
(Repayment of)/ Proceeds from short term borrowings (net)	(736.52)	150.30
Interest paid	(1,100.50)	(538.37)
<b>Net cash used in financing activities</b>	<b>(1,787.61)</b>	<b>(1,396.91)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>437.88</b>	<b>60.16</b>
Cash and cash equivalents at the beginning of the year	469.56	409.40
Cash and cash equivalents through business combination	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>907.45</b>	<b>469.56</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement.</b>		
Cash and cash equivalents as per above comprises of the following:	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
a. Cash in hand	3.65	14.83
b. Balances with banks	903.81	454.73
- in current account	907.46	469.56

The accompanying notes are part of consolidated financial statements.

This is the consolidated cash flow statement as referred to in our report of even date.

For M.P. Gupta &amp; Associates

Chartered Accountants

Regn. No. 027523N



Place: Gurugram

Date: 18.06.2021

For and on behalf of the Board of Directors

Amit Mittal  
Managing Director  
(DIN 00058944)

Dipali Mittal  
Whole Time Director  
(DIN 00872628)



## Consolidated Statement of Changes in Equity for the year ended March 31, 2021

(Unless otherwise stated, all amounts are in INR Lacs)

## NOTE 15

## A. Equity share capital:

## Issued, subscribed and fully paid up

Equity shares of INR 10 each

Balance as at April 1, 2020

Issue of equity share capital

Balance as at March 31, 2021

	Note No.	Number of shares	Amount
	15	38,15,978	381.60
	15	38,15,978	381.60

## B. Other equity:

Attributable to equity holders of the Company									
Reserves and Surplus									
	Securities premium account	Capital reserve	Equity components of compound financial instruments	General reserve	Employee stock option plan reserve	Retained earnings	Total other equity	Non-controlling interests	Total
Balance as at April 1, 2020	2,456.61	995.41	1,487.74	22.11	82.31	3,681.99	8,726.17	(324.71)	8,401.46
Profit / (Loss) for the year	-	-	-	-	-	303.06	303.06	(157.10)	145.96
Other comprehensive income	-	-	-	-	-	172.65	172.65	26.48	199.13
Total comprehensive income	-	-	-	-	-	475.72	475.72	(130.62)	345.10
Acquired through business combination	-	-	465.55	-	5.49	(199.58)	271.46	199.58	471.04
Transactions with owners of holding company:									
Employee stock option plan (ESOP) expense	-	-	-	-	23.62	-	23.62	-	23.62
Balance as at March 31, 2021	2,456.61	995.41	1,953.29	22.11	111.42	3,958.13	9,496.97	(255.75)	9,241.22

The accompanying notes are part of consolidated financial statements.

This is the consolidated statement of changes in equity referred to in our report of even date.

For M.P. Gupta &amp; Associates

Chartered Accountants

Regn. No. 027523N

C.P. No. 509623

FIRN 027523N

Mata Prasad

Proprietor

M.No. 509623

For and on behalf of the Board of Directors

O

Amit Mittal  
Managing Director  
(DIN 00058944)Dipak Mittal  
Whole Time Director  
(DIN 00872628)Place: Gurugram  
Date: 18.06.2021

## Note 3: Property, plant and equipment

Details of the Group's property, plant and equipment and their carrying amounts are as follows:

	Leasehold improvement	Computers	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Tools and equipment	Office equipment	Total	Right of use of assets	Capital work in progress
<b>Gross carrying amount:</b>											
Balance as at April 1, 2020	47.47	361.97	1,564.67	3,826.15	184.47	1,384.36	275.40	174.26	7,818.76	58.10	4,071.87
Additions	-	4.18	-	41.41	0.79	175.71	-	2.67	224.76	-	4.66
Acquired through business combination	-	28.41	-	0.46	1.36	10.17	-	5.06	45.46	-	-
Disposals/adjustment	-	-	37.38	0.73	-	16.16	-	-	54.27	-	0.15
<b>Balance as at March 31, 2021</b>	<b>47.47</b>	<b>394.56</b>	<b>1,527.29</b>	<b>3,867.29</b>	<b>186.63</b>	<b>1,554.09</b>	<b>275.40</b>	<b>181.99</b>	<b>8,034.71</b>	<b>58.10</b>	<b>4,076.39</b>
<b>Gross carrying amount:</b>											
Balance as at April 1, 2019	47.47	358.65	37.38	2,464.91	177.45	74.40	14.80	144.41	3,319.47	-	-
Additions	-	2.08	-	64.72	1.73	198.96	-	1.18	268.67	-	-
Acquired through business combination	-	1.24	1,527.29	1,296.52	5.29	1,111.00	260.60	28.76	4,230.71	58.10	278.88
Disposals/adjustment	-	-	-	-	-	-	-	(0.09)	(0.09)	-	3,792.99
<b>Balance as at March 31, 2020</b>	<b>47.47</b>	<b>361.97</b>	<b>1,564.67</b>	<b>3,826.15</b>	<b>184.47</b>	<b>1,384.36</b>	<b>275.40</b>	<b>174.26</b>	<b>7,818.76</b>	<b>58.10</b>	<b>4,071.87</b>
<b>Depreciation and impairment:</b>											
Balance as at April 1, 2020	47.47	359.75	375.60	1,945.01	165.17	1,049.44	266.08	145.82	4,354.33	17.61	-
Depreciation**	-	1.60	65.06	287.50	3.57	72.87	0.94	5.12	436.67	15.03	-
Acquired through business combination	-	28.41	-	0.30	1.29	10.17	-	5.06	45.23	-	-
Disposals/adjustment	-	-	8.57	-	-	-	-	-	8.57	-	-
<b>Balance as at March 31, 2021</b>	<b>47.47</b>	<b>389.76</b>	<b>432.09</b>	<b>2,232.81</b>	<b>170.03</b>	<b>1,132.48</b>	<b>267.02</b>	<b>156.01</b>	<b>4,827.66</b>	<b>32.64</b>	<b>-</b>
<b>Depreciation and impairment:</b>											
Balance as at April 1, 2019	47.47	357.75	7.38	1,143.71	156.79	71.29	10.67	112.66	1,907.72	-	-
Depreciation**	-	0.88	37.01	226.34	3.84	35.49	3.33	5.35	312.24	17.61	-
Acquired through business combination	-	1.12	331.21	574.96	4.54	942.66	252.08	27.81	2,134.37	-	-
Disposals/adjustment	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2020</b>	<b>47.47</b>	<b>359.75</b>	<b>375.60</b>	<b>1,945.01</b>	<b>165.17</b>	<b>1,049.44</b>	<b>266.08</b>	<b>145.82</b>	<b>4,354.33</b>	<b>17.61</b>	<b>-</b>
<b>Net carrying amount:</b>											
Balance as at March 31, 2021	-	4.80	1,095.20	1,634.48	16.60	421.61	8.38	25.98	3,207.05	25.46	4,076.39
Balance as at March 31, 2020	-	2.23	1,189.07	1,881.14	19.30	334.92	9.32	28.44	3,464.43	40.49	4,071.87



**Note 4 : Other intangible assets**

Details of the other intangible assets and their carrying amounts are as follows:

**Gross carrying amount:****Balance as at April 1, 2020**

Additions

Disposals/adjustment

Disposal of subsidiary

**Balance as at March 31, 2021**

Computer Software	Intangibles assets under development*
270.65	41.94
0.60	-
-	-
271.25	41.94

**Amortisation and impairment:****Balance as at April 1, 2020**

Amortisation

Disposal of subsidiary

**Balance as at March 31, 2021**

257.25	-
4.23	-
-	-
261.48	-

**Net carrying amount:****Balance as at March 31, 2021****Balance as at March 31, 2020**

9.77	41.94
13.40	41.94

\* Intangible assets under development includes software under implementation.

**Note 4.1:** The Company does not have any outstanding contractual commitments to purchase any items of intangible assets.**Note 4.2:** Additions do not include any internally generated assets.**Note 4.3:** Intangible assets are pledged as collateral for borrowings from banks/ financial institutions (Refer Note 16 and Note 21).

## Note 5 : Investments

## Carrying amount at amortised cost:

Investments in Preference Shares  
Investments in Debentures

Total

As at March 31, 2021	As at March 31, 2020
(0.00)	0.00
55.89	55.65
<b>55.89</b>	<b>55.65</b>

## Investment in Debentures- Equity portion

55,000 (Previous Year - 55,000) Zero Coupon Convertible Debenture of Rs. 100 each, fully paid up in Magic Genie Services Limited.

53.47 53.47

## Investment in Debentures- Debt portion

55,000 (Previous Year - 55,000) Zero Coupon Convertible Debenture of Rs. 100 each, fully paid up in Magic Genie Services Limited.

2.42 2.18

<b>55.89</b>	<b>55.65</b>
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Aggregate amount of unquoted investments

Aggregate amount of impairment in value of investment

55.89 55.65

## Note 6 : Loans

[Unsecured considered good, unless otherwise stated]

Security deposits

Loan to employees

Loans to related party

Interest accrued but not due from related parties

Total

As at March 31, 2021		As at March 31, 2020	
Current	Non - Current	Current	Non - Current
337.56	156.22	410.32	158.18
0.83	-	1.16	-
4,287.40	-	4,324.50	-
3,513.89	-	2,982.86	-
<b>8,139.68</b>	<b>156.22</b>	<b>7,718.84</b>	<b>158.18</b>

## Note 7 : Other financial assets

[Unsecured, considered good unless otherwise stated]

Earnest money deposit with customers

Advance recoverable in cash

Subsidy receivables

Retention money

Advance recoverable from related party

Contract revenue in excess of billing

Interest accrued on fixed deposits

Bank deposits with more than 12 months maturity \*\*

Total

As at March 31, 2020		As at March 31, 2020	
Current	Non - Current	Current	Non - Current
202.74	-	209.65	-
933.05	-	886.95	-
135.36	-	135.36	-
1,317.10	-	1,378.23	-
3,271.51	-	270.24	-
2,772.97	-	3,122.76	-
12.97	0.14	4.10	0.14
-	303.52	-	419.96
<b>8,645.70</b>	<b>303.66</b>	<b>6,007.29</b>	<b>420.10</b>

\*\* Held as margin money against bank guarantee and letter of credit and as debt service reserve account against term loan from banks.

## Note 8 : Deferred tax assets (net)

## Deferred tax liabilities

Depreciation

## Deferred tax assets

Unabsorbed loss and depreciation

Provision for doubtful advances and other receivables

Provision for doubtful debts and unbilled receivables

Other provisions for expense allowance on payment basis under income tax act(net)

Total

As at March 31, 2021	Credit /(Charge) to statement of profit and loss	As at March 31, 2020
62.46	(12.72)	75.18
<b>62.46</b>	<b>(12.72)</b>	<b>75.18</b>
12.83	(5.15)	17.98
8.08	-	8.08
84.14	-	84.14
372.63	(94.60)	467.23
<b>477.68</b>	<b>(99.75)</b>	<b>577.43</b>
<b>415.22</b>	<b>(87.03)</b>	<b>502.25</b>



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## Note 9 : Non-current tax assets (net)

Advance tax (net of provision)

Total

As at March 31, 2021	As at March 31, 2020
2,579.17	2304.34
<u>2,579.17</u>	<u>2,304.34</u>

## Note 10 : Other assets

[Unsecured, considered good unless otherwise stated]

Capital advances

Other advances

Prepaid expenses

Balances with government authorities

Income receivable

Total

As at March 31, 2021		As at March 31, 2020	
Current	Non-Current	Current	Non-Current
-	494.59	-	368.99
17.69	-	4.66	-
32.85	-	47.35	-
238.43	50.68	2,388.71	50.68
364.96	-	-	-
<u>653.93</u>	<u>545.27</u>	<u>2,440.72</u>	<u>419.67</u>

## Note 11 : Inventories

[Valued at lower of cost or net realisable value]

Project stores and spares

Finished goods

Total

As at March 31, 2021	As at March 31, 2020
12.01	7.17
695.74	583.41
<u>707.75</u>	<u>590.58</u>

Note 11.2: Inventories are pledged as collateral for borrowings from banks (Refer Note 16 and Note 21).

## Note 12 : Trade receivables

Trade receivables - (Unsecured):

From other than related parties

Considered good

Considered doubtful

From related parties

Considered good

Considered doubtful

Less: Allowances for doubtful debts (Refer Note 12.1)

Total

As at March 31, 2021	As at March 31, 2020
7,815.56	9,322.94
337.22	337.22
<u>8,152.78</u>	<u>9,660.16</u>
605.84	631.36
<u>605.84</u>	<u>631.36</u>
(337.22)	(337.22)
<u>8,421.40</u>	<u>9,954.30</u>

Note 12.1: The movements in the allowance for doubtful debts is presented below:

Balance as at the beginning of the year

Changes in provision

Add: Acquisition of subsidiary

Balance as at the end of the year

For the year ended March 31, 2021	For the year ended March 31, 2020
337.22	337.22
2.95	2.95
<u>340.17</u>	<u>337.22</u>

Note 12.2: All trade receivables are short-term. The effect of any difference between the effective interest rate applied and the estimated current market rate is not significant. Allowance for credit losses has been recorded accordingly within other expenses, and is based on the expected credit loss methodology.

## Note 13 : Cash and cash equivalents

Balances with banks

Cash in hand

Total

As at March 31, 2021	As at March 31, 2020
903.81	454.73
3.65	14.83
<u>907.46</u>	<u>469.56</u>

## Note 14 : Other bank balances

Fixed deposit with bank having original maturity of more than three months less than a year

Total

[^] Fixed deposits with banks held as margin money for issue of bank guarantees and as debt service reserve account against term loans from banks.

As at March 31, 2021	As at March 31, 2020
116.83	116.83
<u>116.83</u>	<u>116.83</u>



## Note 16 : Non- current borrowings

## Carried at amortised cost - Secured

Term loans (Refer Note 16.1)

From banks

Vehicle loans

From banks (Refer Note 16.3)

From financial institution (Refer Note 16.3)

## Unsecured

Debt Component of Compound Financial Instruments - Debenture/Preference shares (Refer Note 16.3)

## Total

	As at March 31, 2020		As at March 31, 2019	
	Current	Non-Current	Current	Non-Current
From banks	1,062.50	-	1,062.50	-
Vehicle loans	30.63	-	-	27.57
From financial institution (Refer Note 16.3)	-	41.28	-	66.21
Unsecured	-	-	-	-
Debt Component of Compound Financial Instruments - Debenture/Preference shares (Refer Note 16.3)	-	575.91	-	504.63
<b>Total</b>	<b>1,093.13</b>	<b>617.19</b>	<b>1,062.50</b>	<b>598.41</b>

## Note 16.1 Term loan from Banks

Term loan outstanding of INR 1,062.50 lacs (March 31, 2020 INR 1,062.50 lacs), in case of A2Z Infraserivces Limited, from Yes Bank Limited is secured by first pari-passu charge on all the Fixed assets of company (both present and future) and second pari-passu charge on current assets and also unconditional and irrevocable personal guarantee of Mr. Amit Mittal (Managing Director) of the Company and corporate guarantee of holding company namely A2Z Infra Engeniering Limited. The loan is repayable in 48 equal monthly instalment after a moratorium of 12 months from the date of first disbursement. The loan carries an interest rate of 1.05% ("spread") over and above 6 Months MCLR.

## Note 16.2 Debt portion of debentures / Preference shares

1. Zero coupon debentures issued by A2Z Waste management (Aligarh) Limited (subsidiary company) of INR 630.00 lakhs issued to A2Z Waste management (Ranchi) Limited on October 1, 2016 till October 1, 2056. This being compound financial instrument, the same has been discounted and debt portion is shown as borrowing in the group financial statement.

2. Preference shares issued by A2Z Waste management (Ludhiana) Limited (subsidiary company) of INR 630.00 lakhs issued to Mansi Bijlee and Rice Mills Limited on September 26, 2016 till September 26, 2031. This being compound financial instrument, the same has been discounted and debt portion is shown as borrowing in the group financial statement.

## Note 16.3: Vehicle loans:

1) Vehicle loan outstanding of INR 30.63 lakhs (March 31, 2020 INR 27.57 lakhs), in case of Ecogreen Envirotech Solutions Limited, from Bank of Baroda is secured by charge on all the respective vehicle. The loan is repayable in 60 equal monthly instalment and carries an interest rate of 9.10%.

2) Term loan outstanding of aggregate INR 41.28 lakhs (March 31, 2020 INR 66.21 lakhs), in case of Ecogreen Envirotech Solutions Limited, from Kogta Financial (India) Limited is secured by charge on all the respective vehicle. The loan is repayable in 48 and 35 equal monthly instalment and carries an interest rate of 17.81% p.a.

## Note 17 : Lease liability

Lease Liability (Refer Note 41)

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-Current	Current	Non-Current
	17.77	-	19.41	18.45
	<b>17.77</b>	<b>-</b>	<b>19.41</b>	<b>18.45</b>

## Note 18 : Other financial liabilities

Current maturities of long term debt (Refer Note 16)

Interest accrued on borrowings from others

Interest accrued on borrowings from related party

Temporary book overdraft

Payable against purchase of property, plant and equipment: dues of micro and small enterprises

Payable against purchase of property, plant and equipment: others

Director sitting fee payable

Security Deposit

Payable to:

- Related party

- Others

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-Current	Current	Non-Current
Current maturities of long term debt (Refer Note 16)	1,093.13	-	1,062.50	-
Interest accrued on borrowings from others	29.86	-	20.43	-
Interest accrued on borrowings from related party	791.10	-	702.51	-
Temporary book overdraft	0.72	-	14.90	-
Payable against purchase of property, plant and equipment: dues of micro and small enterprises	35.41	-	35.31	-
Payable against purchase of property, plant and equipment: others	87.91	-	90.45	-
Director sitting fee payable	-	-	0.38	-
Security Deposit	144.34	-	57.31	-
Payable to:	-	-	-	-
- Related party	3,984.66	-	1,213.82	-
- Others	10.70	-	9.68	-
	<b>6,177.83</b>	<b>-</b>	<b>3,207.29</b>	<b>-</b>

## Note 19 : Provisions

Provision for warranty

Provision for employee benefits

Provision for gratuity (Refer Note 19.i)

Provision for compensated leave absences

## Total

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-Current	Current	Non-Current
Provision for warranty	-	-	-	-
Provision for employee benefits	-	-	-	-
Provision for gratuity (Refer Note 19.i)	3.12	613.12	456.93	192.39
Provision for compensated leave absences	12.97	-	13.74	-
<b>Total</b>	<b>16.09</b>	<b>613.12</b>	<b>470.67</b>	<b>192.39</b>



i) Defined benefit plan and long term employment benefit

A General description:

**Gratuity [Defined benefit plan]:**

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

**Leave wages [Long term employment benefit]:**

The employees of the Group are entitled to leave as per the leave policy of the Group. The Group treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long term compensated absences are provided for based on actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses should be recognized in Statement of Profit and Loss.

A reconciliation of the Group's defined benefit obligation (DBO) and plan assets, i.e. the gratuity plan, to the amounts presented in the statement of financial position for each of the reporting periods is presented below:

**Assets and liability (Balance sheet position)**

Present value of obligation  
Fair value of plan assets  
Net asset / (liability)

As at March 31, 2021	As at March 31, 2020
633.85	722.77
17.60	73.45
<b>616.24</b>	<b>649.31</b>

**Expenses recognised during the year**

In statement of profit and loss  
In other comprehensive income  
Total expenses recognized during the year

For the year ended March 31, 2021	For the year ended March 31, 2020
222.08	245.96
(215.57)	(161.60)
<b>6.51</b>	<b>84.36</b>

**Defined benefit obligation**

The details of the Group's DBO are as follows:

Present value of obligation as at the beginning  
Current service cost  
Past service cost  
Interest expense or cost  
Re-measurement (or Actuarial) (gain) / loss arising from:  
-change in demographic assumptions  
-change in financial assumptions  
-experience variance (i.e. Actual experience's assumptions)  
Benefits paid  
Adjustment on account of acquisition of subsidiary  
Present value of obligation as at the end

For the year ended March 31, 2021	For the year ended March 31, 2020
722.77	737.80
178.48	192.19
48.59	-
-	59.03
-	-
(0.81)	(0.50)
(214.76)	95.60
-	(256.70)
-	(131.82)
(100.42)	27.18
<b>633.84</b>	<b>722.78</b>

**Bifurcation of net liability**

Current liability (Short term)  
Non-current liability (long term)  
Net liability

As at March 31, 2021	As at March 31, 2020
3.05	5.03
613.12	644.28
<b>616.17</b>	<b>649.32</b>

**Plan assets**

The reconciliation of the balance of the assets held for the Group's defined benefit plan is presented below:

**Changes in the fair value of plan assets**

Fair value of plan assets as at the beginning  
Investment income  
Employer's Contribution  
Benefits Paid  
Return on plan assets, excluding amount recognised in net interest expense  
Fair value of plan assets as at the end

For the year ended March 31, 2021	For the year ended March 31, 2020
73.45	68.20
4.92	5.25
39.66	131.82
(100.42)	(131.82)
-	-
<b>17.60</b>	<b>73.45</b>

**Expenses recognised in the profit and loss statement**

Current service cost  
Past service cost  
Benefit paid  
Net interest cost / (income) on the net defined benefit liability / (asset)  
Adjustment on account of acquisition of subsidiary  
Expenses recognised in the statement of profit and loss

For the year ended March 31, 2021	For the year ended March 31, 2020
178.48	141.85
-	50.34
-	-
43.67	53.77
-	(2.35)
<b>222.15</b>	<b>243.61</b>



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## Other Comprehensive Income

## Actuarial (gains) / losses

- change in demographic assumptions
- change in financial assumptions
- experience variance (i.e. Actual experience vs assumptions)

Return on plan assets, excluding amount recognised in net interest expense

## Components of defined benefit costs recognised in other comprehensive

For the year ended March 31, 2021	For the year ended March 31, 2020
-	(0.50)
(0.81)	95.60
(214.76)	(256.70)
-	-
(215.57)	(161.60)

## Financial assumptions

The principal financial assumptions used in the valuation are shown in the table below:

Discount rate (per annum)

Salary growth rate (per annum)

As at March 31, 2021	As at March 31, 2020
6.55-7.70%	6.80-7.70%
5.00%	5.00%

## Demographic assumptions

Mortality Rate (% of IALM 06-08)

Withdrawal rates, based on service years: (per annum)

4 and below years

Above 4 years

As at March 31, 2021	As at March 31, 2020
100.00%	100.00%
20.00%	20.00%
2.00%	2.00%

These assumptions were developed by management with the assistance of independent actuaries. Discount factors are determined close to each year-end by reference to market yields of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

## Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Defined benefit obligation (Base)

As at March 31, 2021	As at March 31, 2020
633.85	722.77

Discount Rate (- / + 1%)

(% change compared to base due to sensitivity)

Salary Growth Rate (- / + 1%)

(% change compared to base due to sensitivity)

Attrition Rate (- / + 50%)

(% change compared to base due to sensitivity)

Mortality Rate (- / + 10%)

(% change compared to base due to sensitivity)

As at March 31, 2021		As at March 31, 2020	
Decrease	Increase	Decrease	Increase
735.76	550.53	843.66	624.64
16.09%	-13.14%	16.73%	-13.58%
548.56	736.54	622.32	844.57
-13.45%	16.21%	-13.90%	16.85%
657.82	609.99	748.54	697.57
3.79%	-3.75%	3.57%	-3.49%
633.29	634.26	722.18	723.35
-0.08%	0.08%	-0.08%	0.08%

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior period.

The average duration of the defined benefit plan obligation at the end of reporting period is 14-20 years.

The following payments are expected contributions to the defined benefit plan in future years:

Within the next 12 months [next annual reporting year]

Between 2 and 5 years

Between 5 and 10 years

Beyond 10 years

Total expected payments

As at March 31, 2021	As at March 31, 2020
16.74	19.22
113.95	109.57
190.93	216.55
1,748.66	2,119.08
2,070.28	2,464.41



## Note 20 : Other liabilities

Advances from customers  
Statutory dues payable  
Other payables  
Subsidy  
Lease equalisation reserve  
Total

As at March 31, 2021		As at March 31, 2020	
Current	Non-Current	Current	Non-Current
1,182.37	-	-	-
2,200.41	-	6,339.32	-
2,258.67	-	743.50	-
-	2,724.52	-	2,784.67
-	321.45	-	287.86
5,641.45	3,045.97	7,082.82	3,072.53

## Note 21 : Current borrowings

Carried at amortised cost

Secured borrowings from banks (Refer Note 21.1)

Cash credit facilities

Unsecured borrowings (Refer Note 21.2)

From related party

From others

Secured borrowings from related party (Refer Note 21.3)

Total

As at March 31, 2021	As at March 31, 2020
3,335.86	3739.94
1,093.23	1275.01
47.40	198.06
61.94	61.94
4,538.43	5,274.95

## Note 21.1: Working capital loans from banks

Cash credit facility from banks amounting to INR 3,335.86 lacs (March 31, 2020 INR 3,739.94 lacs), in case of A2Z InfraserVICES Limited, are secured by first pari passu charge on the current assets of company including book debts and other receivable and fixed assets of the company and also by Corporate Guarantee of the Holding Company and personal guarantee of Mr. Amit Mittal (Managing Director) and Ms. Dipali Mittal (Director) of the Company.

Note 21.2: The unsecured borrowing from other is repayable on demand and having an interest rate of 10.75% - 24.00

Note 21.3: The secured borrowing from related party is repayable within twelve months having an interest rate of 14.00%. The above loan is secured against charge on immovable assets of the borrower to remain valid during entire tenor of borrowing.

## Note 22 : Trade payables

Total outstanding dues of micro and small enterprises (Refer Note 22.1)

Total outstanding dues of creditors other than micro and small enterprises

Total

As at March 31, 2021	As at March 31, 2020
5.73	7.60
8,712.39	9,996.23
8,718.12	10,003.83

## Note 22.1 Disclosures under Micro, Small and Medium Enterprises Act, 2006

Details of dues to micro and small enterprises as per MSME Act, 2006 the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year

- principal amount

5.73

7.60

- interest amount

-

-

The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.

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The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.

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The amount of interest accrued and remaining unpaid at the end of each accounting year; and

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The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006

-

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All the trade payables are short term. The carrying value of trade payables are considered to be the reasonable approximation of fair value.

## Note 23 : Current tax liabilities

Current tax liabilities (net of advance tax)

As at March 31, 2021	As at March 31, 2020
-	66.63
-	66.63



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## Note 15 : Equity share capital

## (i) Authorised share capital

Equity shares of INR 10 each

6% non cumulative redeemable preference share of Rs 100/- each

6% non cumulative redeemable preference share of Rs 10/- each\*

As at March 31, 2021		As at March 31, 2020	
Number of shares	Amount	Number of shares	Amount
2,68,55,000	2,685.50	2,68,55,000	2,685.50
500	0.50	500	0.50
2,50,000	25.00	2,50,000	25.00
<b>2,71,05,500</b>	<b>2,711.00</b>	<b>2,71,05,500</b>	<b>2,711.00</b>

## (ii) Issued, subscribed and fully paid up

Equity Shares of INR 10 each

Balance as at April 1, 2020

Issue of equity share capital

Balance as at March 31, 2021

Number of shares	Amount	Number of shares	Amount
38,15,978	381.60	38,15,978	381.60
-	-	-	-
<b>38,15,978</b>	<b>381.60</b>	<b>38,15,978</b>	<b>381.60</b>

## (iii) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:-

Balance as at the beginning of the year

Add: Shares issued during the year

Balance as at the end of the year

As at March 31, 2021		As at March 31, 2020	
Number of shares	Amount	Number of shares	Amount
38,15,978	381.60	38,15,978	381.60
-	-	-	-
<b>38,15,978</b>	<b>381.60</b>	<b>38,15,978</b>	<b>381.60</b>

(iv) The Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(v) No shares have been allotted as fully paid up pursuant to contracts without payment being received in cash or as bonus shares for the period of 5 years immediately preceding March 31, 2021.

## (vi) Details of shares held by shareholders holding more than 5% equity shares of the Company:

Equity shares of INR 10 each fully paid up

A2Z Infra Engineering Limited

As at March 31, 2021		As at March 31, 2020	
Number of shares	Holding	Number of shares	Holding
35,80,410	93.83%	35,80,410	93.83%
<b>35,80,410</b>	<b>93.84%</b>	<b>4,42,68,163</b>	<b>51.16%</b>

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## Note 24 : Revenue from operations

## Sale/rendering of services

	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operation and maintenance services	15,290.11	23,043.20
Revenue from collection and transportation of municipal solid waste	9,282.46	8,203.80
Miscellaneous sale	179.91	160.63
Other operating revenues:		
Scrap sale	-	-
<b>Total</b>	<b>24,752.48</b>	<b>31,407.63</b>

## Note 25 : Other income

## Interest income:

	For the year ended March 31, 2021	For the year ended March 31, 2020
on fixed deposits	54.37	78.89
on group company loans	597.20	879.55
On others	5.55	-
Other non-operating income		
Profit on sale of Property, plant and equipment	31.19	-
Subsidy amortised	60.15	45.36
Miscellaneous income	8.18	0.26
<b>Total</b>	<b>756.64</b>	<b>1,004.06</b>

## Note 26 : Cost of materials consumed

	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening stock	7.17	29.04
Material consumed	3,200.41	3,495.90
Fuel charges	247.21	233.45
Power Consumed	13.94	11.62
Stores and spares	10.75	8.26
Freight and cartage	84.73	11.93
Sub contractor / erection expenses	1,136.30	948.63
Deduction and demurrage	48.46	(300.19)
Consumables / stores and spares	4.78	12.00
Site expenditure	988.78	1,153.52
Other direct cost	3,531.82	3,131.09
Closing stock	(12.01)	(7.16)
<b>Total</b>	<b>9,262.34</b>	<b>8,728.09</b>

## Note 27 : Change in inventories

	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening inventory of finished goods	583.41	420.76
Less: Closing inventory of finished goods	-	-
Less: Closing inventory of traded goods	(695.74)	(583.41)
<b>Increase / (Decrease) in inventory</b>	<b>(112.32)</b>	<b>(162.65)</b>

## Note 28 : Employee benefits expense

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and bonus including directors' remuneration	10,632.42	17,590.97
Contribution to provident and other funds (Refer Note 28.1)	924.03	1,932.81
Gratuity (Refer Note 19 i)	222.15	243.61
Compensated absences benefits	(1.20)	3.07
Share-based payments	24.07	4.94
Staff welfare expenses	32.42	29.29
<b>Total</b>	<b>11,833.89</b>	<b>19,804.69</b>

## Note 28.1 : Defined contribution plan

The Group has certain defined contribution plans. The contributions are made to provident fund in India for employees at the rate of 12% of the basis salary as per regulations. The contribution are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards the defined contribution plan is INR 924.03 lakhs (March 31, 2020 INR 1,932.81 lakhs)



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## Note 29 : Finance costs

Interest expense [\*]

Other borrowing costs

Bank commission &amp; charges

Total

[\*] The break up of interest expense into major heads is given below:

On term loans

On other bank loans

On others

On group company

Total

For the year ended March 31, 2021	For the year ended March 31, 2020
1,142.34	1,094.29
62.73	82.83
<b>1,205.07</b>	<b>1,177.12</b>
122.48	156.85
577.30	513.95
217.35	423.49
225.21	-
<b>1,142.34</b>	<b>1,094.29</b>

## Note 30 : Depreciation and amortisation expenses

Depreciation of property, plant and equipment (Refer Note 3)

Amortisation of intangible assets (Refer Note 4)

Right to use of assets (Refer note 3)

Total

For the year ended March 31, 2021	For the year ended March 31, 2020
436.66	312.21
4.23	4.23
15.03	17.61
<b>455.92</b>	<b>334.05</b>

## Note 31 : Other expenses

Electricity

Rent (Refer Note 31.1)

Rates and taxes

Freight Outward Expenses

Insurance

Repair and maintenance

- Plant and machinery

- Vehicle

- Others

Brokerage

Traveling expenses

Communication expenses

Printing and stationery

Legal and Professional

Fees and subscriptions

Payments to auditors (Refer Note 31.2)

Provision for doubtful advances

Tender expenses

Business promotion expenses

Donation (including INR 60.00 Lakhs towards CSR expenditure)

Ward and ward expenses

Amount written off

Hiring Charges

Miscellaneous expenses

Total

For the year ended March 31, 2021	For the year ended March 31, 2020
113.74	90.32
165.49	134.91
14.94	18.84
23.67	15.33
24.00	69.07
5.28	15.61
43.03	27.32
2.17	1.86
-	0.24
697.59	401.94
12.55	16.95
16.55	30.56
307.28	116.91
6.24	3.79
5.23	4.84
-	-
-	3.15
261.25	642.58
62.31	-
15.80	21.51
-	1.85
6.00	-
46.09	84.59
<b>1,829.21</b>	<b>1,702.17</b>

Note 31.2 The Group has entered into various short-term cancellable lease agreements at a notice period up to three months for leased premises and equipment. Gross rental expenses aggregate to INR 165.49 Lacs (March 31, 2020 INR 134.91 Lacs).

## Note 31.2 Details of payments to auditors

As auditor

Statutory audit fee

Tax audit fee

Total

For the year ended March 31, 2021	For the year ended March 31, 2020
4.85	4.46
0.38	0.38
<b>5.23</b>	<b>4.84</b>



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## Note 32 : Tax expense

Current tax expense  
Deferred tax charges (Refer Note 8)  
Tax expense

For the year ended March 31, 2021	For the year ended March 31, 2020
289.68	343.52
70.59	92.51
<b>360.27</b>	<b>436.03</b>

## Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Profit / (Loss) before tax  
Corporate tax rate as per income tax act, 1961  
Tax on accounting profit

For the year ended March 31, 2021	For the year ended March 31, 2020
506.23	147.90
26.00%	25.17%
<b>131.62</b>	<b>37.23</b>
64.58	216.42
(10.41)	2.46
-	134.78
-	(19.93)
174.48	65.07
<b>360.27</b>	<b>436.03</b>

- i) Tax effect on non deductible expenses/ non-taxable income  
ii) Tax effect on temporary timing differences on which deferred tax not created  
iii) Effect of change in tax rate  
iv) Tax effect on acquisition of subsidiary  
v) Tax effect on losses of current year on which no deferred tax is created

Tax expense

## Note 32.1: a) Detail of unused tax losses for which no deferred tax is recognised in balance sheet:

	March 31, 2021			March 31, 2020		
	Base amount	Deferred tax	Expiry date (Assessment year)	Base amount	Deferred tax	Expiry date (Assessment year)
Tax losses						
Assessment Year 2011-12	0.11	0.03	March 31, 2020	0.11	0.03	March 31, 2020
Assessment Year 2012-13	0.13	0.03	March 31, 2021	0.13	0.03	March 31, 2021
Assessment Year 2013-14	0.11	0.03	March 31, 2022	0.11	0.03	March 31, 2022
Assessment Year 2014-15	0.23	0.06	March 31, 2023	0.23	0.06	March 31, 2023
Assessment Year 2015-16	0.22	0.05	March 31, 2024	0.22	0.05	March 31, 2024
Assessment Year 2016-17	0.28	0.07	March 31, 2025	0.28	0.07	March 31, 2025
Assessment Year 2017-18	8.57	2.16	March 31, 2026	8.57	2.16	March 31, 2026
Assessment Year 2020-21	206.68	52.02	March 31, 2029	206.68	52.02	March 31, 2029
Assessment Year 2021-22	174.48	45.36	March 31, 2030			
<b>Total</b>	<b>390.79</b>	<b>99.81</b>		<b>216.32</b>	<b>54.45</b>	

## b) Detail of unrecognised deductible temporary differences and unabsorbed depreciation for which no deferred tax asset is recognised in financial statements:

	March 31, 2021			March 31, 2020		
	Base amount	Deferred tax	Expiry date	Base	Deferred tax	Expiry date (Assessment)
Temporary Differences on which deferred tax not created	(63.16)	(16.42)	Not applicable	(26.83)	(6.75)	Not applicable
Provision for Gratuity & Leave Encashment	(73.71)	(19.17)	Not applicable	63.89	16.08	Not applicable
Expensed on which TDS not Deposited	40.88	10.63	Not applicable	52.50	13.21	Not applicable
Depreciation	19.48	5.07	Not applicable	(20.67)	(5.20)	Not applicable
Unabsorbed depreciation	65.87	9.48	Not applicable	51.99	13.09	Not applicable
	<b>(10.64)</b>	<b>(10.41)</b>		<b>120.87</b>	<b>30.42</b>	

## Note 33 : Earnings per share (EPS)

Both the basic and diluted earnings per share have been calculated using the loss attributable to equity holders of the parent as the numerator, i.e. no adjustments to loss were necessary in year ended March 31, 2021 or March 31, 2020.

The reconciliation of the weighted average number of shares for the purposes of diluted earnings per share to the weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

Weighted average number of shares used in basic and diluted earnings per share  
Shares deemed to be issued for no consideration in respect of share-based payments  
Weighted average number of shares used in diluted earnings per share

As at March 31, 2021	As at March 31, 2020
38,15,978	38,15,978
<b>38,15,978</b>	<b>38,15,978</b>

The numerators and denominators used to calculate the basic and diluted EPS are as follows:

Loss attributable to equity holders of the parent  
Weighted average number of equity shares outstanding during the year  
Nominal value of equity share  
Basic EPS  
Diluted EPS

INR in lacs	303.06	(240.78)
Numbers	38,15,978	38,15,978
INR	10.00	10
INR	7.94	(6.31)
INR	7.94	(6.31)



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## A2Z INFRA SERVICES LIMITED

Notes forming part of the consolidated financial statements for the year ended March 31, 2021

(Unless otherwise stated, all amounts are in INR Lacs)

### Note 34 : Related Party

#### Note 34.1 : Names of related parties

##### I) Holding company

M/s A2Z Infra Engineering Limited

##### II) Subsidiaries of A2Z Infra Engineering Limited

1. A2Z Infrservices Limited
2. Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited)
3. A2Z Powercom Limited
4. Mansi Bijlee & Rice Mills Limited
5. Chavan Rishi International Limited
6. Magic Genie Services Limited
7. A2Z Maintenance & Engineering Services Limited and Satya Builders (Association of person)

##### III) Associate of A2Z Infra Engineering Limited

1. A2Z Waste Management (Nainital) Private Limited (w.e.f. March 13, 2019)
2. Greneffect waste management Limited (Formerly known as A2Z Green Waste Management Ltd) (w.e.f. March 13, 2019)

##### Associate of Holding Company

##### IV) Subsidiaries of Greneffect waste management Limited (Formerly known as A2Z Green Waste Management Ltd)

1. A2Z Waste Management (Merrut) Limited
2. A2Z Waste Management (Moradabad) Limited
3. A2Z Waste Management (Varanasi) Limited
4. A2Z Waste Management (Aligarh) Limited (Till July 14, 2019)
5. A2Z Waste Management (Badaun) Limited
6. A2Z Waste Management (Balai) Limited
7. A2Z Waste Management (Fatehpur) Limited
8. A2Z Waste Management (Jaunpur) Limited
9. A2Z Waste Management (Mirzapur) Limited
10. A2Z Waste Management (Ranchi) Limited
11. A2Z Waste Management (Sambhal) Limited
12. A2Z Waste Management (Dhanbad) Private Limited
13. A2Z Waste Management (Ludhiana) Limited (Till July 14, 2019)
14. A2Z Waste Management (Jaipur) Limited
15. A2Z Waste Management (Ahmedabad) Limited
16. Earth Environment Management Services Private Limited
17. Shree Balaji Pottery Private Limited
18. Shree Hari Om Utensils Private Limited

##### V) Subsidiaries of A2Z Waste Management (Ludhiana) Limited

Magic Genie Smartech Solutions Limited

Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) (w.e.f Dec 19, 2020)

##### VI) Subsidiaries of A2Z Infrservices Limited

1. Ecogreen Envirotech Solutions Limited
2. A2Z Infrservices Lanka Private Limited
3. A2Z Waste Management (Aligarh) Limited (w.e.f. July 15, 2019)
4. A2Z Waste Management (Ludhiana) Limited (w.e.f. July 15, 2019)

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**AZZ INFRA SERVICES LIMITED**

Notes forming part of the consolidated financial statements for the year ended March 31, 2021

(Unless otherwise stated, all amounts are in INR Lacs)

**VII) Directors and KMP of the Company**

1. Mr. Amit Mittal (Managing Director)
2. Mrs. Dipali Mittal (Whole Time Director)
3. Mr. Rajesh Jain (Whole Time Director)
4. Mrs. Atima Khanna (Director)
5. Mr. Jivan Chandra Pant (Director)
6. Mr. Vikas Agarwal (Director)

**VIII) Private Companies in which a Director or Manager or his Relative is a Member or Director**

**Mr. Amit Mittal or his Relatives**

1. Devdhar Trading & Consultants Private Limited
2. Mestric Consultants Private Limited

**IX) Mr. Jivan Chandra Pant or his Relatives**

1. Career Shapers HR Consulting Private Limited

**X) Directors and KMP of the Holding Company**

1. Mr. Amit Mittal (Managing Director)
2. Mr. Rajesh Jain (CEO & Whole Time Director)
3. Mr. Surender Kumar Tuteja (Director)
4. Mr. Ashok Kumar Saini (Director)
5. Mrs. Dipali Mittal (Director)
6. Dr. Ashok Kumar (Director)
7. Ms. Atima Khanna (Director)
8. Mr. Atul Kumar Agarwal (Company Secretary)
9. Mr. Rajiv Chaturvedi (Chief Financial Officer)

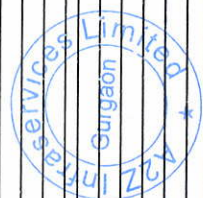
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Note 34.2 : Related party transactions

Particulars	2020-21				2019-20			
	Holding Company	Fellow Subsidiaries	Associate of Holding Company	Key Management Personnel	Holding Company	Fellow Subsidiaries	Associate of Holding Company	Key Management Personnel
<b>Sale of material</b>								
AZZ Infra Engineering Limited	1.25							
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)			35.31					35.31
<b>Services Rendered-</b>								
AZZ Infra Engineering Limited	2,081.92							
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)			1.07					2.71
<b>Received Against Service Rendered</b>								
AZZ Infra Engineering Limited								
<b>Rent Expense-</b>								
Chavan Rishi International Limited		30.00					30.00	
<b>Remuneration charged-</b>								
Amit Mittal				21.32				48.00
Dipali Mittal				14.06				24.00
Rajesh Jain				36.22				48.00
Ashok Kumar (Sitting fees)								0.80
Iwan chandra Pant (Sitting fees)				1.60				0.50
Anna kharma				1.00				
Hemant Kumar				5.17				
Bhagya Nakkar				5.41				
<b>Short term loan given</b>								
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)			2.28					11.40
Mansi Biji & Rice mills Limited		2.41						
AZZ Waste Management (Namtal) Private Limited			1.82					
AZZ Infra Engineering Limited						3.00		
AZZ Waste Management (Jaunpur) Limited			0.40				0.40	
<b>Loan repaid</b>								
AZZ Powercom Limited								
Mansi Bjee and Rice Mills Limited		75.98					6.99	
Mestric Consultants Private Limited				126.06				126.06
<b>Short term loan refunded</b>								
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)								
Magie Genie Services Limited								891.88
Mestric Consultants Private Limited				61.94			34.83	
AZZ Waste Management (Jaunpur) Limited			0.40					
AZZ Infra Engineering Limited	133.11					38.81		
<b>Loan Taken</b>								
AZZ Green Waste Management (Jaunpur) Limited								
- AZZ Waste Management (Merrut) Limited								59.33
AZZ Powercom Limited		6.00						
AZZ Infra Engineering Limited								
Mestric Consultants Private Limited								188.00



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**AZZ INFRA SERVICES LIMITED**

Notes forming part of the consolidated financial statements for the year ended March 31, 2021  
(Unless otherwise stated, all amounts are in INR Lacs)

**Note 34.2 : Related party transactions**

Particulars	2020-21				2019-20			
	Holding Company	Fellow Subsidiaries	Associate of Holding Company	Key Management Personnel	Holding Company	Fellow Subsidiaries	Associate of Holding Company	Key Management Personnel
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)	-	-	4.56	-	-	-	11.80	-
AZZ Waste Management (Nainital) Private Limited	-	-	-	-	-	-	-	-
<b>Interest Income on Loan Given</b>								
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)	-	-	520.39	-	-	-	551.24	-
AZZ Powercom Limited	-	-	-	-	-	-	-	-
Rishikesh Waste Management Limited (Formerly known as AZZ Powertech Limited)	-	-	-	-	-	6.16	-	-
Magic Genie Services Limited	-	13.42	-	-	-	18.34	-	-
AZZ Waste Management (Jaunpur) Limited	-	-	0.03	-	-	-	0.03	-
AZZ Maintenance & Engineering Services Limited & Sava Builder (AOB)	62.33	-	-	-	-	62.33	-	-
Shree Hari Om Utensils Private Limited	-	-	0.02	-	-	-	0.01	-
Shree Balan Pottery Private Limited	-	-	0.02	-	-	-	0.01	-
AZZ Waste Management (Varanasi) Limited	-	-	0.66	-	-	-	0.47	-
<b>Interest income IND AS</b>								
Magic Genie Services Limited	-	0.23	-	-	-	0.21	-	-
AZZ Waste Management (Jadhiana) Limited	-	-	-	-	-	-	1.22	-
Mansi Biji & Rice Mills Limited	-	0.12	-	-	-	-	-	-
<b>Interest Expenses on Loan taken</b>								
AZZ Powercom Limited	-	10.26	-	-	-	10.45	-	-
AZZ Waste Management (Jadhiana) Limited	-	-	-	-	-	-	5.63	-
Mansi Bilee and Rice Mills Limited	-	66.74	-	-	-	48.50	-	-
AZZ Infra Engineering Limited	26.95	-	-	-	26.55	-	-	-
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)	-	-	110.98	-	-	-	107.89	-
Mesrine Consultants Private Limited	-	-	-	0.68	-	-	-	6.86
AZZ Waste Management (Jaunpur) Limited	-	-	2.45	-	-	-	-	-
AZZ Waste Management (Merrut) Limited	-	-	8.31	-	-	-	6.19	-
AZZ Waste Management (Ranchi) Limited	-	-	0.51	-	-	-	2.66	-
AZZ Waste Management (Nainital) Private Limited	-	-	3.23	-	-	-	3.90	-
<b>Fund Received/ includes expenses incurred on behalf of the company-</b>								
AZZ Infra Engineering Limited	-	-	-	-	-	-	-	-
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)	-	-	-	-	-	-	363.09	-
Magic Genie Services Limited	-	-	-	-	-	-	-	-
AZZ Waste Management (Nainital) Private Limited	-	-	-	-	-	-	25.00	-
Rishikesh Waste Management Limited (Formerly known as AZZ Powertech Limited)	-	-	-	-	-	1.15	-	-
<b>Fund Transferred/ includes expenses incurred on behalf of the company-</b>								
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)	-	-	-	-	-	-	445.99	-
Magic Genie Services Limited	-	-	-	-	-	-	-	-
Magic Genie Smartech Solutions Limited	-	-	-	-	-	1.25	-	-
AZZ Infra Engineering Limited	-	-	-	-	1.01	-	-	-



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Note 34.2 : Related party transactions

Particulars	2020-21					2019-20				
	Holding Company	Fellow Subsidiaries	Associate of Holding Company	Key Management Personnel	Holding Company	Fellow Subsidiaries	Associate of Holding Company	Key Management Personnel		
<b>Balance outstanding as at the end of the period:-</b>										
<b>Investment in Preference share/debentures (Equity portion)</b>										
Magic Genie Services Limited	-	53.47	-		-	53.47	-			
<b>Investment in Preference share/debentures (Debt portion)</b>										
Magic Genie Services Limited	-	2.42	-		-	2.18	-			
<b>Non-current borrowing (Debt portion of preference shares / debentures)</b>										
AZZ Waste Management (Ranchi) Limited	-	-	37.43		-	-	34.13			
Mansi Bijlee and Rice Mills Limited	-	528.74	-		-	470.50	-			
<b>Other Equity (Equity portion of preference shares / debentures)</b>										
Mansi Bijlee and Rice Mills Limited	-	1,487.74	-		-	1,487.74	-			
<b>Creditors-</b>										
Chavan Rishi International Limited	-	87.80	-		-	82.43	-			
Magic Genie Services Limited	-	2.24	-		-	2.24	-			
AZZ Maintenance & Engineering Services Limited	34.52	-	-		-	-	-			
AZZ Powercom Limited	-	-	-		-	1.00	-			
Bhumika Transport	-	-	0.04		-	-	0.04			
Eco-Save System (P) Limited	-	-	-		-	-	2.46			
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)	-	-	212.17		-	-	166.36			
AZZ Waste Management (Jaipur) Limited	-	-	2.46		-	-	-			
<b>Other financial assets</b>										
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)	-	-	270.24		-	-	270.24			
AZZ Infra Engineering Limited	2,733.31	-	-		-	-	-			
<b>Unbilled receivable</b>										
AZZ Infra Engineering Limited	2,081.92	-	-		-	-	-			
<b>Other Financial Liabilities-</b>										
AZZ Waste Management (Nainital) Private Limited	-	-	5.00		-	-	25.00			
AZZ Waste Management (Meerut) Limited	-	-	59.33		-	-	59.33			
Rishikesh Waste Management Limited (Formerly known as AZZ Powertech Limited)	-	-	-		-	1.15	-			
AZZ Infra Engineering Limited	584.10	-	-		620.67	-	-			
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)	-	-	601.76		-	-	507.67			
<b>Short term loan given-</b>										
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)	-	-	3,726.78		-	-	3,724.30			
Rishikesh Waste Management Limited (Formerly known as AZZ Powertech Limited)	-	-	-		-	44.38	-			
Magic Genie Services Limited	-	96.15	-		-	96.14	-			
AZZ Maintenance & Engineering Services Limited & Surya Builder (AOP)	-	445.19	-		-	445.19	-			
Magic Genie Smarttech Solutions Limited	-	-	-		-	-	-			
AZZ Waste Management (Varanasi) Limited	-	-	4.71		-	-	4.71			
Shree Balaji Pottery Private Limited	-	-	0.13		-	-	0.13			
Shree Hari Om Utensils Private Limited	-	-	0.13		-	-	0.13			



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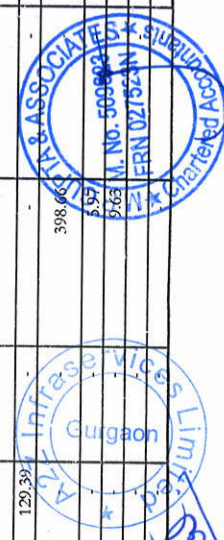
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**AZZ INFRA SERVICES LIMITED**

Notes forming part of the consolidated financial statements for the year ended March 31, 2021  
(Unless otherwise stated, all amounts are in INR Lacs)

**Note 34.2 : Related party transactions**

Particulars	2020-21				2019-20			
	Holding Company	Fellow Subsidiaries	Associate of Holding Company	Key Management Personnel	Holding Company	Fellow Subsidiaries	Associate of Holding Company	Key Management Personnel
AZZ Waste Management (Jaunpur) Limited	-	-	-	-	-	-	-	-
Mansi Biji & Rice Mills Limited	-	2.44	-	-	-	-	-	0.40
- AZZ Waste management (Naunital) Limited	-	-	1.82	-	-	-	-	-
AZZ Green Waste Management (Meerut) Limited	-	-	8.92	-	-	-	-	8.92
<b>Interest Outstanding on Loan Given-</b>								
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)	-	-	3,118.77	-	-	-	2,637.36	-
AZZ Powercom Limited	-	0.31	-	-	-	0.31	-	-
Rishikesh Waste Management Limited (Formerly known as AZZ Powertech Limited)	-	-	-	-	-	26.66	-	-
Magic Genie Services Limited	-	-	-	-	-	47.14	-	-
AZZ Maintenance & Engineering Services Limited & Satva Builder (AOP)	-	60.57	-	-	-	239.46	-	-
Mansi Biji & Rice Mills Limited	-	317.12	-	-	-	-	-	-
AZZ Green Waste Management (Jaunpur) Limited	-	0.11	-	-	-	-	-	-
AZZ Waste Management (Mordabad) Limited	-	-	0.04	-	-	-	0.04	-
AZZ Waste Management (Varanasi) Limited	-	-	6.64	-	-	-	6.64	-
AZZ Waste Management (Ranchi) Limited	-	-	5.18	-	-	-	4.58	-
Shree Hari Om Utensils Private Limited	-	-	0.48	-	-	-	0.48	-
Shree Balaji Pottery Private Limited	-	-	0.11	-	-	-	0.09	-
-	-	-	-	-	-	-	0.09	-
<b>Interest Outstanding on Loan Taken-</b>								
AZZ Powercom Limited	-	24.27	-	-	-	-	-	-
Mansi Biji & Rice Mills Limited	-	0.65	-	-	-	33.83	-	-
AZZ Infra Engineering Limited	9.94	-	-	-	-	12.27	-	-
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)	-	-	744.55	-	-	-	634.26	-
AZZ Waste Management (Bala) Limited	-	-	0.04	-	-	-	0.04	-
AZZ Waste Management (Naunital) Private Limited	-	-	6.48	-	-	-	3.80	-
AZZ Green Waste Management (Meerut) Limited	-	-	-	-	-	-	5.57	-
AZZ Waste Management (Ranchi) Limited	-	-	2.21	-	-	-	1.75	-
AZZ Waste Management (Jaunpur) Limited	-	-	2.20	-	-	-	-	-
AZZ Waste Management (Mordabad) Limited	-	-	0.15	-	-	-	0.15	-
Mestic Consultants Private Limited	-	-	-	-	-	-	6.86	-
<b>Short term borrowing-</b>								
AZZ Powercom Limited	-	78.01	-	-	-	-	-	-
Mansi Biji & Rice Mills Limited	-	26.02	-	-	-	72.01	-	-
AZZ Waste Management (Ludhiana) Limited	-	-	-	-	-	102.00	-	-
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)	-	-	754.91	-	-	-	750.34	-
AZZ Infra Engineering Limited	202.06	-	-	-	335.17	-	-	-
AZZ Waste Management (Naunital) Private Limited	-	-	-	-	-	-	-	-
AZZ Green Waste Management (Jaunpur) Limited	-	-	78.70	-	-	-	-	11.80
AZZ Waste Management (Ranchi) Limited	-	-	3.68	-	-	-	-	-
Mestic Consultants Private Limited	-	-	-	-	-	-	-	3.68
<b>Debtors-</b>								
AZZ Infra Engineering Limited	129.39	-	-	-	150.82	-	-	-
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)	-	-	398.66	-	-	-	394.91	-
AZZ Waste Management (Bala) Limited	-	-	5.97	-	-	-	-	-
AZZ Waste Management (Varanasi) Limited	-	-	9.63	-	-	-	5.97	-
AZZ Waste Management (Ludhiana) Limited	-	-	-	-	-	-	9.63	-
AZZ Waste Management (Meerut) Limited	-	-	-	-	-	-	-	-



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# AZZ INFRA SERVICES LIMITED

Notes forming part of the consolidated financial statements for the year ended March 31, 2021  
(Unless otherwise stated, all amounts are in INR Lacs)

## Note 34.2 : Related party transactions

Particulars	2020-21				2019-20			
	Holding Company	Fellow Subsidiaries	Associate of Holding Company	Key Management Personnel	Holding Company	Fellow Subsidiaries	Associate of Holding Company	Key Management Personnel
AZZ Waste Management (Mirzapur) Limited	-	-	1.28	-	-	-	1.28	-
AZZ Waste Management (Patanchpur) Limited	-	-	2.12	-	-	-	2.12	-
AZZ Waste Management (Aizawl) Limited	-	-	-	-	-	-	-	-
AZZ Waste Management (Badaun) Limited	-	-	1.57	-	-	-	1.57	-
AZZ Waste Management (Sambhal) Limited	-	-	2.00	-	-	-	2.00	-
AZZ Waste Management (Dhanbad) Limited	-	-	0.82	-	-	-	0.82	-
AZZ Waste Management (Moradabad) Limited	-	-	0.74	-	-	-	0.74	-
Greeneffect waste management Limited (Formerly known as AZZ Green Waste Management Ltd)(Mirzapur Plant)	-	-	-	-	-	-	2.50	-
AZZ Waste Management (Jaunpur) Limited	-	-	-	-	-	-	-	-
Magic Genie Services Limited	-	60.58	-	-	-	60.47	-	-
Security Deposit Given-	-	-	-	-	-	-	-	-
Chavan Rebi International Limited	-	11.70	-	-	-	11.70	-	-
Security Deposit Received-	-	-	-	-	-	-	-	-
AZZ Infra Engineering Limited	57.31	-	-	-	57.31	-	-	-
Remuneration Payable-	-	-	-	-	-	-	-	-
Amit Mittal	-	-	-	12.10	-	-	-	12.00
Deepali Mittal	-	-	-	2.61	-	-	-	6.00
Rajesh Jain	-	-	-	15.09	-	-	-	12.00
Ashok Kumar (Sitting fees)	-	-	-	-	-	-	-	1.17
Jivan chandra Pant (Sitting fees)	-	-	-	1.60	-	-	-	1.98
Anna khanna	-	-	-	1.00	-	-	-	-
Hemant kumar	-	-	-	0.43	-	-	-	-
Bhagya Makkar	-	-	-	1.03	-	-	-	-

Note 34.3: In the opinion of the management, the transactions reported herein are on arms' length basis.

Note 34.4: Details relating to persons referred to as key managerial personnel above:

## Particulars

Short term employee benefits  
Defined contribution plan  
Sitting fees

Total compensation paid to key management personnel

For the year ended	For the year ended
March 31, 2021	March 31, 2020
32.42	118.56
1.20	1.44
2.60	1.70
33.82	121.70



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## Note 35: Financial risk management

## (i) Fair value measurement of financial instruments

For amortised cost instruments, carrying value represents the best estimate of fair value.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

## (ii) Financial Instruments by Category

	As at March 31, 2021			As at March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments	-	-	2.42	-	-	2.18
Trade receivables	-	-	8,421.40	-	-	9,954.30
Loans	-	-	8,295.90	-	-	7,877.02
Cash and cash equivalents	-	-	907.46	-	-	469.56
Other bank balances	-	-	116.83	-	-	116.83
Other financial assets	-	-	8,949.36	-	-	6,427.39
<b>Total</b>	-	-	<b>26,693.37</b>	-	-	<b>24,847.28</b>
<b>Financial liabilities</b>						
Borrowings	-	-	7,039.85	-	-	7,638.37
Trade payables	-	-	8,718.12	-	-	10,003.82
Lease liability	-	-	17.77	-	-	37.86
Other financial liability	-	-	4,293.60	-	-	1,442.28
<b>Total</b>	-	-	<b>20,069.34</b>	-	-	<b>19,122.33</b>

## (ii) Risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Aging analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Analysis of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting	Risk limits
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Risk limits
Market risk - security price	Investments in equity securities	Sensitivity analysis	Risk limits

The Group's risk management is carried out by a central treasury department (of the Group) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

## A. Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Group's policy is to deal only with creditworthy counterparties.

The Group's receivables comprises of trade receivables. During the periods presented, the group made no write-offs of trade receivables and it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off. The Group has certain trade receivables that have not been settled by the contractual due date but are not considered to be impaired, as given below:

	As at March 31, 2021	As at March 31, 2020
Not more than 30 days	2,381.58	3,078.20
More than 30 days but not more than 60 days	998.90	1,757.12
More than 60 days but not more than 90 days	1,124.68	667.86
More than 90 days	2,416.24	4,788.34
<b>Total</b>	<b>6,921.40</b>	<b>10,291.53</b>
Less: Allowances for doubtful debts	(337.22)	(337.22)
	<b>6,584.18</b>	<b>9,954.31</b>

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various industries and geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good. The Group recognizes lifetime expected credit losses on trade receivables using a simplified approach and uses historical information to arrive at loss percentage relevant to each category of trade receivables. The Group follows a single loss rate approach and estimates expected credit loss on trade receivables to be 3%. Further, specific provision is made for any individual debtors which are considered to be doubtful and non-recoverable in part or in full. The reconciliation of expected credit losses on trade receivables is given below.



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Balance as at the beginning of the year  
Add: Acquisition of subsidiary  
Balance as at the end of the year

	As at March 31, 2021	As at March 31, 2020
	337.22	334.27
	2.95	2.95
	340.17	337.22

The credit risk for other financial assets is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings. However, specific provision is made in case a particular receivable is considered to be non-recoverable.

**B. Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**Maturities of financial liabilities**

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at March 31, 2021	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
<b>Non-derivatives</b>					
Borrowings	2,346.58	-	-	3,902.17	6,248.75
Trade payables	8,718.12	-	-	-	8,718.12
Other financial liabilities	5,084.70	-	-	-	5,084.70
<b>Total</b>	<b>16,149.40</b>	<b>-</b>	<b>-</b>	<b>3,902.17</b>	<b>20,051.57</b>

As at March 31, 2020	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
<b>Non-derivatives</b>					
Borrowings	6,337.45	-	-	3,432.17	9,769.62
Trade payables	10,003.82	-	-	-	10,003.82
Other financial liabilities	2,144.79	-	-	-	2,144.79
<b>Total</b>	<b>18,486.06</b>	<b>-</b>	<b>-</b>	<b>3,432.17</b>	<b>21,918.23</b>

**C. Market risk****(a) Interest rate risk****(i) Liabilities**

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At March 31, 2021, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Group's investments in fixed deposits all pay fixed interest rates.

**Interest rate risk exposure**

Below is the overall exposure of the Group to interest rate risk:

	As at March 31, 2021	As at March 31, 2020
Variable rate borrowing	7,039.85	7,638.37
Fixed rate borrowing	-	-
<b>Total</b>	<b>7,039.85</b>	<b>7,638.37</b>

**Sensitivity**

Below is the sensitivity of profit or loss and equity changes in interest rates.

	As at March 31, 2021	As at March 31, 2020
Interest sensitivity*		
Interest rates -- increase by 100 basis points (100 bps)	(52.68)	-57.16
Interest rates -- decrease by 100 basis points (100 bps)	52.68	57.16

\* Holding all other variables constant

**(b) Foreign exchange risk**

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, Uganda Shillings, Tanzania Shillings and Zambia Kwacha. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Group's functional currency.

**Unhedged foreign currency exposure**

The Group's exposure to foreign currency risk at the end of the reporting period expressed are as follows:

Particulars	March 31, 2021				March 31, 2020			
	Amount In Foreign	Currency	Exchange Rate as on March 31, 2020	Amount in lacs	Amount In Foreign	Currency	Exchange Rate as on March 31, 2019	Amount in lacs
Foreign currency in hand	516	Dirham	1 Dirham=INR 20.004	0.16	516	Dirham	1 Dirham=INR 20.5327	0.11
Foreign currency in hand	127	USD	1 USD=INR 73.203	0.16	127	USD	1 USD=INR 73.325	0.09



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**Note 36 : Capital management policies and procedures**

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the Group.

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern
- to provide an adequate return to shareholders

by pricing products and services commensurately with the level of risk.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

	As at March 31, 2021	As at March 31, 2020
Borrowings	7,039.85	7638.37
Trade payables	8,718.12	10003.82
Less: Cash and cash equivalents	(907.46)	(469.56)
<b>Net debt</b>	<b>14,850.51</b>	<b>17,172.63</b>
Equity	9,622.82	8783.06
<b>Capital and net debt</b>	<b>24,473.33</b>	<b>25,955.69</b>
<b>Gearing ratio</b>	<b>60.68%</b>	<b>66.16%</b>

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

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## Note 37 : Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"

(a) Disaggregation of revenue into operating segments and geographical areas for the year ended March 31, 2021

Segment	Revenue as per Ind AS 115	Other Revenue	Total
<b>Revenue from operations</b>			
Revenue from operation and maintenance services	15,269.29	-	15,269.29
<b>Other operating income</b>			
Scrap sale	-	-	-
<b>Total</b>	<b>15,269.29</b>	<b>-</b>	<b>15,269.29</b>

(b) Out of the total revenue recognised under IND AS-115 during the year, INR 15,269.29 lacs is recognised over a period of time.

(c) Movement in Expected Credit Loss during the year:

Particulars	Provision on Trade receivables covered under Ind AS 115	Provision on Contract assets
<b>Closing balance as at March 31, 2020</b>	334.27	-
Changes in allowance for expected credit loss:		
Provision/(reversal) of allowance for expected credit loss	-	-
Additional provision (net) towards credit impaired receivables	-	-
Write off as bad debts	-	-
<b>Closing balance as at March 31, 2021</b>	<b>334.27</b>	<b>-</b>

(d) Contract balances:

(i) Movement in contract balances during the year:

Particulars	Trade Receivable	Contract assets	Contract liabilities
Opening balance as at April 1, 2020	6,961.80	-	-
Closing balance as at March 31, 2021	6,677.37	-	1,182.37
Net increase/(decrease)	(284.43)	-	1,182.37

(ii) Revenue recognised during the year from opening balance of contract liabilities amounts to INR Nil.

(iii) Revenue recognised during the year from the performance obligation satisfied in previous year (arising out of contract modifications) amounts to INR Nil.

(e) Cost to obtain the contract :

(i) Amount of amortisation recognised in Profit and Loss during the year 2020-21: Nil

(ii) Amount recognised as assets as at March 31, 2021 : Nil

(f) Reconciliation of contracted price with revenue during the year:

<b>Opening contracted price of orders as at April 1, 2020*</b>	<b>66,307.96</b>
<b>Add:</b>	
Fresh orders/change orders received (net)	37.28
<b>Less:</b>	
Orders completed during the year	7,773.91
<b>Closing contracted price of orders as at March 31, 2021*</b>	<b>58,571.34</b>
<b>Total Revenue recognised during the year:</b>	<b>15,269.29</b>
<b>Less: Revenue out of orders completed during the year</b>	<b>-</b>
Revenue out of orders under execution at the end of the year (I)	15,269.29
Revenue recognised upto previous year (from orders pending completion at the end of the year) (II)	29,111.79
Decrease due to exchange rate movements (net) (III)	-
Balance revenue to be recognised in future viz. Order book (IV)	14,190.26
<b>Closing contracted price of orders as at March 31, 2021* (I+II+III+IV)</b>	<b>58,571.34</b>

\*including full value of partially executed contracts.

(g) Remaining performance obligations: The aggregate amount of transaction price allocated to remaining performance obligations and expected conversion of the same into revenue is as follows:

Particulars	Total	Expected conversion in revenue	
		Upto 1 Year	More than 1 year
Transaction Price allocated to remaining performance obligation	14,190.26	8,639.76	5,550.50



## Note 38 : Segment reporting

## Segmental information

## Business segments:

The Group has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108). The Company is operating into following segments :

(i) Facility Management Services (FMS)

(ii) Municipal Solid Waste Management (MSW)

	For the year ended March 31, 2021				For the year ended March 31, 2020			
	Facility management services	Municipal solid waste management	Elimination	Total	Facility management services	Municipal solid waste management	Elimination	Total
<b>Revenue</b>								
Segment revenue	15,269.29	9,483.19	-	24,752.48	23,043.20	8,364.43	-	31,407.63
Other income	31.19	68.33	-	99.52	0.00	45.62	-	45.62
Intersegment revenue	-	-	-	-	-	1.23	1.23	-
<b>Total segment revenue</b>	<b>15,300.48</b>	<b>9,551.52</b>	<b>-</b>	<b>24,852.00</b>	<b>23,043.20</b>	<b>8,411.28</b>	<b>1.23</b>	<b>31,453.25</b>
<b>Cost</b>								
Segment cost	(14,489.12)	(8,779.92)	-	(23,269.04)	(22,461.21)	(7,946.37)	(1.23)	(30,406.35)
<b>Total segment cost</b>	<b>(14,489.12)</b>	<b>(8,779.92)</b>	<b>-</b>	<b>(23,269.04)</b>	<b>(22,461.21)</b>	<b>(7,946.37)</b>	<b>(1.23)</b>	<b>(30,406.35)</b>
<b>Segment operating (loss)/ profit</b>	<b>811.36</b>	<b>771.60</b>	<b>-</b>	<b>1,582.96</b>	<b>581.99</b>	<b>464.91</b>	<b>-</b>	<b>1,046.90</b>

## Total Segment Cost

Finance income

Finance costs

Exceptional Item

Loss before tax

## Tax expense

Current tax

Deferred tax charge

Loss after tax

Other comprehensive income

Total comprehensive income for the year (comprising loss and other comprehensive income)

As at March 31, 2021	As at March 31, 2020
1,582.96	1,046.90
657.12	958.44
(1,205.07)	(1,177.12)
(528.78)	(680.31)
<b>506.23</b>	<b>147.91</b>
289.68	343.52
70.59	92.51
<b>145.96</b>	<b>(288.12)</b>
199.13	119.39
<b>345.09</b>	<b>(168.73)</b>

	As at March 31, 2021				As at March 31, 2020			
	Facility management services	Municipal solid waste management	Elimination	Total	Facility management services	Municipal solid waste management	Elimination	Total
<b>Assets</b>								
Segment assets	13,594.15	14,069.65	1,477.40	26,186.40	16,287.47	13,019.41	2,733.11	26,573.77
Unallocable corporate assets	-	-	-	12,822.37	-	-	-	12,216.68
<b>Total assets</b>	<b>13,594.15</b>	<b>14,069.65</b>	<b>1,477.40</b>	<b>39,008.77</b>	<b>16,287.47</b>	<b>13,019.41</b>	<b>2,733.11</b>	<b>38,790.45</b>
<b>Liabilities</b>								
Segment liabilities	12,194.09	11,221.44	822.14	22,593.39	14,005.42	10,487.90	2,081.38	22,411.94
Unallocable corporate liabilities	-	-	-	6,792.55	-	-	-	7,595.43
<b>Total liabilities</b>	<b>12,194.09</b>	<b>11,221.44</b>	<b>822.14</b>	<b>29,385.94</b>	<b>14,005.42</b>	<b>10,487.90</b>	<b>2,081.38</b>	<b>30,007.37</b>
Capital expenditure	87.14	142.28	-	229.42	62.11	485.44	-	547.55
Depreciation	193.18	262.71	-	455.89	191.75	142.30	-	334.05
Other non-cash expenditure	-	-	-	23.62	-	-	-	17.94

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.



## Note 39: Group information:

Consolidated financial statements as at March 31, 2021 comprise the financial statements of A2Z Infraservices Limited (the "Company") and its subsidiaries, which are as under:

S. No.	Name	Principal activities	NIC Code	Country of incorporation	Status of Financial Statements at March 31, 2021	Proportion of equity Interest as at March 31, 2021	Proportion of equity Interest as at March 31, 2020
<b>Indian and Foreign subsidiaries:</b>							
1	Ecogreen Envirotech Solution Limited	Waste management processing facility	81100	India	Audited	84.70%	84.70%
2	A2Z Infraservices Lanka (Pvt) Limited*	Combined facilities support activities	Incorporated	Srilanka	Audited	100.00%	100.00%
3	A2Z Waste Management (Aligarh) Limited	Waste management processing facility	38110/38210	India	Audited	80.00%	80.00%
4	A2Z Waste Management (Ludhiana) Limited	Waste management processing facility	38110/38210	India	Audited	70.00%	70.00%
5	Magic Genie Smartech Solutions Limited	Installation of Sanitation Equipment	43221	India	Audited	70.00%	70.00%
6	Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited)	Waste management processing facility	38110/38210	India	Audited	70.00%	70.00%

\* A2Z Infraservices Limited is initial shareholders by virtue of subscription to Memorandum of Association of A2Z Infraservices Lanka (Pvt) Limited and committed to make investment.

Note 40: Additional information as required by Paragraph 2 of the general instructions for preparation of consolidated financial statements to division II of Schedule III to the Companies Act, 2013:

	Net Assets i.e. total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in other comprehensive income	
	As % of Consolidated net assets	Amount	% of Consolidated profit / (loss)	Amount	% of Consolidated Profit / (loss)	Amount	% of Consolidated Profit / (loss)	Amount
<b>Parent:</b>								
1 A2Z Infraservices Limited	89.00%	8,564.59	327.29%	477.71	24.55%	48.89	152.60%	526.60
<b>Subsidiaries:</b>								
1 Ecogreen Envirotech Solutions Limited	15.29%	1,471.15	336.86%	491.68	58.40%	116.30	176.18%	607.98
2 A2Z Infraservices Lanka Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
3 A2Z Waste Management (Aligarh) Limited	1.53%	147.53	-79.72%	(116.36)	7.50%	14.94	-29.39%	(101.42)
4 A2Z Waste Management (Ludhiana) Limited	1.58%	151.92	-109.67%	(160.07)	9.12%	18.17	-41.12%	(141.90)
5 Magic Genie Smartech Solutions Limited	-0.25%	(23.64)	-12.83%	(18.73)	0.42%	0.83	-5.19%	(17.90)
6 Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited)	-2.01%	(193.48)	0.37%	0.54	0.000%	-	0.16%	0.54
<b>Total non-controlling interest in all subsidiaries</b>	<b>-2.66%</b>	<b>(255.76)</b>	<b>-107.64%</b>	<b>(157.10)</b>	<b>13.30%</b>	<b>26.48</b>	<b>-37.85%</b>	<b>(130.63)</b>
<b>Total eliminations/ consolidation adjustments</b>	<b>-2.49%</b>	<b>(239.50)</b>	<b>-254.66%</b>	<b>(371.71)</b>	<b>-13.30%</b>	<b>(26.48)</b>	<b>-115.39%</b>	<b>(398.19)</b>
<b>Total</b>	<b>1.00</b>	<b>9,622.81</b>	<b>1.00</b>	<b>145.96</b>	<b>1.00</b>	<b>199.13</b>	<b>100.00%</b>	<b>345.09</b>



## Note 41 : Disclosure of subsidiary having material non-controlling interest

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Name of subsidiary	A2Z Waste Management (Ludhiana) Limited		Rishikesh Waste Management Limited	
Principal place of business	India			
Proportion of ownership interest held by non-controlling interests	30.00%	30.00%	30.00%	0.00%
Proportion of voting right held by non-controlling interests	30.00%	30.00%	30.00%	0.00%

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>i) Summarised balance sheet</b>				
Current assets	1,279.19	1,610.47	131.06	
Current liabilities	3,033.76	3,204.83	179.53	
Net current assets	(1,754.57)	(1,594.36)	(48.47)	-
Non-current assets	4,820.94	4,721.27	4.72	
Non-current liabilities	2,909.43	2,827.93	9.73	
Net non-current assets	1,911.51	1,893.34	(5.01)	-
Net assets	156.94	298.98	(53.48)	-
Accumulated non-controlling interest	(348.99)	-	-	-
<b>ii) Summarised statement of profit and loss</b>				
Profit / (Loss) for the year	(160.07)	(404.32)	0.54	-
Other comprehensive income for the year	18.17	(3.77)	-	-
Total comprehensive income	(141.90)	(408.09)	0.54	-
Loss allocated to non-controlling interest	(42.57)	-	-	-
<b>iii) Summarised statement of cash flow</b>				
Cash flow from operating activities	91.41	82.34	(24.24)	-
Cash used in investing activities	58.06	(345.86)	(0.26)	-
Cash used in/ (flow from) financing activities	(138.54)	262.72	23.77	-
Net (decrease)/ increase in cash and cash equivalents	10.93	(0.80)	(0.73)	-

## Note 42 : Disclosure pursuant to Ind AS 116 "Leases"

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The expense of short term leases and leases with period less than 12 months from initial application date is 165.49 lacs (March 31, 2020: INR 134.91 Lakhs)

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the prospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 13.55%.

## Lease payments not included in measurement of lease liability:

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	March 31, 2021	March 31, 2020
Short-term leases	107.7079	134.91
Leases of low value assets	-	-
Variable lease payments	-	-
Closing Balance	107.71	134.91

The changes in the carrying value of ROU assets for the year ended March 31, 2021 are as follows:

Particulars	March 31, 2021	March 31, 2020
Opening Balance	58.10	58.10
Addition during the year	-	-
Depreciation during the year	32.64	17.61
Deletion during the year	-	-
Closing Balance	25.46	40.49

The movement in lease liabilities during the year ended March 31, 2021 is as follows:

Particulars	March 31, 2021	March 31, 2020
Opening Balance	37.86	58.10
Addition during the year	0	-
Finance cost accrued during the period	3.8	6.55
Payment of lease liabilities	23.89	26.79
Deletion during the year	0	-
Closing Balance	17.77	37.86

The break-up of current and non-current lease liabilities as at March 31, 2021 is as follows:

Particulars	March 31, 2021	March 31, 2020
Current lease liabilities	17.77	19.41
Non-current lease liabilities	0	18.45
Total	17.77	37.86

The details of the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis are as follows:

Particulars	March 31, 2021	March 31, 2020
Less than one year	17.76569046	0.84
One to five years	0	37.03
More than five years	0	-
Total	17.77	37.86

The information about extension and termination options are as follows:

Particulars	Office premises
Right of use assets	5.00
Number of leases	0.25 - 0.75
Range of remaining term (in years)	0.40
Average remaining lease term (in years)	2.00
Number of leases with extension option	Nil
Number of leases with purchase option	5.00
Number of leases with termination option	-

#### Note 43 : Corporate social responsibility

As per section 135 of the Companies Act, a company, meeting the eligibility criteria, needs to spend at least 2% of its average profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Company CSR programs/projects focuses on sectors and issues as mentioned in Schedule VII read with section 135 of the Act. A CSR committee has been formed by the Company as per the Act. The CSR Committee has been examining and evaluating suitable proposals for deployment of funds towards CSR initiatives, however, the committee expects finalisation of such proposals in due course.

Particulars	March 31, 2021	March 31, 2020
Gross amount to be spent during the year for average profits for last three preceding year	15.22	17.44
Amount spent during the year 2020-21	60.00	6.72
Opening balance of unspent amount	43.69	32.97
Closing balance of unspent amount	(1.09)	43.69

#### Note 44 : Contingent liabilities and commitments

The details of contingent liabilities are as follows:

Corporate guarantees given to others

As at	As at
March 31, 2021	March 31, 2020
201.08	-
201.08	-

#### Note 45 : Post-reporting date events

No adjusting or significant non-adjusting events have occurred between the 31 March 2021 reporting date and the date of authorisation 18 June 2021.

#### Note 46 : Authorisation of financial statements

The Financial statements for the year ended 31 March 2021 (including comparatives) were approved by the board of directors on 18 June 2021.

For M.P. Gupta & Associates

Chartered Accountants  
 Regn. No. 509623N

M.P. Gupta & Associates  
 Chartered Accountants  
 Regn. No. 509623N  
 M.No. 509623N  
 Proprietor

For and on behalf of the Board of Directors



Amit Mittal

Director  
 (Din: 00058944)

Dipali Mittal

Director  
 (Din: 00872628)