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A2Z INFRA ENGINEERING LTD.

20th Annual Report 2020-21

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annual report

CAUTION REGARDING FORWARD LOOKING STATEMENTS

Certain statements in this annual report concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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Financial Year 2020-21 (FY21) brought in the expected slowdown and losses to the businesses across industries and sectors in the aftermath of COVID-19 pandemic. The lockdowns and halt in economic activities made the adverse impact that was not seen in recent times. The bigger and connected the economy and the world, the larger were the repercussions. The global economy reported 3.5% de-growth in world GDP while India witnessed a big below with 7.5% decrease in economic growth in terms of GDP. The sectors wherein A2Z Group operates were also badly affected during this time. Right from project cancellations to delayed payments from clients to projects stalled and as a result the undue pressure on finance cost were key impacts.

The need to sustain and difficult times is paramount for those who are there for a long-long terms and have he vision and capabilities to reap the opportunities as and when they arise again. At A2Z Group, our mantra during FY21 was to sustain and sustain along with all our stakeholders and taking them together in these most difficult times. We took conscious calls and decisions to prefer people safety above all while fulfilling existing customer commitments and creating future opportunities. Our moves are in right direction and we are confident of emerging as a profitably sustainable corporation and a group. The few green shoots duding FY21 were the bagging of EPC project from Airtel for laying of OFC. We were on track to deliver the targeted results in our on-going OFC EPC project for the defence department of Govt. of India. While our revenues grew 1.3% in Q4 of FY21 on Q-o-Q basis with a decline of 61.5% on Y-o-Y basis, we managed to decrease our net losses before taxes from Rs. 237.3 Cr. in FY20 to Rs.77.3 Cr. in FY21. As revenue generation was under pressure, we worked to bring down our direct costs, as percentage of operating revenue, from 91.6% in FY20 to 86.4% in FY21.

The FY21 had come with unprecedented challenges and has also taught us unprecedented learnings. We have sustained this difficult times while preparing for an opportune future in our vision of 'empowering the nation'.

From the desks of The Chairman and The Managing Director

Dear Shareholders,

“On the other side of a storm is the strength that comes from having navigated through it.” The COVID-19 pandemic was the kind of storm not seen by the world in more than a century and having survived it we have seen the resilience and intensity of our capabilities and commitment. While we are not out of the woods completely as there are residual effects of the downturn in the first half of FY2020-21 and downside risks looming over the horizon, there are many positives to be thankful for.

The performance numbers of the Global economy in 2020 are a testament to the devastation that the pandemic left in its wake. From a 2.5% YoY growth in 2019, the global economy suffered a de-growth of 3.5% in 2020. Only a handful of countries among the major global economies saw growth during the year. The Advanced Economies suffered the brunt with a high number of COVID-19 cases and deaths, and even economically the output declined by 4.7%. However, by the end of 2020, the scenario had transformed into one of cautious optimism on the economic front. The world economy was expected to rebound in 2021 with a 4.0% growth, which was further revised upward by mid-2021 to 5.6%. The trend for the Indian economy was no different. From 24.4% and 7.4% YoY drop in the first two quarters of the financial year and to end with 7.3% decline for the full year of 2020-21 and prospects of growing at 8%+ rate in FY2021-22, the country's economy is clearly on the recovery path.

The performance of your Company has also reflected a similar trajectory in the year under review with the last quarter of the year showing a 1.3% YoY revenue increase vs. 61.5% YoY decrease in the first quarter. The impact of the pandemic on the businesses of the Company was much deeper than many other sectors of the economy, especially the Engineering Services and the Facility Management Services. The health concerns from the pandemic and lockdown restrictions meant a total disruption of business activity for the EPC sector. Not only did we see project cancellations in the industry, but some projects also saw work stoppages due to supply chain blockages, issues with customer/ vendor communication, and availability of labour. These factors and commodity price volatility also resulted in cost escalations. With the offices not allowed to operate and employees working from home, the companies not only cut down on Facility Management Services but in most cases gave away a large portion of their office spaces. But with the increased budgetary allocations by the Government to the infrastructure sector and robust growth in office space absorption seen during the second half of the financial year, the outlook for the two affected businesses improved considerably albeit there remains a dark cloud on the horizon of any subsequent waves of the pandemic. Our Municipal Solid Waste management business continued to perform well even during the pandemic because of the essential nature of the service and the future for the SBU continues to be bright. Our waste-to-energy power plants could not commence commercial production due to the pandemic and other operational delays. However, your company continued its efforts to find alternate ways of using combustible portion of the Refuse Derived Fuel (RDF) without depending upon capital intensive power plants. This technology would be useful even in cities where generation of RDF is not sufficient to install power plant. We are in the beta stage for commercial launch of this technology. On the profitability front, our initiatives to improve operational efficiencies resulted in the direct costs of raw materials and employee expenses as a percentage of the operating revenue decreasing from 91.6% to 86.4%. With no exceptional loss in FY2020-21 as against Rs. 161 crore losses in FY2019-20, the Loss Before Tax was much lower than the previous year at Rs. 77.3 crore vs. Rs. 237.3 crore. The major concern that has arisen due to the pandemic that we continue to tackle is the lack of liquidity due to delays in the collection of receivables. This has not only resulted in no substantial One Time Settlement(s) (OTS) being executed with the borrowers as seen in the previous few years but also delay in payment of agreed deferred instalment(s) of settlement amounts against previous OTS agreements. We are, however, confident of tiding over this crisis by maintaining constant communication with the lenders and also focusing on collections in parallel.

In terms of the strategy for the future growth of our businesses, we are focused on tapping new opportunities across our SBUs. The sustainable cash flow business opportunity in the Operations & Maintenance space adjacent to the EPC business, emerging new customer segments in the FMS vertical such as public places, railways, and residential complexes, Smart City projects in the sanitation and waste management areas, and many more opportunities are a top priority for the Company to deliver growth. With the business outlook being positive, we will look to bag more projects such as Optical Fibre Network installation and O&M project to turn around the SBU. Focusing on good waste management project with long term sustainability is the prime focus in the coming year. Another issue that will receive our focused attention is the resolution of issues in restarting our Power Generation business at the new locations with available Refuse Derived Fuel or solid waste. These two are essential to regaining our financial viability in addition to negotiating further settlements with other bankers/ lenders.

We are pleased to share with you this annual report for the year 2020-21 with the hope that you and your loved ones are safe and healthy. We thank you for your constant support through these tough times and the faith you have placed in the Company over the years. We are also grateful to all our employees, vendor partners, lenders, customers and other stakeholders for their commitment to our growth. Wish you all the best for the new financial year!

Surender Kumar Tuteja	**Amit Mittal**
Chairman	Managing Director

Corporate Information

BOARD OF DIRECTORS

Mr. Surender Kumar Tuteja
Non-Executive Independent Chairman

Mr. Amit Mittal
Managing Director

Mr. Rajesh Jain
Whole Time Director & CEO

Dr. Ashok Kumar Saini
Non-Executive Non-Independent Director

Ms. Dipali Mittal
Non-Executive Non-Independent Director

Ms. Atima Khanna
Non-Executive Independent Director

CHIEF FINANCIAL OFFICER

Mr. Rajiv Chaturvedi

COMPANY SECRETARY CUM COMPLIANCE OFFICER

Mr. Atul K. Agarwal

STATUTORY AUDITORS

Walker Chandiok & Co LLP (formerly Walker, Chandiok & Co) Chartered Accountants

REGISTRAR & SHARE TRANSFER AGENT

M/s. Alankit Assignments Ltd.

Alankit House, 4E/2, Jhandewalan Extension,
New Delhi – 110 055
Ph.:+91 11 42541234, 23541234
Fax: +91 1123552001

REGISTERED OFFICE

0-116, 1st Floor, DLF Shopping Mall,
Arjun Marg, DLF Phase I,
Gurugram-122002 Haryana (India)

CORPORATE OFFICE

Plot No. B-38, Institutional Area,
Sector -32, Gurugram-122001
Haryana (India)
Website: www.a2zgroup.co.in

BANKERS

1. State Bank of India
2. Standard Chartered Bank
3. IDBI Bank Ltd.
4. ICICI Bank Ltd.
5. Axis Bank Ltd.
6. Induslnd Bank Ltd.
7. Indian Bank Ltd. (Erstwhile Allahabad Bank Ltd)
8. Union Bank of India
9. Kotak Mahindra Bank Ltd.
10. DBS Bank Ltd.
11. Edelweiss Asset Reconstruction Company Ltd.

Boards' Report

To,
The Members of
A2Z Infra Engineering Ltd.

Your Directors take pleasure in presenting the 20th Annual Report together with the annual audited financial statements for the year ended March 31, 2021.

1. **Financial summary or highlights/Performance of the Company**

The highlights of financial results on Standalone and Consolidated basis for the financial year ended on March 31, 2021 are as follows:

(INR in lakh)

	Standalone		Consolidated	
Particulars	**2020-21**	**2019-20**	**2020-21**	**2019-20**
Income				
Revenue from Operations	18,785.14	38,522.64	41,490.79	69,984.30
EBIDTA	(3,015.47)	(1,972.92)	(411.22)	(78.50)
Finance Cost	4,820.34	4,874.14	5,982.25	6,034.47
Depreciation and amortization expenses	452.78	1,001.14	918.98	1,370.47
Profit/(Loss) before Exceptional Items and tax	**(8,288.59)**	**(7,848.20)**	**(7,312.45)**	**(7,483.44)**
Exceptional Items	-	(17,630.90)	-	(16,108.68)
Share of profit/(loss) from associate	-	-	(413.31)	(135.27)
Total Tax Expense	**25.63**	**3,609.60**	**383.74**	**4,086.99**
Profit/Loss for the year	**(8,314.22)**	**(29,088.70)**	**(8,109.50)**	**(27,814.38)**
Other Comprehensive Income (net of tax)	**106.38**	**31.07**	**305.51**	**150.99**
Total Comprehensive income for the year	**(8,207.84)**	**(29,057.63)**	**(7,803.99)**	**(27,663.39)**

Note: The above figures are extracted from the standalone and consolidated annual financial statements of the Company as per Indian Accounting Standards (Ind AS).

Operations Review

Standalone:

During the year under review, the Turnover of the Company has shown a decrease as compared to that of the previous year by 51.24%. The Company has achieved a Turnover of INR 18,785.14 Lakhs as against INR 38,522.64 Lakhs in the previous year. The Company has made net loss after tax of INR 8,314.22 Lakh as against INR 29,088.70 Lakh in the previous year.

The Net Worth of the Company has decreased to INR 27,916.64 Lakhs as at the end of the current year from INR 35,995.10 Lakhs as at the end of the previous year representing decrease in Net Worth by 22.44%.

The Debt Equity ratio of the Company has changed to 1.58 as at the end of the current year as compared to 1.07 as at the end of the previous year.

Consolidated:

The consolidated Turnover of the Company for the current financial year is INR 41,490.79 Lakh as against INR 69,984.30 Lakh in the previous year representing decrease in Turnover by 40.71%. On consolidated basis Company has made a net loss of INR 8,109.50 Lakh as against a loss of INR 27,814.38 Lakh in the previous year.

The consolidated Net Worth of the Company has decreased to INR 33,779.05 Lakh as at the end of the current year from INR 41,278.50 Lakh as at the end of previous year representing decrease in Net Worth by 18.17 %.

The consolidated Debt Equity ratio of the Company has changed to 1.56 as at the end of the current year compared to 1.15 as at the end of previous year.

2. **Consolidated Financial Statements**

The Audited Consolidated Financial Statements of your Company as on March 31, 2021, have been prepared in accordance with the relevant Indian Accounting Standards (Ind AS) issued by Accounting Standards Board(ASB) and Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions of the Companies Act, 2013.

In accordance with Section 129(3) of the Companies Act, 2013 and schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Consolidated Financial Statements of the Company, including the financial details of all the subsidiaries and associates companies of the Company, forms a part of this Annual Report.

3. Dividend

Due to inadequacy of profit, the Board of Directors does not recommend any dividend for the financial year ended March 31, 2021.

4. Operational highlights

The key highlights of the Company's various businesses are as follows:

Power Transmission & Distribution:

Your Company is an experienced company in Engineering & Urban Infrastructure Services sector. As part of the services, the Company provides integrated design, testing, installation, construction and commissioning services on a turn-key basis to its clients. The Company's projects include rural electrification, railway overhead electrification, reduction of AT&C losses, feeder renovation, underground cabling, feeder segregation, installing High Voltage Distribution System ("HVDS") and Low Voltage Distribution System ("LVDS") distribution lines and transmission lines. The Company has strong capabilities to build, operate and maintain:

- Substations & Switchyards up to 765 kV.
- Transmission lines up to 765 kV.
- 11 / 33 kV distribution lines comprising of Feeder Renovation Projects, Tube Well Connection, Segregation of Domestic and Agriculture load, Augmentation of Lines, Providing Laying of HT & LT Aerial Bunched Cables and Offering BPL Connections.

The Company has its overseas presence in Nepal, Uganda and Tanzania.

Under Engineering Services segment we may pursue infrastructure projects like Sewage Network & Treatment Plants, Gas Distribution Networks, and Metro projects in select cities.

We have also completed projects in various states of India including Jammu & Kashmir, Rajasthan, Orissa, Bihar, Arunachal Pradesh, Jharkhand, Kerala, Chhattisgarh, Haryana, Uttar Pradesh and Himachal Pradesh.

Telecom Infrastructure EPC

Telecom Infrastructure Projects is the main business activity of the Company. Major offerings by Company in Telecom Infrastructure EPC are supplying, laying and maintaining of Optical Fibre Cables (OFC) networks. EPC services offered by the Company under this segment include:

- Optical Fiber Cable NLD / Access Networking Construction & Maintenance
- Network Integration
- Telecom Infrastructure Operation & Maintenance Services
- Material Planning & Project Management
- Radio Frequency Engineering Services
- Engineering Construction & Infrastructure Services

Your Company is successfully executing orders for construction of Telecom Network Backbone on Turnkey basis in the untapped toughest terrains of the country like Leh, Ladakh and North East India, which will help in building the optical Network to connect each and every part of the Nation.

Further, Company has tied up with Telesonic Network Ltd. (an Airtel group company) for work to be carried out on continuing basis at various circles including obtaining permission from applicable authority for HDD/Open Trench/ Moiling/First level restoration/Duct Pulling up to 4 number/ DIT/All Fiber Blowing & Pulling/Splicing/Manhole and Hand hole Supply and installation/ODF and OTB installation/AT Testing and sign off/Handover to O&M Team and such other work as may be specified/required from time to time.

We combine a proven track record and professional skills woven together with a culture of trust.

Waste to Energy- Power Generation Projects (PGP)

The Company collaborated with sugar mills for setting up three power plants on Built, Own, Operate and Transfer (BOOT) basis for a period of 15 years in the state of Punjab and to ensure continuous supply of Refuse derived Fuel (RDF) to the said Power Plants, Company developed an indigenous waste processing plant for running the said Plants on Refuse Derived Fuel (RDF) from Municipal Solid Waste.

Non- supply of bagasse by the Co-operative Sugar Mills, various implied delays in approvals and execution of agreements including delay in handing over of land, and there are disputes between the concerned parties with ongoing arbitration proceedings, the execution of Project by the Company has become unviable despite its best bona fide and consistent efforts.

In the light of Section 12(5) read with schedule VII of the Arbitration and Conciliation (Amendment) Act, 2015(Act) and various judicial pronouncements in this regard, the Registrar of the Co-operative Society, Punjab, appointed by the Co-operative Sugar Mills as the Sole Arbitrator was ineligible to be appointed as an arbitrator in the concerned arbitration proceedings as the dispute arising under the MoUs were to be referred to Arbitrator, who should have been the Registrar, Cooperative Societies, Punjab. The award passed by Additional Registrar has been challenged by the Company under Section 34 of the Act before the Hon'ble District Judge, Chandigarh. Moreover, Company had filed petitions under Section 11 and 14 of the Act before the Hon'ble High Court of Punjab & Haryana and Hon'ble District Court, Chandigarh, respectively, for appointment of an independent arbitrator and termination of mandate of the existing arbitrator, being illegal and arbitrary appointment, in the instant arbitration proceedings initiated by the Cooperative Sugar Mills and the said petitions are still pending before the respective Courts.

Due to these disputes with sugar mills in respect of cogeneration power plants, the management of the

Company may decide to shift these power plants to other locations subject to availability of RDF at that location(s).

However, due to Covid and above mentioned issues all three power plants are non-operational.

Impact of first and second wave of COVID-19 pandemic

The first and second wave of COVID-19 pandemic has distressed the execution of the projects at various sites. The Company had faced substantial obstacles in resuming its operations as most of the EPC projects are in remote areas from where the staff and working labourers had to move away due to the lockdown and most of them have migrated back to their villages. It was also challenging to get the necessary permissions from the local authorities to resume operations at site. The execution of most projects also requires the continued presence of client personnel, who may be indisposed to be at the site due to different priorities or logistical challenges related to the lockdown. It resulted into the distressed Cash flows/Financials results for the Year ended March 31, 2021 as well for the upcoming quarter(s).

Going Concern

The Auditors of Company has modified its opinion on the financial statements as on March 31, 2021 that they are unable to comments on the ability of the Company to continue as a going concern. As on March 31, 2021 Company has accumulated losses amounting INR 80,722.77 lakhs and is presently facing acute liquidity problems on account of delayed realization of trade receivables coupled with delays in commencement of commercial production at its biomass-based power generation plants. Also, certain lenders have filed applications with the National Company Law Tribunal (NCLT), Debt Recovery Tribunal (DRT) and other Courts for recovery of their dues. However, the matters have not been admitted yet with the NCLT and the management is in discussion with the said lender and parties for amicably settling the matters. The Company has also delayed in repayments due to certain lenders towards the One Time Settlement Agreement(s) executed with them. As per the Auditors, the Conditions explained above, indicate existence of uncertainties that may cast significant doubt on the Company's ability to continue as a going concern due to which the Company may not be able to realise its assets and discharge its liabilities in the normal course of business.

However, the Board of Directors is evaluating various options including further negotiating the terms with the lenders with whom Company has entered into one time settlement as well as with the remaining lenders for settlement of its existing debt obligations. Further the Board of Directors is in discussions with certain customers for an immediate recovery of the amount due from them and believes that the substantial portion of such trade receivables shall be realized in the upcoming year. The Board of Directors believes that the Company will be able to settle its remaining debts in due course and in view of the proposed settlement of debt obligations together with the expected increased realisation from the trade receivables, no adjustments are required in the financial statements and accordingly, these have been prepared on a going concern basis.

5. Change in the nature of business

There has been no change in the nature of business during the year under review.

6. Material Changes and Commitments

There were no material changes and commitments affecting the financial position of the Company, which occurred between the end of the financial year of the Company and the date of this report.

7. Updates on Corporate Debt Restructuring (CDR)

Corporate Debt Restructuring (CDR) package of Company for restructuring of its debts was approved by Corporate Debt Restructuring Empowered Group ("CDR EG") and the same has been successfully implemented and CDR Lenders of the Company have appointed SBICAP Trustee Company Limited (SBICAP) as their Security Trustee on the terms and conditions contained in Security Trustee Agreement executed on March 27, 2014 among the Company, Lenders, and the Security Trustee.

Your Company is working assiduously to reduce the debt burden and in line with this strategy the Company has entered into One Time Settlement Agreements with various Lenders including SICOM Limited, Edelweiss Asset Reconstruction Company Limited as representative of EARC Trust SC 299 for the Loan assigned by Yes Bank Limited and Standard Chartered Bank, Hong Kong and Shanghai Banking Corporation Limited, State Bank of India, Edelweiss Asset Reconstruction Company Limited as representative of EARC trust SC 217 for the Loan assigned by ICICI Bank, DBS Bank Ltd. and ICICI Bank Ltd. till date. Company is also in discussion with IDBI Bank Ltd., Indian Bank (E-Allahabad Bank Ltd.) and Union Bank of India for finding a prudent resolution of their respective fund based exposure to the Company by doing one time settlement with them.

8. Deposits

During the year under review, the Company has not accepted any deposits within the meaning of Sections 2(31) and 73 of the Companies Act, 2013, and the Rules framed thereunder and any re-enactments thereof, and consequently, there was no amount of principal or interest was outstanding towards the Public deposit as on the date of Financial Statements.

9. Significant and Material Orders passed by the Regulators or Courts or Tribunals

There are no significant material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of the Company and its future operations.

10. Internal Financial Controls and systems:

Your Company has in place adequate financial control system and framework in place to ensure:

- The orderly and efficient conduct of its business;
- 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.

Significant observations including recommendations for improvement of the business processes are reviewed by the Management before reporting to the Audit Committee. The Audit Committee reviews the Internal Audit reports and the status of implementation of the agreed action plan. This system of internal control facilitates effective compliance of Section 138 of Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The internal auditors of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The Board regularly reviews the effectiveness of controls and takes necessary corrective actions where weaknesses are identified as a result of such reviews. This review covers entity level controls, process level controls, fraud risk controls. Based on this evaluation, there is nothing that has come to the attention of the Directors to indicate any material break down in the functioning of these controls, procedures or systems during the year.

The Statutory Auditors have given their disclaimer of opinion on the financial reporting in their Report on the effectiveness of the Company's internal financial controls with reference to the Company's ability to continue as a going concern, accrual of interest expenditure in accordance with Ind AS and reconciliation of the same with the lenders, estimating the investment and other dues recoverable in an associate company and recording adjustments in the Goods and Services Tax ('GST') returns, and delay in filing of such GST returns. Your Directors re-iterate their clarifications on the same as above mentioned elsewhere in the Report.

11. Secretarial Standards

The Company is in Compliances with the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

12. Share Capital

Authorised Share Capital:

During the year under review, the Authorised Share Capital of the Company is INR 24,000 Lakh divided into 2400.0 Lakh equity shares of INR 10/- (Rupees Ten only) each.

Paid up Share Capital:

The Company has not issued any shares during the year, the paid up share capital of the Company stood INR 176,11,98,580/- (Indian Rupees One Hundred Seventy Six Crore Eleven Lakh Ninety Eight Thousand Five Hundred Eighty Only) divided into 17,61,19,858 (Seventeen Crore Sixty One Lakh Nineteen Thousand Eight Hundred Fifty Eight) Equity Shares of INR 10/- each as at March 31, 2021.

13. Subsidiaries, Joint Ventures and Associate Companies

As on March 31, 2021, the Company had 11(Eleven) direct and step down subsidiary Companies and 18 (Eighteen) Associate Companies. Further the Company has entered into Joint Venture agreements with unincorporated JV's for bidding of tenders & contracts the details of which is given in the note no. 34 & 35 to the standalone and note no. 35 & 36 to the consolidated financial statements. Also the Company is a member of an association of person (AOP) in which Company is having 60% share in profits.

As per sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements and performance of the Company's subsidiaries and associate company for the year ended March 31, 2021, is included as per the prescribed format in this Annual Report. The Financial Statements of these subsidiaries are uploaded on the website of the Company in compliance with Section 136 of the Companies Act, 2013. The Financial Statements of these subsidiaries and the other related detailed information will be made available to any Member of the Company/its subsidiary(ies) seeking such information at any point of time and are also available for inspection by any Member at the Registered Office of the Company on all working days except Saturday and Sunday during business hours upto the date of the Annual General Meeting.

During FY 2020-21, there has been no major change in the nature of business of your Company and its subsidiaries. During the year under review, Company has transferred its 100% stake held in Rishikesh Waste Management Limited (formerly known as A2Z Powertech Limited) ("a Wholly Owned Subsidiary Company of the Company") to A2Z Waste Management (Ludhiana) Ltd., an indirect subsidiary of the Company on December 18, 2020. Henceforth, Rishikesh Waste Management Limited ceased to be the wholly owned subsidiary of the Company and became an indirect subsidiary of the Company w.e.f. December 19, 2020.

In terms of the Regulation 46(2)(h) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the policy for determining material subsidiaries is placed on the website of the Company –

http://media.a2zgroup.co.in/pdf/Policy%20on%20material%20subsidiary_13.02.2019.pdf

Report on the performance and financial position of each of the subsidiaries and associates has been provided in **Form AOC-1** and forms part of the Annual Report as **Annexure A**.

14. Auditors

Statutory Auditors and Auditors' Report

M/s Walker Chandiok & Co LLP ("WCC") (Firm Registration No. 001076N/N500013), Chartered Accountants, were re-appointed as auditors of the Company for a residual period of two consecutive years from the conclusion of the Eighteenth Annual General Meeting (AGM) of the Company held on September 28, 2019 to the conclusion of the Twentieth Annual General Meeting to be held for the Financial Year 2020-21. WCC will be completing their 10 years of continue services at the ensuing AGM of the Company in terms of Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

The Board, on the recommendation of the Audit Committee, recommended for the approval of the Members, the appointment of M/s MRKS and Associates ("MRKS"), Chartered Accountants (Firm Registration no. 023711N), as the Auditors of the Company for a term of five consecutive years from the conclusion of this Annual General Meeting until the conclusion of 25th Annual General Meeting of the Company.

On the recommendation of the Audit Committee, the Board also recommended for the approval of the Members, the remuneration of INR 15.0 Lakhs (Indian Rupee Fifteen Lakhs only) plus applicable taxes and reimbursement of out of pocket expenses for performing the statutory audit functions of the Company for the financial year 2021-22 with the authority/power in favor of the Board/Audit Committee to modify the terms and conditions, including fixation/ variation of remuneration for remaining tenure of four years, as may be mutually agreed with the auditors of the Company.

Appropriate resolution seeking your approval to the appointment and remuneration of the Auditors is appearing in the Notice convening the 20th AGM of the Company. The Board of Directors recommends to the Members to pass the resolution, as stated in Item No. 3 of the Notice, convening the ensuing Annual General Meeting.

The auditor's report presented by M/s Walker Chandiok & Co LLP, Auditors on the accounts of the company for the financial year ended March 31, 2021 is self-explanatory and requires no comments and the Management replies to the audit observations are as under:

Explanation to Para 3.a. of Auditor's report on Standalone Financials of A2Z Infra Engineering Ltd. and Para 3.a. of Auditor's report on consolidated Financial of A2Z Infra Engineering Ltd., its subsidiaries and associates of A2Z Infra Engineering Ltd.

Based upon management analysis and assumptions, the management is evaluating various options and has entered into one-time settlement agreements with various lenders (as described in note 22.2 of the financial statements), including interest and other related terms and conditions apart from further negotiating the terms with the remaining lenders for settlement of its existing debt obligations. Further, the management is in discussions with certain customers for an immediate recovery of the amount due from them and believes that the substantial portion of such trade receivables shall be realized within the upcoming year. Management believes that the Company will be able to settle its remaining debts in the due course and in view of the proposed settlement of debt obligations together with the expected increased realisation from the trade receivables a new facility from a lender and expected start of commercial production of the biomass-based power generation plants, no adjustments are required in the standalone financial statements and accordingly, these have been prepared on a going concern basis. Refer Note 31 of standalone financial statements and Note 52 of consolidated financial statements for details.

Explanation to Para 3.b. of Auditor's report on standalone Financials of A2Z Infra Engineering Ltd., & Para 3.b. of Auditor's report on Consolidated Financials of A2Z Infra Engineering Ltd. its subsidiaries, joint ventures and associates of A2Z Infra Engineering Ltd.

Based upon management analysis and assumptions, management is confident that no additional liability on account of borrowing settlement shall devolve on the Company in addition to the carrying value of such liability as at March 31, 2021. The Company is in the process of negotiations/ reconciliations of its outstanding obligations carried in these financial statements. Hence, directors believe that there is no material financial impact on the said disclaimer of opinion. Refer Note 22.1 & 22.2 of standalone financial statements and Note 50 & 51 of consolidated financial statements for details.

Explanation to Para 3.c. of Auditor's report on standalone Financials of A2Z Infra Engineering Ltd., & Para 3.c. of Auditor's report on Consolidated Financials of A2Z Infra Engineering Ltd. its subsidiaries, joint ventures and associates of A2Z Infra Engineering Ltd.

Based upon management analysis and assumptions, the recoverable amount from the underlying investments/assets is higher than the net worth of A2Z Green Waste Management Group. There are assumptions and estimates used in such future projections such as discount rate, long term growth rate, arbitration claims etc. which management believes are fair and appropriate. Therefore, the management believes that the realisable amount from aforementioned associate company and its subsidiaries is higher than the carrying value of the non-current investments, other current financial assets and current financial assets-loans due to which these are considered as good and recoverable. Hence, directors believe that there is no material financial impact on the said disclaimer of opinion. Refer Note 5.2 of standalone financial statements and Note 6.2 of consolidated financial statements for details.

Explanation to Para 3.d. of Auditor's report on standalone Financials of A2Z Infra Engineering Ltd., & Para 3.d. of Auditor's report on Consolidated Financials of A2Z Infra Engineering Ltd. its subsidiaries, joint ventures and associates of A2Z Infra Engineering Ltd.

Based upon management analysis and assumptions, there will be no further impact on the financial statements. The Company was not able to file the aforementioned GST returns within the due date due to on-going Covid-19 and liquidity crunch. However, the management accrued for interest provision on delayed filling of GST returns in the books of accounts. Hence, directors believe that there is no material financial impact on the said disclaimer of opinion. Refer Note 23.1 of standalone financial statements and Note 21.3 of consolidated financial statements for details.

Branch Auditors

In terms of Section 143(8) of the Companies Act, 2013 read with Rule 12 of the Companies (Audit and Auditors) Rules, 2014, the audit of the accounts of the branch offices of the Company located outside India is required to be conducted by the person(s) or firm(s) qualified to act as Branch Auditors in accordance with laws of that country. The Board of Directors seeks approval of the Members to authorize the

Board of Directors based on the recommendation of Audit Committee to appoint Auditors for the branch office(s) of the Company and also to fix their remuneration. The Board of Directors recommends to the Members to pass the resolution, as stated in Item No. 4 of the Notice, convening the ensuing Annual General Meeting.

Secretarial Auditor

In terms of the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. DR Associates, Company Secretaries as Secretarial Auditors to conduct Secretarial Audit of the company and material unlisted Subsidiary Company, namely M/s A2Z Infraservices Ltd., for the Financial year 2020-21.The secretarial Audit report of the Company together with its material unlisted subsidiary is given as **Annexure B** (Form MR-3) which forms part of this report.

The said Secretarial Audit Reports do not contain any qualification, reservation or adverse remark made by the secretarial auditors

Cost Auditors

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the cost records in respect of road and construction activity need to be audited. In Compliance to the above, the Board of Directors upon the recommendation of the Audit Committee had appointed M/s SKG & Co. (Firm Registration No. 000418), as the Cost Auditors of the Company for the Financial Year ended March 31, 2022.The Cost Auditors' Report for financial year 2020-21 does not contain any qualifications, reservations, adverse remarks or disclaimer.

In accordance with the above provisions, the remuneration payable to the cost auditors for the financial year ended March 31, 2022 should be ratified by the Members. Accordingly, the Board of Directors recommend to the Members to pass the resolution, as stated in Item No. 5 of the Notice convening the forthcoming Annual General Meeting.

15. Corporate Social Responsibility (CSR)

In accordance with the provisions of Section 135 of the Companies Act, 2013 and Rules framed thereunder, the Company has constituted a Corporate Social Responsibility Committee (CSR Committee) of the Board of Directors on August 14, 2014. The CSR Committee comprises of three Directors viz. Mr. Amit Mittal, Mr. Surender Kumar Tuteja and Ms. Dipali Mittal as members of the committee. The CSR Policy of the Company as recommended by the CSR Committee and approved by the Board is placed on the website of the Company and may be accessed via following link.-http://media.a2zgroup.co.in/pdf/CSR_Policy_A2Z.pdf

The average net profits calculated as per provisions of Section 198 of the Companies Act, 2013 for the preceding three (3) financial years being negative, the Company was not under any obligation to spend any amount on CSR.

Dissolution of CSR Committee with effect from February 13, 2021

As per Companies (Amendment) Act, 2020, where the amount to be spent by a company does not exceed fifty lakh rupees, the requirement for constitution of the Corporate Social Responsibility Committee is not applicable and the functions of such Committee provided under section 135 shall, in such cases, be discharged by the Board of Directors of such company.

As the Company is incurring losses and it is not required to spend any amount towards CSR activities as of now, the Board decided to dissolve the CSR Committee w.e.f. February 13, 2021 and the functions of Committee will be discharged by Board of Directors of the Company.

16. Directors and Key Managerial Personnel

1. Appointment/Re-appointment & Cessation of Directors/KMP's

Retirement/Cessation:

During the year under review, Dr. Ashok Kumar who was appointed under the category of Non-Executive Independent Director effective from May 01, 2013 has resigned from his position w.e.f. July 24, 2020 due to his pre-occupation.

He has confirmed that there was no material reason other than that mentioned above. The Board has placed on record his appreciation for the valuable contributions and support made by Dr. Ashok Kumar during his association as Director of the Company.

Appointment/Re-appointment:

During the year under review:

1. Mr. Rajesh Jain was re-appointed as "Whole-Time Director" of the Company for a period of three years effective from 13th November, 2020 to 12th November, 2023.
2. Mr. Amit Mittal was re-appointed as "Managing Director" of the Company for a period of three years effective from 01st January, 2021 to 31st December, 2023.

All the above appointment/re-appointments were approved by the Members of the Company at the last Annual General Meeting by passing the requisite resolutions in this regard.

2. Retire by Rotation

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Dipali Mittal (DIN: 00872628), Director, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers herself for re-appointment.

Pursuant to the provisions of sub-section (51) of Section 2 and Section 203 of the Companies Act, 2013 read with the rules framed thereunder, the Key Managerial Personnel's (KMP's) of the Company as on March 31, 2021, are:

1. Mr. Amit Mittal, Managing Director

2. Mr. Rajesh Jain, Whole Time Director & CEO
3. Mr. Rajiv Chaturvedi, Chief Financial Officer
4. Mr. Atul Kumar Agarwal, Company Secretary

A brief resume of Ms. Dipali Mittal, director being re-appointed along with the nature of her expertise, her shareholding in your Company and other details as stipulated under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended as an annexure to the Notice of the ensuing Annual General Meeting.

17. Policy on Directors' appointment and Remuneration

As on March 31, 2021, the Board consists of Six members, two (2) are Executive Directors, one of whom is the Managing Director, two (2) are Non-Executive and Non-Independent Directors one of whom is the Woman director and other two (2) are Non-Executive Independent Directors one of whom is Woman Independent Director.

In terms of the provisions of Section 178(3) of the Act and Para A of Part D under Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination & Remuneration Committee is responsible for formulating the criteria for determining qualification, positive attributes and independence of a Director. The Nomination & Remuneration Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. In line with this requirement, the Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, KMP and Senior Management and their remuneration.

The Remuneration Policy of the Company can be accessed via following link.-

http://media.a2zgroup.co.in/pdf/Remuneration%20Policy_13.02.2019.pdf

18. Declaration by Independent Director(s)

The Company has received necessary declaration from each of the Independent Directors under section 149(7) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 that they meet the criteria of independence as laid down in section 149(6) of the Companies act, 2013 and Regulation 16(1)(b) of the SEBI LODR. Further, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Company.

The Independent Directors have confirmed that they have registered their names in the databank maintained with the Indian Institute of Corporate Affairs ('IICA'). In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors to whom the provisions of proficiency test are applicable, have done the said online proficiency self-assessment test in due course.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

19. Annual evaluation of Board Performance and Performance of its committees and Individual Directors

Annual evaluation of the performance of the Board, its Committees and individual directors has been made pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and as per the guidance note issued by SEBI dated January 5, 2017 vide its Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004.

The performance of the Board was evaluated by the members of the Board on the basis of the guidance note and criteria laid down such as the Board composition and structure, effectiveness of board processes, information and functioning, Board culture and dynamics, quality of relationship between the Board and the Management and efficacy of communication with external stakeholders, competence and experience of Board to conduct its affairs effectively, operations are in line with strategy, integrity of financial information and the robustness of financial and other controls, effectiveness of risk management processes,etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the guidance note and criteria laid down such as the composition of committees, effectiveness of committee meetings, committees are appropriate with the right mix of knowledge and skills, effectiveness and advantage of the Committee, independence of the Committees,etc.

The Board and the Nomination & Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, willingness to devote time and effort to understand the company and its business by the directors, competency to take the responsibility and having adequate qualification, experience and knowledge, quality and value of their contributions at board meetings, effectiveness of Leadership quality of the Chairman etc.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual directors were also discussed.

20. Number of meetings of the Board of Directors

During the year, Six (6) meetings of the members of Board and one meeting of Independent Directors were held, the details of which are given in Corporate Governance Report. The provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, were adhered to while considering the time gap between two consecutive meetings.

21. Disclosures Related to Committees and Policies

a. Audit Committee

The Audit Committee is duly constituted by the Board of Directors of the Company in accordance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Audit Committee as on March 31, 2021, comprises of:

1. Ms. Atima Khanna, Chairperson
2. Mr. Surender Kumar Tuteja, Member
3. Mr. Rajesh Jain, Member

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

During the year under review, Audit Committee was re-constituted by the Board of Directors of the Company on July 30, 2020, whereby Dr. Ashok Kumar left the Audit Committee due to his resignation from the Board of Directors of the Company w.e.f. July 24, 2020 and Ms. Atima Khanna was elected as Chairperson of the Audit Committee.

b. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of Directors is duly constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Companies Act, 2013 & Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration Committee as on March 31, 2021, comprises of the following directors:

1. Ms. Atima Khanna, Chairperson
2. Mr. Surender Kumar Tuteja, Member
3. Ms. Dipali Mittal, Member

During the year under review, Nomination & Remuneration Committee of the Board was re-constituted by the Board of Directors of the Company on July 30, 2020, whereby Dr. Ashok Kumar left the Nomination & Remuneration Committee due to his resignation from the Board of Directors of the Company w.e.f. July 24, 2020 and Ms. Atima Khanna was appointed as a member designated as Chairperson of the Committee w.e.f July 30, 2020.

c. Stakeholders Relationship Committee

The Stakeholders Relationship Committee of Directors is duly constituted by the Board of Directors of the Company in accordance with the requirements Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015. The Stakeholders Relationship Committee as on March 31, 2021, comprising the following Directors:

1. Ms. Dipali Mittal, Chairperson
2. Mr. Rajesh Jain, Member
3. Ms. Atima Khanna, Member

During year under review, Stakeholders Relationship Committee of the Board was re-constituted by the Board of Directors of the Company on July 30, 2020 whereby Dr. Ashok Kumar left the Stakeholders Relationship Committee due to his resignation from the Board of Directors of the Company w.e.f. July 24, 2020 and Ms. Atima Khanna also left the Committee and Mr. Surender Kumar Tuteja and Mr. Rajesh Jain was admitted as member of the Committee w.e.f July 30, 2020 and Ms. Dipali Mittal was designated as Chairperson of the Committee.

Further, during the year under review, Stakeholders Relationship Committee was reconstituted on November 10, 2020, whereby Mr. Surender Kumar Tuteja left the Committee and Ms. Atima Khanna was appointed as member of the Committee

22. Investor Education and Protection Fund

Company has declared the dividend for the financial year 2010-11, for which the unclaimed dividend was transferred to Investor Education and Protection Fund ("IEPF") in the financial year 2018-19. No unclaimed dividend is pending to be transferred to IEPF.

23. Vigil Mechanism / Whistle Blower Policy

The Board has pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, framed "Vigil Mechanism (Whistle Blower) Policy" ("the Policy")' to deal with instances of fraud and mismanagement, if any. This Policy has been formulated to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns from time to time. The said policy is placed on the website of the Company and may be accessed at a link:-

http://media.a2zgroup.co.in/pdf/VIGIL%20(WHISTLE%20BLOWER)%20POLICY_13.02.2019.pdf

This vigil mechanism of the Company is overseen by the Audit Committee and provides adequate safeguard against victimization of employees and directors who avail the vigil mechanism and also provide direct access to the Chairperson of the Audit Committee in appropriate or exceptional circumstances.

24. Particulars of Loans, Guarantees or Investments under Section 186

Being an infrastructure Company, Section 186 is not applicable on the Company and particulars of loans, guarantees, investments form part of the notes to the Financial Statements provided in this Annual Report. All the loans, guarantees and investments made are in compliance with the provisions of the Companies Act, 2013 and the same are disclosed in the Financial Statements.

25. Related Party Transactions:

With reference to Section 134 (3) (h) of the Act, all contracts and arrangements with related party under Section 188 (1)of the Act, entered by the Company during the financial year, were in the ordinary course of business and on an arm's length basis.

During the year under review Company had not entered into any contract or arrangement with the related parties which could be considered 'material' (i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statement entered into individually or taken together with previous transactions during the financial year) according to the policy of the Company on the materiality of Related Party Transactions. Accordingly, there are no transactions that are required to be reported in Form AOC-2. However, you may refer to Related Party transactions in Note No. 35 of the standalone financial statements.

The Policy on materiality of related party transactions as also dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: http://media.a2zgroup.co.in/pdf/A2Z%20Policy%20on%20Materiality%20of%20and%20Dealing%20with%20Related%20Party%20Transactions.pdf

26. Employee Stock Option Plan

The Nomination & Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the A2Z Stock Option Plan 2010 (ESOP 2010), A2Z Employees Stock Option Plan 2013 (ESOP 2013), A2Z Employees Stock Option Plan 2014 (ESOP 2014) and A2Z Employees Stock Option Plan 2018 (ESOP 2018) of the Company in accordance with the applicable SEBI Guidelines.

The applicable disclosures as stipulated under the SEBI Guidelines as on March 31, 2021 with regard to the ESOP 2010, ESOP 2013, ESOP 2014 and ESOP 2018, including ESOP re-granted under the above specified scheme(s), if any, are provided in **Annexure C** to this Report.

The certificates from the Auditors of the Company stating that the Schemes have been implemented in accordance with the SEBI Guidelines/ SEBI (Share Based Employee Benefits) regulations and the resolution passed by the members will be available for inspection in electronic mode during the meeting to any person having right to attend the meeting and same may be accessed by sending an e-mail to investor.relations@a2zemail.com.

27. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March, 2021 is available on the Company's website at www.a2zgroup.co.in under the Investor Relations tab.

28. Prevention of Sexual Harassment at Workplace:

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with rules made thereunder, your Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

29. Particulars of Employees and Related Disclosures

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure D**.

30. Conservation of Energy, Technology absorption, Foreign Exchange Earnings and Outgo

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are attached as **Annexure E** which forms part of this report.

31. Disclosure requirements

a. As per Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Corporate Governance report alongwith certificate from DR Associates, Company Secretaries, thereon and management discussion and analysis are attached, which form part of this report.

b. Details of the familiarization program of the independent directors are available on the website of the Company (URL:http://media.a2zgroup.co.in/pdf/Familiarization%20Programme%20for%20Independent%20Directors.pdf).

c. In terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Chief Executive officer and the Chief Financial officer furnished a certificate to the Board of Directors in the prescribed format for the year under review and taken on record by the Board.

32. Listing

The Equity Shares of the Company continue to remain listed on BSE Limited and National Stock Exchange of India Limited (NSE). The stipulated listing fees for FY 2021-2022 have been paid to both the Stock Exchanges.

33. Risk Management Policy

Risk management forms an integral part of the business planning and review cycle. The Company's Risk Management Policy is designed to provide reasonable assurance that objectives are met by integrating management control into the daily operations, by ensuring compliance with legal requirements and by safeguarding the integrity of the Company's financial reporting and its related disclosures.

Therefore, in accordance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management policy for the company in their meeting held on November 13, 2014.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk.

As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

34. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

a. In the preparation of the annual accounts for the Financial Year ended March 31, 2021, the applicable accounting standards have been followed and no material departures have been made from the same;

b. we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at March 31, 2021 and of the profit and loss of the company for that period;

c. we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d. we have prepared the annual accounts on a going concern basis; and

e. we have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

f. we have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

35. Fraud Reporting

There was no fraud reported by the Auditors of the Company under Section 143(12) of the Companies Act, 2013, to the Audit Committee or the Board of directors during the year under review.

36. General

Your Directors state that no disclosure or reporting is required in respect of the following items (as there were no transactions/instances on the below mentioned items) during the year under review:

1. No profits were transferred to any Reserves.
2. No Voluntary revision of Financial Statements or Board's Report.
3. No director who is in receipt of any commission from the Company and who is a Managing Director or Whole-time Director of the Company has received any remuneration or commission from any Holding Company or Subsidiary Company of the Company.

However, Mr. Amit Mittal, Managing Director of the Company has been appointed as Managing Director in A2Z Infraservices Ltd. ("AISL"), a material subsidiary Company on October 24, 2015. He is in receipt of INR 33.78 Lakh as remuneration in his capacity as Managing Director of AISL for the financial year 2020-21.

Mr. Rajesh Jain, Whole Time Director cum CEO of the Company has been appointed as Whole Time Director in A2Z Infraservices Ltd. ("AISL"), a material subsidiary Company on December 01, 2018. He is in receipt of INR 48.00 Lakh remuneration in his capacity as Whole Time Director of AISL during the financial year 2020-21.

37. Acknowledgement

Your Directors wish to place on record the support, assistance and guidance provided by the financial institutions, banks, customers, suppliers and other business associates. We would like to thank our Company's employees for their efforts and high degree of commitment and dedication. Your Directors especially appreciate the continued understanding and confidence of the Members. Your Directors also thank and appreciate all the Bankers of the Company for their support extended by them to the Company in difficult times and for accepting the settlement process for settling the debt amount in an amicable manner.

For and on behalf of Board of Directors

Sd/-
(Surender Kumar Tuteja)
Chairman
DIN-00594076

Date: September 04, 2021
Place: Bengaluru

Annexure-A

Form No. AOC-1
Salient features of the financial statement of the Subsidiaries/Associate/Joint ventures as per Companies Act, 2013
PART "A" : Subsidiaries

(INR in Lakhs)

S. No.	Name of the Susidiary Company	Date Since When Subsidiary was acquired	Reporting Period	Reporting Currency	Share Capital	Reserves & Surplus	Investments	Total Assets	Total Liabilities	Turnover (Including Other Income)	Profit/(Loss) before Taxation	Provision for Taxation	Profit/(Loss) after Taxation	Proposed Dividend	Extent of Shareholding (in percentage)
1	A2Z Infraservices Limited	April 15, 2008	2020-21	INR	381.60	8,182.99	1,163.87	25,261.07	16,696.48	15,962.94	657.59	179.88	477.72	-	93.83%
2	Magic Genie Services Limited	February 10, 2011	2020-21	INR	8.00	(176.72)	-	65.37	234.09	0.65	(15.12)	-	(15.12)	-	75.00%
3	A2Z Powercom Limited	April 28, 2008	2020-21	INR	12.50	135.15	-	891.54	743.89	37.01	25.86	0.02	25.83	-	100.00%
4	Mansi Bijlee & Rice Mills Limited	June 10, 2010	2020-21	INR	5.00	943.59	3,502.94	4,119.69	3,171.09	69.91	20.86	(0.12)	20.98	-	100.00%
5	Chavan Rishi International Limited	March 2, 2011	2020-21	INR	114.63	103.33	-	997.62	779.66	127.27	25.24	(2.00)	27.24	-	100.00%
6	Ecogreen Envirotech Solutions Limited	November 10, 2010	2020-21	INR	5.00	1,471.16	-	5,248.30	3,772.14	7,199.88	666.93	175.24	491.69	-	79.47%
7	A2Z Waste Management (Aligarh) Limited	July 15, 2019	2020-21	INR	5.00	147.52	-	3,630.34	3,477.82	811.87	(111.22)	5.15	(116.37)	-	75.06%
8	A2Z Waste Managment (Ludhiana) Limited	July 15, 2019	2020-21	INR	5.00	151.94	11.05	6,100.11	5,943.16	1,419.20	(159.93)	-	(159.93)	-	65.68%
9	Magic Genie Smartech Solutions Limited	July 15, 2019	2020-21	INR	5.00	(23.64)	-	110.61	129.25	181.29	(18.75)	-	(18.75)	-	65.68%
10	Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited)*	April 28, 2008	2020-21	INR	140.00	(193.48)	-	135.78	189.26	22.98	(3.69)	-	(3.69)	-	65.68%
11	A2Z Infraservices (Lanka) Pvt. Ltd.**	January 6, 2017	2020-21	LKR^	1.00	-	-	-	-	-	-	-	-	-	51.00%
12	A2Z Maintenance & Engineering Services Limited and Satya Builders (Association of person)	April 5, 2011	2020-21	INR	-	(1,485.02)	-	662.18	2,147.20	-	(63.15)	(0.06)	(63.09)	-	60.00%

* Company has transferred its 100% stake held in Rishikesh Waste Management Limited (formerly known as A2Z Powertech Limited) ("a Wholly Owned Subsidiary Company of the Company") to A2Z Waste Management (Ludhiana) Ltd., an indirect subsidiary of the Company. Henceforth, Rishikesh Waste Management Limited ceased to be the wholly owned subsidiary of the Company and became an indirect subsidiary of the Company w.e.f. December 18, 2020.

** Indirect Subsidiary through A2Z Infraservices Limited and subscription money yet to be received.

^ Sri Lankan Rupee

Part-B Associates

(INR in Lakhs)

S. No.	Name of the Associate Company	Latest audited Balance Sheet Date	Shares of Associate held by the company at the year end			Description of how there is significant influence	Reason why the associate is not consolidated	Networth attributable to shareholding as per latest audited Balance Sheet	Profit or Loss for the year	
			No.	Amount of Investment in Associates	Extent of Holding (in percentage)				Considered in Consolidation	Not Considered in Consolidation
1	Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) (A2Z Waste Management Group)*	March 31, 2021	9693387	969.40	42.61	By virtue of shareholding	NA	(32,440.71)	(413.31)	(556.67)
2	A2Z Waste Managment (Nainital) Private Limited	March 31, 2021	24000	2.40	48.00	By virtue of shareholding	NA	(22.55)	-	(2.44)

* Greeneffect Waste Management Limited together with its Subsidiaries is referred to as A2Z Waste Management Group.

Name of the subsidiary which is yet to commence operations

1. Mansi Bijlee & Rice Mills Limited

Names of associates which are yet to commence operations

1. A2Z Waste Management (Badaun) Limited
2. A2Z Waste Management (Balia) Limited
3. A2Z Waste Management (Mirzapur) Limited
4. A2Z Waste Management (Sambhal) Limited
5. A2Z Waste Management (Jaipur) Limited
6. Shree Balaji Pottery Private Limited
7. Shree Hari Om Utensils Private Limited
8. A2Z Waste Management (Ahmedabad) Limited
9. Earth Environment Management Services Private Limited

Annexure-B

Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2021

The Members,
A2Z Infra Engineering Limited
O-116, 1st Floor, DLF Shopping Mall,
Arjun Marg, DLF Phase-I, Gurgaon– 122 002

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by A2Z Infra Engineering Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, statutory registers, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board Processes and Compliance Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder.

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ***Not Applicable to the Company during the financial year under review***

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; ***Not Applicable to the Company during the financial year under review.***

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; ***Not Applicable to the Company during the financial year under review.***

  (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

  (j) Secretarial Standards issued by the Institute of Company Secretaries of India.

(vi) and other applicable laws like Industrial Dispute Act, 1947, Minimum Wages Act, 1948, Payment of Wages Act, 1936 and Rules made thereunder, Payment of Bonus Act, 1965 as amended from time to time, Equal Remuneration Act, 1976, The Payment of Gratuity Act, 1972 and Rules made thereunder, Employees Provident funds and Miscellaneous Provisions Act, 1952, Employees State Insurance Act, 1948, Maternity Benefit Act, 1961, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Building and Other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996, Punjab Shops & Commercial Establishments Act, 1958, and various rules made thereunder.

As informed by the management, there was no specific law which is applicable to the Company.

Our report is to be read along with the noting as mentioned here-in-under:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records, we believe that

the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.

4. Where ever required, we have obtained the management representation about the Compliances of the laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of the corporate and other applicable laws, rules and regulations, standards is the responsibility of the Management; Our examination was limited to the verification of the procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

   During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following matter of emphasis:

   1. **Legal Proceedings against the Company**

      There are instances of legal cases filed against the Company under the various laws applicable to the Company. These cases are filed before various courts of the Country under various statutes.

   2. **Default in payment of Statutory Dues**

      There are instances of defaults and late payment of statutory dues under various statutes.

   3. **Late Filing of E-forms**

      The Company has been generally filing the forms and returns with the Registrar within the prescribed time. There were some of the e-forms which were filed under Company Fresh Start Scheme (CFSS Scheme).

   4. **Delay in approval and filing of Quarterly and Yearly financial results**

      There was delay in approval and filing of Quarterly and Yearly Financial Results under Regulation 33 of SEBI (LODR) for the Quarter (Q1) ended 30/06/2020 and for Quarter (Q4) and year ended March 31, 2021 and consequential late submission and publication thereon. The Company has paid fines to National Stock Exchange of India Ltd. (NSE) & BSE Limited (BSE) as per SEBI Circular no. SEBI/ HO/ CFD/CMD/CIR/P/ 2020/12 dated 22nd January 2020.

We report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

2. Adequate notices are given to all directors for the Board Meetings and accordingly, agenda and detailed notes on agenda were sent to all directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3. Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

4. There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, Rules, Regulations and Guidelines.

We further report that, subject to the matter of emphasis as mentioned in the report, during the audit period the company has generally complied with the requirements of various Act, Rules and Regulations, guidelines and standards as are applicable to the Company.

For DR Associates
Company Secretaries
Firm Regn. No.: P2007DE003300

Sd/-
Suchitta Koley
Partner
CP No.: 714
UDIN: F001647C000760537

Place : New Delhi
Dated : August 14, 2021

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARY

Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

For The Financial Year ended March 31, 2021

The Members,
A2Z Infraservices Limited
O-116, Ist Floor, DLF Shopping Mall,
Arjun Marg, DLF Phase-I, Gurgaon-122 002

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by A2Z Infraservices Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, statutory registers, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board Processes and Compliance Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder.

(ii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(iii) Secretarial Standards issued by the Institute of Company Secretaries of India.

(iv) and other laws as are specifically applicable to the Company.

Our report is to be read along with the noting as mentioned here-in-under:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records, we believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
4. Where ever required, we have obtained the management representation about the Compliances of the laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of the corporate and other applicable laws, rules and regulations, standards is the responsibility of the Management; Our examination was limited to the verification of the procedures on test basis.
6. We have not verified the compliance under various State laws specifically applicable to the Company and relied on the Management Representation Letter.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following matter of emphasis:

We report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notices are given to all directors for the Board Meetings and accordingly, agenda and detailed notes on agenda were sent to all directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful Participation at the meeting.
3. Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
4. There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, Rules, Regulations and Guidelines.

We further report that during the audit period the company has generally complied with the requirements of various Act, Rules and Regulations, guidelines and standards as are applicable to the Company.

For DR Associates
Company Secretaries
Firm Regn. No.: P2007DE003300

Sd/-
Deepak Gupta
Partner
CP No.: 4629
UDIN: F005339C000752569

Place : New Delhi
Dated : August 10, 2021

ANNEXURE-C

Disclosure regarding Employees Stock Option Plans of the Company for the year ended March 31, 2021

S. NO.	PARTICULARS	A2Z EMPLOYEES STOCK OPTION PLAN 2010	A2Z EMPLOYEES STOCK OPTION PLAN 2013 Trench II	A2Z EMPLOYEES STOCK OPTION PLAN 2014	A2Z EMPLOYEES STOCK OPTION PLAN 2013 (REGRANT-I)	A2Z EMPLOYEES STOCK OPTION PLAN 2014 (REGRANT-I)	A2Z EMPLOYEES STOCK OPTION PLAN 2018 Trench I	A2Z EMPLOYEES STOCK OPTION PLAN 2018 Trench II
1.	Date of Shareholders Approval	30.03.2010	28.09.2013	27.09.2014	28.09.2013	27.09.2014	29.09.2018	29.09.2018
2.	Number of Stock options granted	4,77,250	19,05,000	45,00,000	7,88,000	9,72,000	38,00,000	12,00,000
3.	Exercise Price	INR 314.13	INR 19.95	INR 15.50	INR 36.90	INR 36.90	INR 10.00	INR 10.00
4.	Option Vested during the year	NIL	NIL	NIL	3,15,200	90,800	10,50,000	6,00,000
5.	Number of Option exercised during the year	NIL	NIL	NIL	NIL	NIL	NIL	NIL
6.	Number of Shares arising as a result of exercise of option	NIL	NIL	NIL	NIL	NIL	NIL	NIL
7.	Variation of terms of options	NONE	NONE	NONE	NONE	NONE	NONE	NONE
8.	Number of option lapsed during the year	35,850	1,500	3,20,000	NIL	2,55,000	2,75,000	NIL
9.	Money realized upon exercise of options	NIL	NIL	NIL	NIL	NIL	NIL	NIL
10.	Total number of option in force	NIL	2,67,500	14,35,000	7,88,000	2,27,000	35,00,000	12,00,000
11.	(a) Options granted to senior managerial personnel	As per Appendix–A						
	(b) Any other employee who receives a grant in any one year of option amounting to 5% or more of options granted during the year	As per Appendix–A						
	c) Identified employees who were granted options during any 1 year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants & conversions) of the Company at the time of grant.	None						
12.	Method used for accounting of share-based payment plans	The employee compensation cost has been calculated using the fair value method of accounting for Options issued under the Company's Employee Stock Option Schemes. The total employee compensation cost as per fair value method for the financial year 2020-21 is INR 103.19 Lakh (2019-20- INR 269.05 Lakh) and INR 26.19 Lakh (2019-20- INR 8.39 Lakh) for group entities.						
13.	Nature and extent of employee share based payment plans that existed during the period including the general terms and conditions of each plan	Each Option entitles the holder thereof to apply for and be allotted one ordinary Share of the Company of INR 10.00/- each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the options and expires at the end of five years from the Vesting date.						
14.	a) Weighted average exercise prices of option granted	INR 314.13	INR 19.95	INR 15.50	INR 36.90	INR 36.90	INR 10.00	INR 10.00
	b) Weighted average fair value of options granted on the date of grant	INR 58.23	INR 14.52	INR 11.15	INR 24.81	INR 24.81	INR 6.09	INR 12.81
15.	Method and significant assumptions used to estimate the fair values of options	Black Scholes Valuation Model						
	(i) Weighted average share price / Fair value of share	INR 221.75	INR 14.52	INR 10.48	INR 39.40	INR 39.40	INR 10.40	INR 18.75
	(ii) Exercise Price	INR 314.13	INR 19.95	INR 15.50	INR 36.90	INR 36.90	INR 10.00	INR 10.00
	(iii) Annual Volatility (Standard Deviation – Annual)	34.93%	67.05%	65.50%	50.14%	50.14%	61.62%	58.73%
	(iv) Time To Maturity - in years	10	8	8	8	8	8	7
	(v) Dividend Yield	2.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	(vi) Risk free Rate – Annual	7.45%	8.64%	8.19%	6.74%	6.74%	7.38%	6.67%

S. NO.	PARTICULARS	A2Z EMPLOYEES STOCK OPTION PLAN 2010	A2Z EMPLOYEES STOCK OPTION PLAN 2013 Trench II	A2Z EMPLOYEES STOCK OPTION PLAN 2014	A2Z EMPLOYEES STOCK OPTION PLAN 2013 (REGRANT-I)	A2Z EMPLOYEES STOCK OPTION PLAN 2014 (REGRANT-I)	A2Z EMPLOYEES STOCK OPTION PLAN 2018 Trench I	A2Z EMPLOYEES STOCK OPTION PLAN 2018 Trench II
1	Total Options Granted	4,77,250	19,05,000	45,00,000	7,88,000	9,72,000	38,00,000	12,00,000
2	Total Options Lapsed	4,77,250	6,82,500	11,80,000	NIL	7,45,000	3,00,000	NIL
3	Total Options Exercised	NIL	9,55,000	18,85,000	NIL	NIL	NIL	NIL
4	Outstanding at the end of the year	NIL	2,67,500	14,35,000	7,88,000	2,27,000	35,00,000	12,00,000

APPENDIX – A

Details of options granted to and accepted by Senior Managerial Personnel

Sr. No.	Name of Senior Managerial Personnel	Designation	A2Z Employees Stock Option Plan 2010		A2Z Employees Stock Option Plan 2013		A2Z Employees Stock Option Plan 2014		A2Z Employees Stock Option Plan 2013 (REGRANT-1)		A2Z Employees Stock Option Plan 2014 (REGRANT-1)		A2Z Employees Stock Option Plan 2018			
			Granted on June 02, 2010 & Status as on March 31, 2021		Granted on July 03, 2014 & Status as on March 31, 2021		Granted on July 06, 2015 & Status as on March 31, 2021		Granted, on August 17, 2017 & Status as on March 31, 2021		Granted on August 17, 2017 & Status as on March 31, 2021		Granted on October 24, 2018 & Status as on March 31, 2021		Granted on April 08, 2019 & Status as on March 31, 2021	
			Grant	Exercised	Grant	Exercised	Grant	Exercised	Grant	Exercised	Grant	Exercised	Grant	Exercised	Grant	Exercised
1	Mr. Rajesh Jain	Whole-time Director& CEO	25,000*	-	4,00,000*	2,40,000	10,00,000*	3,00,000	4,00,000*	-	-	-	15,00,000*	-	12,00,000*	-
2	Dr. Ashok Kumar Saini	Non-Executive Director	33,750*	-	-	-	4,00,000*	1,20,000	75,000*	-	-	-	5,00,000*	-	-	-
3	Mr. Atul Kumar Agarwal	Company Secretary	5,000	-	2,00,000*	1,20,000	4,00,000*	2,40,000	2,00,000*	-	-	-	5,00,000*	-	-	-
4	Mr. Manoj Gupta	President	33,750*	-	-	-	4,00,000*	2,40,000	75,000*	-	-	-	5,00,000*	-	-	-
5	Mr. ManojTiwari	President	-	-	40,000	40,000	1,00,000	60,000	38,000	-	12,000	-	50,000	-	-	-
6	Mr. Debashish Chakrabarti	President	-	-	-	-	-	-	-	-	40,000	-	50,000	-	-	-

*In all these cases, the stock options granted exceeded 5% of the total stock options granted during the respective years.

ANNEXURE-D

Particulars of employees

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014 are given below:

A. The ratio of the remuneration of each director to the median remuneration of the Employees of the Company for the financial year:

Name of the directors	Ratio to median remuneration
Non-executive directors	
Mr. Surender Kumar Tuteja	1.17
Dr. Ashok Kumar	-
Ms. Atima Khanna	0.86
Ms. Dipali Mittal	0.80
Mr. Ashok Kumar Saini	0.31
Executive directors	
Mr. Amit Mittal*	NA
Mr. Rajesh Jain*	NA

**Nil Remuneration has been paid to Mr. Amit Mittal and Mr. Rajesh Jain during the Financial Year 2020-21.*

Mr. Amit Mittal and Mr. Rajesh Jain, executive directors are not getting any remuneration from the Company.

B. **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:**

Due to COVID-19 pandemic and stress on the cash flow position of the Company, there was no increment done in remuneration of Director/KMPs for the financial year 2020-21.

C. The percentage increase in the median remuneration of employees in the financial year: - Percentage increase in the median remuneration of employees in the financial year is 99.45%. This is due to reduction in the no. of permanent employees on the rolls of Company from 196 (as on March 31, 2020) to 46 (as on March 31, 2021)

D. The number of permanent employees on the rolls of Company: 46 (as on March 31, 2021)

E. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Due to COVID-19 pandemic and stress on the cash flow position of the Company, there was no increment done in the salaries of employees including managerial personnel for the financial year 2020-21.

F. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per remuneration policy of the Company.

G. The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable on the Company. However, in terms of Section 136 of the Companies Act, 2013, the details of top 10 employees is open for inspection during the meeting. Any member interested in obtaining a copy of the same can send an e-mail to investor.relations@a2zemail.com.

ANNEXURE-E

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of energy:

i) The steps taken or impact on conservation of energy:

Company has not taken any initiatives during the reporting year, some of the initiatives taken during the previous year(s) are in the stage of implementation at its Corporate Office and its Power Plant Site(s).

Some of the key initiatives undertaken were as follows:

– Reduction in Power consumption at office premises and its Power Plant Sites through:
  - VFD's has been installed on the selected motors to save the power and to optimize the process.
  - Conventional Tube light replaced with LED Tube Light.
  - Automatic Power factor controller (179 KVAR) has been installed for improving power factor and reducing the wastage of electricity, resulting in less consumption of electricity.
  - Installed two Variable Frequency Drive in Chilled water pump to control the temperature of chilled water in HVAC system, saving the energy consumption up to approximately 30%.
  - Additives are being used in DG Set for improving the efficiency of DG Sets.
  - Most of the Air Conditioners are replaced with star rating AC's for conservation of energy.

– Steps taken for reduction in water consumption through reuse of treated water for road cleaning, flushing, plantation, and gardening.

Dust Collectors are provided in the fuel handling system to suppress the dust and all fuel conveying using belt conveyor system covered to provide clean working atmosphere within plant. As per CPCB guideline installed Continuous Emission Monitoring System (CEMS) and successfully connected it with PPCB server. These measures have also led to better pollution control, reduced the impact on environment, reduced maintenance time and cost, improved hygienic condition and consistency in quality and improved productivity.

– Installed LED Lights allover within the Nakodar Power Plant site.

ii) The capital investment on energy conservation equipment's:- Nil

B) Technology Absorption:

(i) The efforts made towards technology absorption at Nakodar power plant site during the year 2019-20;
  - Replacement of HSD Fuel Boiler with the conventional start up method using biomass and charcoal.
  - Fuel feeding handling system modification/improvements to regulate feeding of RDF and other low density biomass.
  - Modifications in Fuel feeding system by increasing diameter of the Chutes to handle Low density biomass and RDF.
  - Modification for additional secondary air (SA) nozzles for fuel spreading within furnace.
  - Additional Air venturies are provided along with fuel chutes for even spreading and free flow of Biomass fuel in to the Boiler.
  - New arrangement of air pre heater (APH) by increasing Tube ID from existing ? 38 mm to ? 63.5 mm
  - Designed, developed and installed successfully Specialized feeders at fuel yard to feed Refused derived fuel (RDF) at uniform and controlled rate and also remove dust and small stones from RDF
  - Our Ludhiana waste processing facility already functional and producing 180-200 MT/day RDF after segregation, Drying and de-stoning process. RDF is then transported to Nakodar, Punjab power plant to produce green energy from the Municipal solid waste.

(ii) Benefits derived like product improvement, cost reduction, product development, import substitution.
  - Cost reduction in Fuel cost;
  - Green Energy Initiative by using RDF as fuel in the power plant;
  - Reduction in manpower cost;
  - Reduction in annual operating cost using RDF as fuel.
  - Improvement in the quality of RDF by reducing silt and stone.

(iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):
The details of technology imported: Nil
The year of import: Not Applicable
Whether the technology been fully absorbed: Not Applicable
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable.

(iv) The Expenditure incurred on Research and Development: Nil

(C) Foreign Exchange earnings and outgo:

Earnings: Revenue from Engineering Services	INR 285.00 Lakh
Outgo: Expenditure in Foreign Currency	Nil
CIF value of Imports	Nil

Management Discussion & Analysis

1. Economic overview

a. Global economy

By the end of 2020, the Global economy was slowly emerging from the steep fall it had seen in the first half of 2020 due to the COVID pandemic. Overall, for the year, it saw a decline of 3.5% over the 2019 output as compared to the 2.5% increase in 2019 over 2018. Major disruption from the pandemic was seen across most Advanced Economies, which were hit hardest with the high caseloads and deaths from COVID-19. On the other hand, the Emerging Market and Developing Economies (EMDE) presented a mixed record with a much smaller proportion of countries being severely affected by the pandemic. Even the economic impact on the EMDE block was relatively lower than the Advanced economies (a movement of 550 basis points vs. 630 basis points for the Advanced economies), but even the countries that didn't see any significant number of COVID-19 cases were affected because of the halting of global trade and collapse of consumer sentiments. The GDP growth numbers for the Advanced economies and EMDE block in 2020 were -4.7% and -1.7% respectively.

With the opening of domestic economic activity in most countries and cautious resumption of global trade as the pandemic restrictions were eased, the outlook for the global economy was positive with the recovery becoming more entrenched. There remained significant downside risks though, which included inequitable vaccine coverage, new waves of COVID-19 such as the ones seen in the first half of 2021 across many countries and stretched fiscal and monetary policies leaving limited room for any further support to struggling economies. But the efforts by policy makers across many countries to support through growth-enhancing reforms and avoiding any drastic measures leading to halting of economic activity are likely to help. The Global economy is projected to recover with a growth forecast of 5.8% in 2021 and 4.3% in 2022. The growth in Advanced economies in 2021 was expected to be 5.4% and that of EMDEs 6% (https://www.worldbank.org/en/publication/global-economic-prospects).

b. Indian economy

While most of the countries implemented stringent restrictions only after COVID-19 cases started blowing up locally, India put in place one of the strictest lockdowns much in advance as a precautionary measure and to buy more time to shore up capability to test, track and treat. On one hand the lockdown succeeded to a great extent in meeting the healthcare objectives, the impact on the economy was devastating. The Indian GDP slumped by 24.4% in Q1 of FY2020-21 when the lockdown was at its peak. The scenario, however, started reversing almost immediately as the restrictions were eased gradually. The quarterly GDP performance in Q2 FY2020-21 was a much lower shrinkage of 7.4%, and the last two quarters seeing a return to growth over corresponding quarters of the previous year at 0.5% and 1.6%. In addition to the withdrawal of lockdown restrictions, policy reforms and economic packages by the Central government and accommodative monetary policy by the Reserve Bank aided the return of growth momentum. For the full financial year, the economy receded by 7.3% as compared to the previous year, lesser decline than initial projections.

The consensus forecasts for the FY2021-22 were exceedingly optimistic with the release of pent-up consumer demand seen in the last two quarters of FY2020-21. However, the devastating second wave of COVID-19 in India and resultant reimposition of restrictions on movement in many parts of the country negatively affected the economic activity. The economic impact is expected to be not as severe as the situation in 2020. Even after revision, India is likely to remain the highest growing major economy in the world in FY2021-22 with a projected growth in the range of 8 – 10%, a reduction of 3 – 5% from the initial projections.

2. Industry overview

a. Engineering Procurement & Construction (EPC)

The promise of Indian economic growth story rests on the performance of the Infrastructure sector, where the Government has been continually making increasing allocations over the years. The Engineering, Procurement and Construction (EPC) sector in turn is critical to successful execution of infrastructure projects. The Indian EPC sector serves the Roads, Railways & Mass Rapid Transport Systems (MRTS), Water & Irrigation, Power (incl. Transmission & Distribution), Urban Infrastructure, Real Estate, Mining, Telecom, and Other Industrial segments. Much before the pandemic started, the sector was facing challenges due to slowdown in capital formation because of liquidity constraints, receding consumption demand, frauds and defaults by a few players. The COVID-19 pandemic added to the challenges faced by the besieged EPC companies because of cancelled projects, delayed project awards, non-availability of workforce, increased costs to ensure health and safety of the workers, supply-chain bottlenecks resulting in shortages and cost escalation, and disruption of communication with customers and vendors. However, after the severe impact in the first quarter of the financial year, the industry started recovering on the back of increased allocation to infrastructure sector by the Government and rise in consumption improving business sentiments.

As per India Rating research, the revenue of top 18 listed EPC companies excluding Larsen & Toubro Limited declined by 3% for the full year of FY2020-21 as compared to 12.2% YoY de-growth in the first quarter of the same fiscal due to the lockdown. A similar study by CRISIL showed a ~10% fall in the top line of 600+ mid-sized EPC companies that were rated by CRISIL. India Rating Research's outlook for the FY2021-22 was 'Improving' and it estimated the revenue growth for the sector in the range of 15 – 20%. CRISIL projected an income growth of ~15% on the back of swelling order books, which were at 2.5x of the FY2020-21 revenue. Increase in raw material costs are, however, likely to put some pressure on the operating margins in FY2021-22 similar to realised impact in FY2020-21.

Power

The Indian Power sector was the third highest power generating country in the year 2020 with production of 1,560.9 TWh of electricity. The total installed power generation capacity in the country as on July 31, 2021 was 386.89 GW spread across Thermal including Coal, Gas, Lignite and Diesel (60.9%), Hydro (12.1%), Nuclear (1.8%), and Renewable Energy (25.2%). Overall power deficit in the country has reduced from 4.2% in FY2013-14 to 0.4% in FY2020-21 on annual energy requirement basis. The corresponding figures in terms of peak power demand basis were 4.5% and 0.4%, thus showcasing the strides the country has made in power generation. The total power generated during the FY2020-21 was 1,381.827 Billion Units (BU), which represented a decline of 2.5% over the previous year because of the COVID pandemic. Out of the total power generated in FY2020-21, the share of conventional sources was 1234.608 BU or 89.3% of the total. The power generation target for the FY2021-22 is 1356 BU or growth of 9.8% over the previous year. As per a study by Mordor Intelligence on the Indian Power EPC sector, it is forecasted to grow at a CAGR of more than 3% from 2020 to 2025. The investments in the Distribution sector will be driven by new scheme announced in Union Budget 2021 to replace the Ujwal DISCOM Assurance Yojana with a total allocation of Rs. 3.05 lakh crore over a five-year period. The scheme will incentivise the DISCOMs to develop distribution infrastructure, install smart meters and feeder separation. Also, the Government is in final stage of framing policies to allow companies to provide last mile electricity services and giving connections to consumer directly by using existing infrastructure of PSUs/Govt on commercial basis. This will open up a tremendous opportunity for companies who are strong in power distribution network installation and O&M.

Telecom

The Indian telecom industry has the second largest subscriber base in the world, however, the growth has stagnated. The total number of telephone subscribers crossed 1.2 billion as on June 30, 2021 with the wireless subscriber count at 1.18 billion. This translates to a 3.6% increase over the number as on June 30, 2020 and a tele-density of 88.1%. The broadband subscriber base jumped from 698 million as on June 30, 2020 to 793 million on June 30, 2021, a growth of 13.6%.

The major investment areas for the sector at the moment are in 5G rollout, new Bharat Net mandate to connect all inhabited villages roughly 6.43 lakhs in number with high-speed broadband, expansion of private wireline broadband and cable TV services, and a few other smaller initiatives. The country's 5G subscriber base is expected to rise to 330 million by 2026 within 5 years of launch as per Ericsson. The BharatNet project will be executed through a Design, Build, Finance, Operate and Transfer (DBFOT) concession on PPP framework. This project needs installation of almost 5 lakh KM of Optical Fibre Cable where BBNL envisaged a capital outlay of Rs. 30,000 crores and the Government is offering subsidies to such PPP partners as telecom penetration to villages is one of the significant infrastructures required for economic growth in long term.

b. Facility Management Services (FMS)

The Facilities Management Services opportunity is on a secular growth path in India on the back of strong underlying trends such as increased economic growth and urbanization, demand for professional services, shift of preference towards quality Grade A office spaces, outsourcing of non-core activities by private, public and government organizations. An added driver for growth post-pandemic is the awareness of need for hygiene and sanitization. While the demand is currently concentrated in metro and Tier – 1 cities, the sector is also seeing increase in market penetration in smaller cities. The key user industries served by the sector include IT & BPO, BFSI, Manufacturing, Infrastructure, Healthcare and Others.

A report by Technavio has projected the industry to grow at an average rate of 13.76% from 2021 to 2025. It is estimated to be ~US$ 14.8 billion in size in 2020 and is expected to add US$ 13.4 billion over 5 years. As per the report, the projected growth for 2021 was 11.1%. Another research report by Expert Market Research estimated the overall industry size, including the in-house and residential segments, to be in the US$150 billion range in 2020. Their estimation of the CAGR from 2021 – 2026 was 20% and the industry was projected to touch US$ 406 billion in size by 2026.

The nature of services provided by the FMS industry includes Soft Services, Technical Services, Pest Management Services, Support Services, Cleaning, Security, and Hospitality. The industry is fragmented with presence many unorganised players but is gradually seeing consolidation due to demand for international standard quality and one-stop shop players. The shift from in-house services to outsourced services is also catching wind. The trend to outsource FM services has been also seen in temples, monuments, parks, beaches, and residential complexes.

c. Municipal Solid Waste Management (MSW)

The key stakeholders and ordinary citizens in the country have become much more aware of the challenges posed by increasing solid waste. It is well realised in the planning bodies that we will see the scale of this challenge continuously increasing. Hence, there is a concerted effort to move away from primitive waste management practices to scientifically segregating, collecting, transporting and treating solid waste across all Municipal and other urban local bodies in the country. This change has been brought about by the high-profile launch and promotion of the Swachh Bharat Abhiyaan by the Central Government. Cleanliness and sanitation are part of collective consciousness because of this initiative. The Waste Management and Handling Rules introduced by the Ministry of Environment and Forests (MoEF) have provided the guidelines to tackle the problem of solid waste. As the scale and nature of the problem is too large and complex for Municipal Corporations to manage it in-house, there is an increasing trend of outsourcing it to private players who bring in technology and global best practices to meet the challenge and deliver superior results. However, there are continued challenges as the culture of cleanliness is yet to completely seep into all the citizenry.

India generates the highest amount of Solid Waste in the world estimated at 277.1 million tonnes in 2016 and projected to increase to 387.8 million tonnes by 2030 and 543.3 million tonnes by 2050. As of January 2020, 147,613 metric tonnes (MT) of solid waste were being generated per day from 84,475 wards across the country covered by the Swachha Bharat Mission. Another estimate for 2020 says that India generates ~62 million tonnes of municipal solid waste annually, which was expected to rise to 165 million tonnes by 2030 and 450 million tonnes by 2045. Three categories of solid waste are a). organic waste that is biodegradable, b). inert and non-biodegradable waste, and c). recyclable waste. The share of biodegradable waste in the total waste generated in Indian cities varies between 55% to 60% annually. However, the major concern area is the increase in plastic waste generated as it is a major contributor to environmental degradation. The total plastic waste generated in India is 9.4 million tonnes per annum. Another key concern is the collection efficiency for solid waste which is much lower in India (estimated at 70 – 80%) as compared to nearly 100% in rich countries. There is huge potential for growth in the Indian waste management industry as only 30% of the 75% recyclable waste is being recycled currently. The size of the Indian solid waste management industry can potential be US$ 14 billion as per a Research and Markets report "Waste to Energy and Waste Management Market in India – 2019". As part of the Government's focused efforts to ensure scientific processing and recycling of waste, it has introduced a concept of an extended producer's responsibility to collect back the waste generated by them. A manufacturer or importer of such products where recyclable waste is generated must work by own or with a waste management company to ensure the collecting back of plastic waste generated by their product. Alternatively, they may tie up with any waste management company that can ensure an equal quantity of waste collection and processing and give a certificate of such processing to manufacturers as compliance against their responsibility. This will give a big boost to the scientific processing of waste and much needed commercial support to waste management companies.

3. Business segment review

Company overview

The journey of A2Z Group began in 2002 as a Facility Management Services company. From these humble beginnings, it has now expanded into many new business verticals such as Engineering Services that covers the Engineering Procurement & Construction sector, Municipal Waste Management space, Power Generation Plants utilizing waste, and many other Services offerings related to the Infrastructure sector. It has also expanded its presence in many countries across the world through critical projects for various governments. A2Z Infra Engineering Ltd. is the listed entity and flagship company of A2Z Group. Within the Engineering Procurement & Construction (EPC) sector for Infrastructure projects, the Company specializes in Power and Telecom related infrastructure projects. The ES vertical is the largest one for the Company, followed by the Facility Management Services segment where it is a well-established name with an extended track record of nearly two decades and a marquee customer base. The Company provides a comprehensive package of various technical and non-technical services for a professional and world-class upkeep and maintenance of facilities. The major growth area for the Company in the recent times has been the Municipal Solid Waste Management business, which has picked up well in sync with the emphasis by local governments on cleanliness and sanitation and awareness of an important imperative to manage solid waste in an environmentally sound manner. As part of the MSW services to urban local bodies, the Company provides Collection & Transportation (C&T) and Waste Processing services. There have been other expansions into related spaces by the Company such as renewable power generation from waste-to-energy power projects, environment friendly products such as 'Magic Genie Homes Services', 'SafaiMitra', and 'bus shelter-cum-toilet'. The Company leverages synergies in use of workforce, raw materials, equipment, and complete product and ancillary services across its businesses. The Group's business portfolio is organized into four Strategic Business Units (SBUs) – Engineering Services (ES), Facility Management Services (FMS), Waste-to-Energy Power Generation Projects (PGP) and Municipal Solid Waste (MSW).

Business segments

A. Engineering Services (ES)

Within the ES SBU the Company caters to EPC needs of the Power Transmission and Distribution ('T&D') and Telecom sectors. For the Power T&D infrastructure projects it offers services from testing, integrated design, construction, installation, and erection to the commissioning. It is known for delivering innovative solutions that help conserve energy by minimizing T&D losses leading to financial savings and reduced carbon intensity of power consumption. Over the years, the Company has across group entities delivered multitude of projects in this space with operational challenges such as inclement weather and extremities, complex topography, short timelines, and multi-location delivery.

The major areas addressed by the Company in the Power T&D sector are as follows:

- Rural Electrification
- Railway Electrification
- Reduction of AT&C losses
- Feeder Renovation
- Feeder Segregation
- Underground Cabling
- Erection of Distribution lines
- Renewable Energy
- Installation of High Voltage Distribution System "HVDS" and Low Voltage Distribution System "LVDS"
- Construction of Substations and Transmission lines
- Operation and Maintenance of Electrical Utilities
- IT System Integration: ERP, Metering, Network Energy and Project Management

In the Telecom space, the ES SBU focusses on EPC and maintenance mandates for OFC networks. It provides turnkey offerings covering all services for OFC network implementations including Project Management, Materials Planning, Technical Site Survey, Logistics Management, Network Implementation and Integration, Supply and Installation of Equipment and Telecom Infrastructure Operation & Maintenance Services.

Update:

- The ES SBU contributed 45% of the total operating revenue in FY2020-21. This number was 54.1% in the previous financial year.
- A major win for the Company during the year was an order from an Airtel group company Telesonic Network Limited for works related to the Optical Fibre Network installation in various circles, which is a long-term association business opportunity.
- The new areas that the Group is focusing on include EPC opportunities in Sewage Network, Gas Distribution Networks, Smart Cities, and Metro projects and Fixed Asset Management through Operations & Maintenance (O&M) services.
- The broader strategy of pursuing only profitable new projects and completing the existing ones will continue.

B. Facility Management Services (FMS)

The FMS SBU of the Company offers one-stop shop solution for business, technical and security solutions to manage facilities such as corporate offices, malls, railway stations and coaches, airports, ports, other commercial establishments, monuments, parks and beaches. Various type of services extended by the Group under different categories include:

Technical Services:

- Electro-Mechanical
- HVAC
- Fire Safety
- Civil
- Operation & Maintenance of Equipment

Business Support:

- Mailroom
- Reception
- HR
- Help Desk
- Soft Services
- Housekeeping
- Cleaning & Janitorial
- M – Security
- E – Security

Consulting:

- Workforce, Energy & Vendor Management Audit
- Project Management
- Turnkey Projects
- Building Operations
- Inventory Control
- Regulatory Compliance
- Utilities Management
- Energy Management
- Service Audits
- Moves & Rearrangements

Update:

- While the FMS segment revenue declined by 42.9% vis-à-vis previous year due to the pandemic, the profitability of the segment doubled from 2.6% to 6.1%. On an absolute basis the segment profits increased by 35%.
- The segment's contribution to the total revenue of the Company reduced from 33% to 31.8%.
- With the pandemic receding in India and Middle East, the SBU will revive its plans to successfully enter the Middle Eastern market.

C. Municipal Solid Waste (MSW)

The MSW SBU works with the local civic administration to maintain cleanliness and sanitation in major cities. As part of the offering portfolio, it offers comprehensive services for collection, transportation, treatment, and disposal of solid waste. The SBU has expanded handsomely in the recent past by winning tenders that offer multiple decade long concession periods/ contracts to provide MSW services for many cities. Given the long-term contracts and continued investments by the Government in Clean India mission, not only does the business have very high growth potential but also stickiness and longevity. The mandates are won by the SBU not only based on competitive pricing, but also because of the technology used in collection, treatment and disposal through scientific methods. One of the major innovations from the Company in this space is the 'SafaiMitra' app for direct collection of waste from households and offices.

Update:

- The segment continued its growth trajectory and delivered a 13.3% increase in top-line over last year. The segment profits rose at a faster pace of 64.5% thus increasing the profitability from 5.6% in FY2019-20 to 8.1% in FY2020-21.
- The key customers that the Company caters to include local bodies in cities such as Aligarh, South Delhi, Haldwani, Jaunpur and it added Rishikesh in FY2020-21 to the list.
- Continued emphasis on scientific waste management practices as prescribed by the Central Government, would result in Urban Local Bodies outsourcing MSW management work to players like the Company. The pandemic is unlikely to impact this SBU as MSW management is classified as an essential service.

D. Waste-to-Energy - Power Generation Projects (PGP)

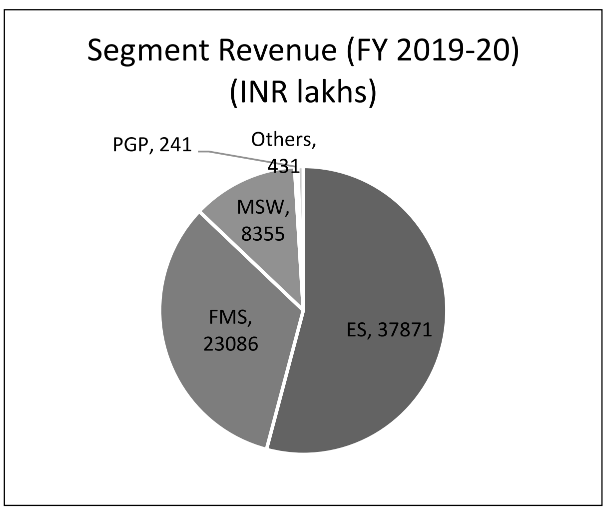
In collaboration with Co-operative Sugar Mills, the Company had set up three power plants in Punjab on Built, Own, Operate and Transfer (BOOT) basis for a period of 15 years. These plants were designed to run on Refuse derived Fuel (RDF) to be supplied from an indigenous waste processing plant developed by the Company. The key raw material for making the RDF was Municipal Solid Waste and bagasse from the sugar mills. However, non- supply of bagasse by them and various delays in approvals and handover of land resulted in disputes that were referred for arbitration. The execution of Project by the Company has become unviable notwithstanding its best intentions and consistent efforts. Hence, the Company is evaluating an option to shift these power plants to other location(s) where there is sufficient availability of RDF. However, due to Covid and other operational issues all three power plants were non-operational in the year under review.

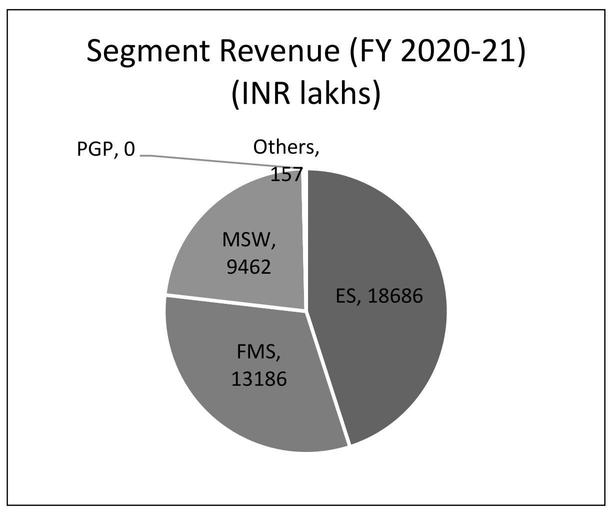
Update:

- Company has been working on technologies to produce alternate uses of combustible portion of Municipal waste as well as to make waste more convenient to use in power plant and have successfully developed such product. The commercial launch of this technology is in the beta stage.

4. Financial Review

The consolidated operating revenues for the Group in FY 2020-21 were INR 41,491 lakhs as against INR 69,984 lakhs in the previous financial year. This translates into a de-growth of 40.7%, which was mainly on account of the COVID-19 pandemic. The ES segment contributed the most to the decline with a fall from INR 37,871 lakhs to INR 18,686 lakhs, a 50.7% drop. The FMS business saw a dip of 42.9% and the PGP segment logged nil revenue vis-à-vis INR 241 lakhs in the previous year. In contrast, the MSW business registered an increase of 13.3% over the same period.





During the year under review, the Group's Operating Profit (EBITDA before Other Income) was a loss of INR 2,970 lakhs, nearly same as the loss of INR 2,898 lakhs in FY 2019-20. The direct costs related to raw materials and employees were rationalized to improve profitability, however, the other expenses remained almost flat, thus same level of EBITDA loss despite lower revenue. Consolidated PBT before Exceptional Items saw a reduction of loss by 2.3% from INR 7,483 lakhs to INR 7,312 lakhs. In the previous financial year, the Company recorded an Exceptional Loss of INR 16,109 lakhs due to impairment of capital assets and write-offs of trade receivables, goodwill, and excess revenue. Hence, the net PBT loss reduced by 67.4% from INR 23,727 lakhs to INR 7,726 lakhs. The net loss for the year under review was INR 8,110 lakhs vs. INR 27,814 lakhs in FY 2019-20, a change of 70.8%.

Impact of COVID-19

The impact of the COVID-19 pandemic was felt the most in the first quarter of the financial year when the lockdown restrictions were the most stringent. These restrictions created roadblocks in availability of labour at the EPC project sites and power plants. Reverse migration of the labour back to their villages further exacerbated the situation. The execution was hampered by the absence of client personnel, who couldn't be at the site due to logistical challenges or concerns for safety. In addition, given the Work From Home mandate most offices were not operational which resulted in the FMS business suffering from volume disruption. The pandemic did not have a material impact on the MSW business as it was classified as an essential service with complete freedom of operation. The overall revenue declined by 61.5% in the first quarter, whereas it increased by 1.3% in the final quarter. Similarly, the trend for ES business was 79.1% decline in Q1 and 22% growth in Q4. COVID-19 pandemic is likely to have limited impact beyond the first quarter of the new financial year, which was affected due to the massive second wave of infections. There may be localized disruptions due to surge in cases that would require imposition of restrictions on movement.

Key Changes in Financial Ratios

Parameter	FY 2019-20	FY 2020-21	Change	Explanation
Debtor Turnover (Days)	496	800	> 25%	While revenue came down substantially, the debtors did not decrease much due to delays in payment because of the pandemic.
Inventory Turnover	84	36	>25%	Decline in sales led to decrease in inventory turns.
Interest Coverage Ratio	-0.24	-0.22	<25%	-
Current Ratio	0.94	0.90	<25%	-
Debt Equity Ratio	1.15	1.56	>25%	Overall debt increased due to lower cash flow realisation and no one-time settlements during the year whereas the equity reduced due to losses.
EBITDA margin %	-0.11%	-0.93%	>25%	Absolute EBITDA loss remained the same despite of reduction in sales because of flattish Other Expenses, which are not as variable as employee and COGS.
Net Profit Margin %	-38.20%	-18.41%	>25%	INR 16,109 lakhs of Exceptional Loss due to write-offs and impairments in FY 2019-20. No such Exceptional Item in FY 2020-21.
Return on Net Worth %	-67.38%	-24.01%	>25%	INR 16,109 lakhs of Exceptional Loss due to write-offs and impairments in FY 2019-20. No such Exceptional Item in FY 2020-21.

5. Business SWOT

Strengths	Weakness
• Diversified business portfolio • Technology and process capabilities • Credentials and customer references created over 15+ years across segments • Synergetic operational relationship between different offerings through fungible resources • Sizeable trained and skilled workforce • Innovation capabilities	• Over leveraged • High dependence on B2G business • Most business segments need high amounts of capital and lot of labour.
Opportunities	**Threats**
• Increasing share of Grade A properties in the Commercial space that rely on professional companies for FMS. • The need for sanitisation and other safety precautions in the light of pandemic resulting in demand for professional FMS companies. • Increasing power generation capacity in traditional and renewable sector. • 5G rollout in telecom sector.	• Work From Home trend resulting in reduction in the need for Office space • Precarious and stressed balance sheets of telecom companies may delay 5G rollout and upgrade of existing infrastructure

Opportunities	Threats
• 'Ease of Living' initiatives such as toilets, housing, piped water, Swachh Bharat Abhiyaan and broadband connectivity in all villages increasing opportunities for the Company. • Monetisation program of Government of railways, airports and other such infrastructure would increase private sector involvement who would rely on FMS players. Increasing trend of Government also tendering for outsourcing of FMS needs.	• Repeated failures in nursing SEBs back to financial health may result in stoppage of investments in power generation, transmission and distribution infrastructure.

6. Risks & Concerns

The Company faces diverse risks when operating its businesses and managing them is integral to its continued success. Risk management approaches are incorporated at the strategic and operational level into the Company's processes. This involves identification and evaluation of the risks, devising mitigation tactics and then integrating them in the processes. The key risks identified, and the specific mitigation strategies are listed below.

1. Economic risk

The macro risks related to economic downturns, unfavorable policy environment, liquidity crisis, high interest rates, etc. can affect demand for the Company's services.

Risk mitigation

- The Company manages the economic risk by diversifying its geographical presence. It has expended its operations beyond India and has succeeded in getting business from the South Asian, Middle East and African markets.
- Avoid over reliance on sectors that are cyclical in nature and over dependent on the prevailing economic conditions.
- The direct impact of liquidity crunch and high interest rates are addressed through reduction of debt and focusing only on highly viable projects.

2. Concentration risk

Excessive reliance on a specific category of customers can lead to the Company's fortunes being tied to their performance and behavior. This would have an immediate and direct impact on the Company financials if by nature any customer segments have a track record of delayed payments, excessively bureaucratic processes or extreme peaks and troughs in terms of demand.

Risk mitigation

- Like the country diversification, the Company has also focused on diversifying its customer segment mix by pursuing B2C and B2B customers in addition to the B2G segment.
- It has also added extra checks on financial health of potential customers and insists on stringent payment terms favorable to the Company, if they belong to customer segments that have longer payment cycles.

3. Working capital risk

The key offerings of the Company such as EPC projects need timely availability of working capital for successful project execution within the budgeted financial parameters. Any delays may lead to a financial impact.

Risk mitigation

- Build alternative revenue streams that do not consume excessive working capital.
- Increase the contribution of projects with a positive cash flow cycle through advances to manage the fund requirements.
- Secure enough fund/non-fund based facilities from banks/ Financial Institutions for timely draw down during project execution.

4. Execution risk

The businesses that the Company operates in are complex and have longer execution cycles. This increases the risk from project executions as there are many external independent factors that influence the performance apart from its capabilities. Any projects delays, performance failures, accidents and other mishaps may lead to fines, cost escalations, disputes, and also tarnishing of track record.

Risk mitigation

- The first step in mitigating execution risk is to avoid overreach and overexposing itself by limiting extremely complex or high-risk execution projects.
- Purchase adequate professional indemnity insurance.
- Build adequate safety margins in budgets and project financing to leave some room for surprises during execution and achieve a balance with competitiveness.
- Robust execution through development of Standard Operating Procedures (SOP) for all offerings and ensuring compliance.

5. HR risk

As a services business, the Company is dependent on availability of skilled and unskilled resources to deliver on its promises to the customers.

Risk mitigation

- Excellent HR practices to attract, retain and grow talented employees in adequate numbers.
- Competitive remuneration in line with the industry.

- Training calendar to develop skilled resources internally.
- Partner or outsource to pull specific skill sets in adequate numbers when time is of essence.

7. Human Resources

The Company's key asset are the capabilities that reside in its people and processes. It is cognizant of the fact that motivated and committed employee base is the key to its success. Hence, it devotes significant management bandwidth and resources to ensure that the human resource practices of the Group remain best-in-class and continually relevant. They are geared towards enabling a safe, healthy and empowering work environment for all its staff. Promotion of positive communication and harmonious relationship between its managerial, skilled and unskilled employees is a key focus area for the Group to achieve disruption-free operations. The Human Resource team has implemented suitable Performance Management and Learning & Development systems to support a culture of investment in career advancement of its employees and performance delivery. Fair reward and recognition policy are in place besides employee engagement activities to ensure employee retention and attract the best talent towards the Company.

As on 31st March 2021, the total employee base of the Group was 6,080 employees, including 1,152 trained technical employees. The gross recruitment figure in FY2020-21 for the Group was 2,737 employees.

8. Corporate Social Responsibility

Even when the Company is eligible for a waiver from spending 2% of its profits on Corporate Social Responsibility (CSR) activities under section 135 of the Companies Act 2013, it continues to work towards fulfilling its social, environmental, and cultural duties towards the community. The very nature of the Company's business is geared towards contributing to the progress of the society in terms of improving the quality of life by promoting clean and green environment in addition to building hard and soft infrastructure. The Company however goes beyond and makes direct contributions to social welfare by engaging in many initiatives through its CSR program, Sahyog. The key objectives that are a focus of the CSR program are promotion of consciousness towards environment and cleanliness, civic amenities, and aiding Project Affected Persons through development initiatives. The activities of the Group are focused on the communities where it operates or has projects.

9. Internal Control Systems

The Company's operations are extensive, complex, and varied in nature. Hence, it has put in place a definite and strong internal control system to manage the businesses in a way that adheres to all necessary compliances, protects it from fines, frauds and sabotage, and maintains the performance trajectory in line with its goals and objectives. It has a well-established organization structure and clearly laid down processes, policies and business objectives to support the control measures. There are periodic reviews and updates of the control systems in tune with the emerging best practices and evolution of the business environment. The key element of the control system are regular internal an statutory audits by external auditors that report to the Audit Committee of the board of various non-compliances, if any, and areas of improvements. Their reports are reviewed by the committee on a quarterly basis and appropriate corrective actions are implemented.

10. Outlook

In line with the broader economic situation, the Company's business started performing better towards the end of the reported financial year. While the second wave of pandemic in India is likely to hurt its prospects in the first quarter of the new financial year, the subsequent quarters are expected to see a much-improved demand environment. The economic growth expected in the coming years will lead to demand for improved power and telecom infrastructure, greater amount of waste, and increase in office spaces. This forecast for the near future when juxtaposed with the long-term trends of urbanization, demand for better quality of life, professionalisation and consolidation in favour of the organized sector would mean a positive macro and demand environment for the Company. With the continued monetary policy and liquidity support from the Reserve Bank of India, the Company may not face any major stress in making financing available for its projects. The Company is keen to address the growing trend for outsourcing facility management for public spaces, laying water pipelines, and other new opportunities. It will also expand its foray into Fixed Asset Management space with its operations and maintenance offering. On the operational front, continued focus on restructuring existing debts will remain apart from improving productivity. There are significant downside risks that may hamper the Company's performance in the coming years, including more waves of the pandemic, derailment of economic recovery due to political and social instability, and others. The Company is, however, prepared to leverage opportunities and mitigate emerging risks.

11. Forward Looking Statements

Statements in the Management Discussion & Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. These statements being based on certain assumptions and expectations of future event, actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting domestic demand supply conditions, finish goods prices, changes in Government Regulations and Tax regime etc. The Company assumes no responsibility to publically amend, modify or revise any forward looking statements on the basis of subsequent developments, information or events.

Corporate Governance Report

This Report states the compliance status of the Company as per the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred as "SEBI LODR, 2015"), for the Financial Year 2020-21 as to be made by the Listed entities in Corporate Governance section of the Annual Report as prescribed under Part C of Schedule V of the said Regulations.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Company is fully committed in practicing sound corporate governance and upholding the highest business standards in conducting business. Being a value-driven organization, the Company has always worked towards building trust with the stakeholders. We, at A2Z, follow principles of good corporate governance, viz., integrity, equity, transparency, fairness, disclosure, accountability and commitment to values. These core values are central to the business philosophy of the Company and act as the guiding inspiration for the day-to-day business operations. The Company strives to be a customer-first, quality-obsessed, socially-sensitive corporate entity. The Company believes that timely disclosures, transparent accounting policies and a strong and independent Board go a long way in protecting the shareholders' interest while maximizing long term corporate values. Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company.

Keeping in view the above philosophy, the Corporate Governance at A2Z is based on the following main principles & practices:

- Proper composition of the Board of Directors, size, varied experience and commitment to discharge their responsibilities;
- Well-developed internal control, systems and processes, risk management and financial reporting;
- Full adherence and compliances of laws, rules and regulations;
- Timely and balanced disclosures of all material information on operational and financial matters to the Stakeholders;
- Clearly defined management performance and accountability;
- Enhanced accuracy and transparency in business operations, performance and financial position.

The Company has established systems and procedures to ensure that its Board of Directors is well-informed and well-equipped to fulfill its overall responsibilities and to provide the management with the strategic direction needed to create long-term shareholder value. The Company has complied with the Corporate Governance requirements of SEBI LODR, 2015 and listed below is the status in respect of the same.

2. BOARD OF DIRECTORS: -

The Company believes that an active and well-informed Board is necessary to ensure highest standards of corporate governance. All statutory and other significant and material information are placed before the Board to enable it to discharge its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's corporate governance philosophy.

The Composition of Board of Directors of the Company is in accordance with the Companies Act, 2013 and Regulation 17 of the SEBI LODR, 2015. Our Company has an appropriate combination of Executive, Non-Executive and Independent Directors including an Independent Woman Director to maintain independence and efficiency of the Board in its functions of governance and management.

Our Company's directors are highly experienced professionals in their respective functional areas and provide directions to the management on operational issues, adoption of systems and best practices in management and oversight of compliance of various legal and other requirements. The members of our Board are from diverse backgrounds with exceptional skills and experience in critical areas like technology, finance, entrepreneurship and general management. The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory as well as business requirements.

The Board's Role, functions, responsibilities and accountability are clearly defined. The day-to-day management of the Company is entrusted with the senior management personnel of the Company and is headed by the Managing Director. The Board of Directors complies with the provisions of SEBI LODR, 2015 and Companies Act, 2013 in regard to the meetings of the Board and Committees thereof. The Management and Board of the Company continuously and actively supervise the arena of Corporate Strategy, planning, external contracts and other board matters on continual basis. The Senior Management Personnel heading separate divisions are responsible for day to day operations of their respective divisions.

2.1 COMPOSITION AND CATEGORY OF DIRECTORS

The Board of Directors ('Board') has an optimum combination of Executive and Non-Executive Directors, representing a blend of professionalism, knowledge and experience. The size and composition of the Board meet the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). As on March 31, 2021, the Company's Board comprised of Six (6) Directors, with two (2) Executive Directors, two (2) Non-Executive Directors including one woman Director, two (2) Non-Executive and Independent Directors, including one woman Independent Director. Further, the Chairman is a Non-Executive Independent Director.

The Independent Directors neither have any pecuniary relationship or transactions with the company, nor with the promoters, and management, which may affect independence or judgment of the directors in any manner. All the Independent Directors have satisfied the criteria/conditions of independence as laid down in Regulation 16(1)(b) of the SEBI LODR , 2015 and Section 149(6) of Companies Act, 2013. The Independent Directors have confirmed that they have registered their names in the databank maintained with the Indian Institute of Corporate Affairs ('IICA'). The Board periodically evaluates the need for change in its composition.

Pursuant to Section 164(2) of the Act, all the Directors have also provided annual declarations that they have not been disqualified to act as Directors. The number of Directorship(s), Committee Membership(s) / Chairmanship(s) of all Directors is within respective limits prescribed under the Act and SEBI LODR, 2015 as amended from time to time.

S. No.	Name of the Director	Category	No. of other Directorships and Committee memberships/chairmanships as on March 31, 2021			Directorship in other listed entity (Category of Directorship) as on March 31, 2021
			Other Directorships	Committee Memberships	Committee Chairmanships	
1.	Mr. Surender Kumar Tuteja (DIN: 00594076)	Non-Executive & Independent Director (Chairperson)	9	10	5	1. SML Isuzu Ltd. (Chairperson- Non-Executive and Independent Director) 2. Shree Renuka Sugars Ltd (Non-Executive and Independent Director)
2.	Mr. Amit Mittal (DIN: 00058944)	Executive Non-Independent Director (Managing Director) (Promoter)	2	1	-	NIL
3.	Mr. Rajesh Jain (DIN: 07015027)	Executive Non-Independent Director (Whole time Director & CEO)	1	2	-	NIL
4.	Ms. Dipali Mittal (DIN: 00872628)	Non- Executive & Non-Independent Director	2	1	1	NIL
5.	Dr. Ashok Kumar Saini (DIN: 03593179)	Non- Executive & Non-Independent Director	-	-	-	NIL
6.	Ms. Atima Khanna (DIN: 07145114)	Non- Executive & Independent Director	1	3	1	NIL

In terms of Regulation 26(1) of SEBI (LODR) 2015:

- Foreign companies, private limited companies and companies under Section 8 of the Companies Act, 2013 are excluded for the purpose of considering the limit of directorship.
- The committees considered for the purpose are audit committee and stakeholders' relationship committee.
- None of the Directors was a member of more than 10 committees or Chairman of more than 5 committees across all listed companies in which he/she is a Director.

  Except Mr. Amit Mittal and Ms. Dipali Mittal, who are husband and wife, none of the directors are relative of any other director.

  During the year under review, Dr. Ashok Kumar, Non-Executive Independent Director of the Company has resigned from the Directorship of the Company with effect from July 24, 2020.

2.2 NUMBER OF BOARD MEETINGS

The Board of Directors oversee the overall functioning of the Company and takes the strategic decisions and define the management policies in the best interest of the Company and its stakeholders and, for this, Members of the Board of Directors of the Company meet frequently, as the occasion(s) arises and as per the statutory requirement in adherence to true letter & spirit of the law.In case of any exigency/ emergency, resolutions are passed by circulation. The Board of Directors met Six (6) times during the financial year 2020-21 i.e. on July 30, 2020, September 04, 2020, September 28, 2020, November 10, 2020, December 18, 2020 and February 13, 2021. The maximum gap between any two consecutive meetings was less than the period one hundred twenty days, as stipulated under Regulation 17(2) of the SEBI LODR, 2015.

Below mentioned table gives the attendance record of the Directors at the Board Meeting and Last Annual General Meeting:

S. No.	Name of the Director	Attendance Particulars During the period April 01, 2020 to March 31, 2021		Whether attended last AGM held on September 30, 2020
		No. of Board Meeting held	No. of Board Meeting Attended	
1.	Mr. Surender Kumar Tuteja	6	6	Yes
2.	Ms. Atima Khanna	6	6	Yes
3.	Mr. Amit Mittal	6	6	Yes
4.	Mr. Rajesh Jain	6	6	Yes
5.	Ms. Dipali Mittal	6	6	Yes
6.	Dr. Ashok Kumar Saini	6	5	Yes

During the year under review, due to his resignation from the Board of Directors of the Company, Dr. Ashok Kumar, Non-Executive Independent Director ceased to be the member of the Board of Directors effective from July 24, 2020, therefore, he didn't attend any meeting of the Board during the Financial Year 2020-21.

The details of the shareholding of Directors as on March 31, 2021 are as follow:

S. No	Name of the Director	No. of Shares	Percentage (%) of Holding
1.	Mr. Amit Mittal	27350601	15.53%
2.	Mr. Rajesh Jain	490988	0.28%
3.	Dr. Ashok Kumar Saini	300000	0.17%

Except the equity shares as stated above no other director holds any equity shares of the Company and Company has not issued any convertible instruments.

The details of the familiarisation programme of the Independent Directors are available on the website of the Company:

http://media.a2zgroup.co.in/pdf/Familiarization%20Programme%20for%20Independent%20Directors.pdf

Matrix of Skills / Expertise / Competencies of the Board of Directors –

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and the board along with the names of the Directors, who possess such skill/expertise/ competence, are given below:-

Board Competency Matrix

i) **Business & Industry**: Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.

ii) **Behavioural skills**: attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.

iii) **Financial Expertise:** Financial and risk management, Internal control, Experience of complex financial reporting processes, capital allocation, resource utilisation, Understanding of Financial policies and accounting statement and assessing economic conditions.

iv) **Technical & Professional skills**: attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.

v) **Governance & Compliance:** developing governance framework, serving the best interests of all stakeholders, driving board and management accountability, building long-term effective stakeholder engagements and sustaining corporate ethics and values.

S.No.	Name of Director	Skills
1.	Mr. Surender Kumar Tuteja	Business & Industry, Behavioural skills, Financial Expertise, Technical & Professional skills and Governance & Compliance
2.	Ms. Atima Khanna	Business & Industry, Behavioural skills, Financial Expertise, Technical & Professional skills and Governance & Compliance
3.	Mr. Amit Mittal	Business & Industry, Behavioural skills, Financial Expertise, Technical & Professional skills and Governance & Compliance
4.	Mr. Rajesh Jain	Business & Industry, Behavioural skills, Financial Expertise, Technical & Professional skills and Governance & Compliance
5.	Ms. Dipali Mittal	Business & Industry, Behavioural skills and Technical & Professional skills
6.	Dr. Ashok Kumar Saini	Business & Industry, Behavioural skills and Technical & Professional skills

In the opinion of the Board, the Independent Directors fulfil the conditions specified in SEBI LODR 2015 and are independent of the management.

Board Meeting Procedure:

In order to ensure maximum presence of all Directors in the Board Meeting, dates of the Board Meetings are fixed in advance after consultation with individual directors and consideration of their convenience. The agenda papers along with relevant explanatory notes and supporting documents are circulated within prescribed time to all Directors.

Apart from any specific matter, the Board periodically reviews routine business items which includes approval of financial results along with Auditors review report, Action Taken Report on the decisions taken in previous meetings, operational performance of the Company, minutes of committee meetings, quarterly corporate governance report, statement of investor complaints, shareholding pattern, compliance report on all laws applicable to the Company, annual financial statements, capital expenditure and other matters placed before the Board pursuant to Part A of Schedule II of Listing Regulations.

3 BOARD COMMITTEES

In compliance with the SEBI LODR, 2015 and to focus effectively on the issues and ensure expedient resolution of the diverse matters, the Board has constituted various committees with specific terms of reference and scope. The committees operate as empowered agents of the Board as per their charter/terms of reference. Constitution and charter of the board committees are given herein below:

3.1 Audit Committee

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and actions taken report.

(a) Constitution and Terms of Reference

The terms of reference of the Audit Committee covers matters specified under Part C of Schedule II of Listing Regulations and Section 177 of the Companies Act, 2013 as amended from time to time. The terms of reference of Audit Committee inter-alia includes following matters:

As on March 31, 2021, the Audit Committee comprises of Three (3) Directors, two (2) of them are Non-Executive Independent Directors and one (1) is Executive Director. The Chairman of the Audit Committee is an Independent Director.

The Brief terms of reference of the audit committee are as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company and approval of payment to statutory auditors for any other services rendered by the statutory auditors;
3. Reviewing with the management the quarterly, half yearly and annual financial statements and auditors' report thereon before submission to the board for approval; This would, inter-alia, include reviewing changes in the accounting policies, if any, major accounting estimates based on exercise of judgment by the Management, disclosure of related party transactions, compliance with legal and other regulatory requirements with respect to the financial statements;
4. Significant adjustments made in the financial statements arising out of audit findings;

5. Reviewing the Management Discussion & Analysis of financial and operational performance and Board's Report;
6. To oversee and review the functioning of a Vigil Mechanism / Whistle Blower Policy;
7. Approval of Related Party Transactions (RPT) or any subsequent modifications of RPT and review of RPT on quarterly basis;
8. Review Qualifications in the draft audit report and give its comments on the same;
9. Scrutiny of inter-corporate loans and investments;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
13. Discussion with internal auditors of any significant findings and follow up there on;
14. Discussion with auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
15. To review the functioning of the whistle blower mechanism;
16. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
17. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary; and
18. All Other duties, responsibilities as defined under section 177 of the companies Act, 2013 & Regulation 18 of the SEBI LODR, 2015.

Additionally, the Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Recommend to the Board, the appointment, reappointment and, if required the replacement or removal of the statutory auditors, cost auditors and secretarial auditors considering their independence and effectiveness, and recommend their audit fees;
4. Management letters / letters of internal control weaknesses issued by the auditors; if any
5. Internal audit reports relating to internal control weaknesses;
6. To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non-payment of declared dividends) and creditors; and
7. Approval of such other services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.

(b) Meeting and Attendance

During the year under review, the Committee met Four (4) times i.e. on July 30, 2020, September 28, 2020, November 10, 2020, and February 13, 2021. The CFO, Managing Director and Statutory Auditors are permanent invitees to the Meetings.

The composition and the attendance of members at the meetings held during the financial year ended March 31, 2021 are given below:

Member	Designation	Category of Directorship	Number of Meeting attended
Ms. Atima Khanna*	Chairperson	Non- Executive & Independent Director	4
Mr. Surender Kumar Tuteja	Member	Non- Executive & Independent Director	4
Mr. Rajesh Jain	Member	Executive & Non Independent Director	4

*During the year under review, due to his resignation from the Board of Directors of Company, Dr. Ashok Kumar, Non-Executive Independent Director ceased to be Chairman of the Audit Committee w.e.f July 24, 2020, Audit Committee was reconstituted on July 30, 2020, whereby Ms. Atima Khanna, Independent Director of the company and member of the committee was appointed as Chairperson of the Committee.

- Mr. Atul K. Agarwal, Company Secretary cum Compliance Officer acts as the Secretary to the Audit Committee.

- Ms. Atima Khanna, Chairperson of the Audit Committee attended the previous Annual General Meeting held on September 30, 2020 for answering the shareholder's queries.

3.2 Nomination & Remuneration Committee

(a) Constitution and Terms of Reference

As on March 31, 2021, the Nomination & Remuneration Committee comprises of Two (2) Non-Executive Independent Directors and one (1) Non- Executive Non Independent Director. The Nomination & Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI LODR, 2015 read with Section 178 of the Companies Act, 2013.

Terms of Reference:-

The terms of reference of the Nomination and Remuneration Committee ("NRC") includes the matters stipulated in Point A of Part D of Schedule II of the Listing Regulations and Section 178 of the Companies Act, 2013 as under:

The brief terms of reference of the Nomination & Remuneration Committee are as under: -

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel (KMP) and other employees;
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of Board of Directors;
4. Lay down criteria for Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
5. Recommendation to the Board about appointment, re-appointment, removal of Directors, Senior Management Personnel and KMP in accordance with the criteria laid down;
6. Recommendation to the Board on remuneration payable to the Directors of the Company;
7. Formulation of the criteria for evaluation of performance of every Director and carry out performance evaluation of Directors and to recommend to the Board on whether to extend or continue the term of appointment of Independent Director;
8. Recommendation to the Board, all remuneration, in whatever form, payable to senior management;
9. Devising a policy on Board Diversity; and
10. All other duties, responsibilities as defined under section 178 of the Companies Act, 2013 & Regulation 19 read with part D(A) of Schedule II of the SEBI LODR, 2015.

(b) Meeting and Attendance

During the year under review, the committee met Two(2) times i.e. on September 04 , 2020, and February 13, 2021.

The composition and the attendance of members at the meetings held during the financial year ended March 31, 2021 are given below:

Member	Designation	Category of Directorship	Number of Meeting attended
Ms. Atima Khanna*	Chairperson	Non- Executive & Independent Director	2
Mr. Surender Kumar Tuteja	Member	Non- Executive & Independent Director	2
Ms. Dipali Mittal	Member	Non- Executive & Non Independent Director	2

*During the year under review, due to his resignation from the Board of Directors of the Company, Dr. Ashok Kumar, Non-Executive Independent Director ceased to be Chairman of the Nomination & Remuneration Committee w.e.f July 24, 2020, Nomination & Remuneration Committee was reconstituted on July 30, 2020, whereby Ms. Atima Khanna Non Executive Independent Director of the Company and member of the Committee was appointed as Chairperson of the Committee.

- Mr. Atul K. Agarwal, Company Secretary cum Compliance Officer acts as the Secretary to the Nomination & Remuneration Committee.
- Ms. Atima Khanna, Chairperson of the Nomination & Remuneration Committee attended the previous Annual General Meeting held on September 30, 2020 for answering the shareholder's queries.

(c) Performance Evaluation Criteria for Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 read with Part D of the SEBI LODR, 2015 and as per the guidance note issued by SEBI dated January 5, 2017 vide its Circular No. SEBI/HO/CFD/CMD/CIR/P/

2017/004, the Nomination & Remuneration Committee of the Board had carried out the evaluation of every Director's Performance based on specified criteria to ensure:

- that the independent directors are providing independent advice and counsel to the Management;
- that the Directors are properly informed and that sufficient information is provided to enable the Directors to form appropriate judgments;
- the regular Compliance of Applicable Code & Policies framed for effective management of the Company;
- that the directors demonstrate a willingness to devote time and effort to understand the company and its business;
- that the directors are competent to take the responsibility and having adequate qualification, experience and knowledge;
- the quality and value of their contributions at board meetings;
- whether to extend or continue the term of appointment of Independent Directors;
- their contribution to development of strategy and to oversee the effectiveness of their relationships with fellow board members, the company secretary and senior management;
- that the operating objectives and standards of performance are not only understood but owned by the management and other employees;
- the effectiveness of Leadership quality of the Chairman;
- that the directors are able to function as an effective team member; and
- that the directors actively takes initiative with respect to various areas.

Details of the performance evaluation criteria for Independent Directors of the Company is provided in the Boards' Report forming part of the Annual Report of the Company.

(d) Remuneration Policy-

Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve desired results.

Remuneration Policy of your Company is in conformity with the provisions under the Companies Act, 2013 and SEBI LODR, 2015. It is directed towards rewarding performance, based on review of achievements.

The policy ensures that:

– The level and composition is reasonable and sufficient to attract, retain and motivate Directors of the quality employees required to run the Company successfully;

– Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

– Remuneration to Directors, Key Managerial Personal and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The Remuneration Policy of the Company is placed on the website of the company at http://media.a2zgroup.co.in/pdf/Remuneration%20Policy_13.02.2019.pdf

Remuneration to Non-Executive Directors

The Non-executive & Independent Directors are paid sitting fee of INR 25,000/- (Rupees Twenty Five Thousand only) for attending each Board and Committee meeting respectively. The details of sitting fees paid for attending the Board/committee meeting held during the year and commission payable for financial year 2020-21 is as under:

(Amount in INR)

S.No.	Name	Sitting Fees paid	Commission payable
1.	Mr. Surender Kumar Tuteja	4,75,000	NIL
2.	Ms. Dipali Mittal	3,25,000	NIL
3.	Dr. Ashok Kumar Saini	1,25,000	NIL
4.	Ms. Atima Khanna	3,50,000	NIL
	Total	**12,75,000**	**NIL**

Remuneration to Executive Directors

The remuneration of the Executive Directors is recommended by the Nomination & Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organizations and is decided by the Board of Directors.

Due to abatement/rejection by the Central Government for the application filed for remuneration to Mr. Amit Mittal and Mr. Rajesh Jain, executive directors of the Company. They are not getting any remuneration from the Company. However, they have been appointed as executive directors in A2Z Infraservices Limited, material subsidiary of the Company and are getting remuneration from there.

3.3 Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee is constituted in line with the provisions of Part D of Schedule II and Regulation 20 of SEBI LODR, 2015 read with section 178 of the Companies Act, 2013. The Committee is responsible for assisting the Board of Directors in resolving the grievances of the security holders including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends, if any.

As on March 31, 2021, the Stakeholders Relationship Committee comprises of three (3) Directors out of which one (1) is Non-Executive Independent Director one (1) Non-Executive Non-Independent Director and one (1) is Executive Director. During the Financial year 2020-21, the Committee met four(4) times i.e. on July 30, 2020, September 28, 2020, November 10, 2020 and February 13, 2021.

Terms of Reference:-

The brief terms of reference of the Stakeholders' Relationship Committee are as under:-

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Investor Complaints

Your Company takes all effective steps to resolve complaints from shareholders of the Company. The complaints are duly attended by the Company/ Registrar & Transfer Agent and the same are resolved within prescribed time.

During the year under review Company has not received any compliant from its shareholders.

The composition and attendance of the members of the Stakeholders Relationship Committee at the meetings held during the financial year ended March 31, 2021 are given below:

S. No.	Name of the Director	Designation	Category	No of Meetings Attended
1.	Ms. Dipali Mittal*	Chairperson	Non-Executive & Non-Independent Director	4
2.	Ms. Atima Khanna**	Member	Non-Executive & Independent Director	1
3.	Mr. Rajesh Jain*	Member	Executive Director	4
4.	Mr. Surender Kumar Tuteja**	Member	Non-Executive & Independent Director	3

*During the year under review, due to his resignation from the Board of Directors of the Company, Dr. Ashok Kumar, Non-Executive Independent Director ceased to be Chairman of the Stakeholder Relationship committee w.e.f July 24, 2020, Stakeholders Relationship Committee was reconstituted on July 30, 2020 as follows:

1. Ms. Dipali Mittal was appointed as Chairperson of the Committee.
2. Mr. Rajesh Jain was appointed as member of the Committee.
3. Mr. Surender Kumar Tuteja was appointed as member of the Committee.
4. Ms. Atima Khanna resigned from the membership of Committee.

**Further, during the year under review, Stakeholders Relationship Committee was again reconstituted on November 10, 2020, whereby Ms. Atima Khanna was appointed as member of the Committee and Mr. Surender Kumar Tuteja ceased to be member of the Committee.

- *Name and designation of compliance officer: Mr. Atul K. Agarwal designated as Company Secretary cum Compliance Officer.*
- *Ms. Dipali Mittal, Chairperson of the Stakeholders Relationship Committee attended the* previous Annual General Meeting held on September 30, 2020 for answering the shareholder's queries.

Details of investor complaints received and redressed during the year 2020-21 are as follows:

Opening Balance	No. of Complaints received during the financial year	No. of Complaints resolved to the satisfaction of shareholders	Closing Balance
NIL	NIL	NA	NA

3.4 Corporate Social Responsibility Committee (CSR Committee)

In accordance with the provisions of Section 135 of the Companies Act, 2013 and Rules framed thereunder, the Company has constituted a Corporate Social Responsibility Committee (CSR Committee) of the Board of Directors on August 14, 2014. The CSR Committee comprises of three Directors viz. Mr. Surender Kumar Tuteja, Non-Executive Independent Director, Mr. Amit Mittal, Managing Director and Ms. Dipali Mittal, Non-Executive, Non-Independent Director, as members of the committee. The committee met on February 13, 2021 during the financial year 2020-21. All the members were present in the meeting.

The average net profits calculated as per provisions of Section 198 of the Companies Act, 2013 of the preceding three (3) financial years being negative, the Company was not under any obligation to spend any amount on CSR for the Financial Year ending March 31, 2021.

Dissolution of CSR Committee with effect from February 13, 2021

As per Companies (Amendment) Act, 2020, where the amount to be spent by a company does not exceed fifty lakh rupees, the requirement for constitution of the Corporate Social Responsibility Committee is not applicable and the functions of such Committee provided under section 135 shall, in such cases, be discharged by the Board of Directors of such company.

As the Company is incurring losses and it is not required to spend any amount towards CSR activities as of now, the Board decided to dissolve the CSR Committee and the functions of Committee will be discharged by Board of Directors of the Company.

The CSR Policy of the Company as approved by the Board is placed on the website of the Company and may be accessed via following link.-

http://media.a2zgroup.co.in/pdf/CSR_Policy_A2Z.pdf

3.5 Separate Independent Directors' Meetings

As per the Schedule IV of Companies Act, 2013 & Regulation 25(3) of SEBI LODR, 2015, the Independent Directors, Mr. Surender Kumar Tuteja and Ms. Atima Khanna duly held their separate meeting on February 13, 2021, without the attendance of non-independent directors and members of Management, to inter alia discuss the following:

1. Review the performance of Non-Independent Directors and the Board of Directors as a Whole;
2. Review the performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors.
3. Assess the quality, quantity and timelines of flow of information between the Company, Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the independent Directors were present at the meeting.

3.6 Other Committees of the Board of Directors

In addition to the above referred committees which are constituted pursuant to SEBI LODR, 2015, the Board has duly constituted Finance Committee, to consider various business matters and delegated their powers and responsibilities with respect to specific purposes. Further, Risk Management Committee is not applicable to the Company.

4. SUBSIDIARY COMPANY

The Company has one material non-listed Indian subsidiary company accordingly, an Independent Director of the Company has been duly appointed on the Board of Directors of the material subsidiary company.

Further, the financial statements, in particular the investments made by the unlisted subsidiary company(s) are reviewed by the Audit Committee of the Company, and the minutes of the meetings of subsidiary companies are placed before the Company's Board regularly.

The Board of Directors also reviews statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies.

The policy for determining Material Subsidiary as approved by the Board may be accessed on the Company's website at the following link

http://media.a2zgroup.co.in/pdf/Policy%20on%20material%20subsidiary_13.02.2019.pdf

5. GENERAL BODY MEETINGS

A. ANNUAL GENERAL MEETING

Location, time and place where last 3 (three) Annual General Meetings were held along with the Special Resolution passed by the members:

Financial Year ended	Venue	Date	Time	Special Resolution passed in last three Annual General Meetings
2020	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") Plot No. B-38, Institutional Area, Sector-32, Gurugram-122001, Haryana	September 30, 2020	10:30 AM	Nil
2019	GIA House, I.D.C., Mehrauli Road, Opposite Sector-14, Gurugram-122001, Haryana	September 28, 2019	10:30 AM	1. Re-appointment of Mr. Surender Kumar Tuteja (DIN 00594076) as Non-Executive Independent Director of the Company. 2. Re-appointment of Dr. Ashok Kumar (DIN 00054771) as Non-Executive Independent Director of the Company.
2018	GIA House, I.D.C., Mehrauli Road, Opposite Sector-14, Gurugram-122001, Haryana	September 29, 2018	10:30 AM	1. Approval of A2Z Employee Stock Option Plan – 2018 for the eligible employees and directors of the Company 2. Approval of A2Z Employee Stock Option Plan-2018 to the eligible employee(s)/ directors of the subsidiary Companies.

B. POSTAL BALLOT

No Postal ballot conducted during the year.

Whether any resolutions are proposed to be conducted through postal ballot:

None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

5.1 MEANS OF COMMUNICATION

I. **Website:** The Company's website www.a2zgroup.com contains inter-alia updated information pertaining to quarterly, half-yearly and annual financial results, annual reports, shareholding pattern, important announcements official news release and other general information and events about the Company are available on the Company's web-site, viz. www.a2zgroup.co.in.

II. **Financial Results:** Pursuant to Regulation 33 of the Listing Regulations, the quarterly, half yearly and annual financial results of the Company are submitted to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") after approval of the members of the Audit Committee and Board of Directors of the Company. The Quarterly and Annual Financial Results are published in one English language national daily newspaper circulating in the whole or substantially the whole of India and in one daily newspaper published in the language of the region, where the registered office of the Company is situated, viz. Business Standard (English & Hindi dailies) and also uploaded on the website of the company i.e. http://www.a2zgroup.co.in/investor-relations/financial-information.html

III. **Annual Report:** The Annual Report containing, inter-alia, Audited Annual Standalone Financial Statements, Consolidated Financial Statements, Boards' Report, Auditors' Report and other important information is sent to Members and others entitled thereto. The Management's Discussion and Analysis (MDA) Report forms part of the Annual Report. The Annual Report is also available on the Company's website **(**www.a2zgroup.co.in**).**

IV. **Communication to shareholders on email:** As mandated by the Ministry of Corporate Affairs (MCA) documents like Notices, Annual Report, etc. were sent to the shareholders at their email address, as registered with their depository participants/Company/RTA. This helped in prompt delivery of documents, reduce paper consumption, save trees and avoid loss of documents in transit.

V. **Designated Exclusive Email ID**: The Company has designated Email Id: investor.relations@a2zemail.com exclusively for shareholder / investor grievances redressal.

VI. **SCORES (SEBI complaints redressal system):-** SEBI has commenced processing of Investor complaints in Centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a company for his/her grievance. The Company will upload the action taken on the complaint which can be viewed by the grieved shareholder. The Company and Investor can also seek and provide clarification online to each other.

VII. **The Company also intimates the Stock Exchanges,** all price sensitive matters or such matters which, in opinion of Board, are material and of relevance to the shareholders, and subsequently issues a Press Release on the matter, wherever necessary.

VIII. **NEAPS (NSE Electronic Application Processing system):-** NEAPS is web based application designed by NSE for corporate. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Media Releases, among other are filed electronically on NEAPS.

IX. **BSE Corporate Compliance & Listing Centre:-** BSE Corporate Compliance Listing Center for submission of various filings by the Listed Companies. It is web based facility which is designed to make corporate filings easy, convenient and environment friendly. The Company regularly files data such as Shareholding Pattern, Corporate Governance Report, etc on the aforesaid portal.

6. GENERAL SHAREHOLDER INFORMATION

6.1 The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is L74999HR2002PLC034805.

6.2 20th Annual General Meeting

Date	:	September 30, 2021
Day	:	Thursday
Time	:	11.00 A.M
Mode	:	Video Conferencing

6.3 Financial Calendar

Financial year	:	April 01 to March 31
Results for the quarter ending	:	Actual/Tentative Date for approval
June 30, 2021	:	On or before August 14, 2021
September 30, 2021	:	On or before November 14, 2021
December 31, 2021	:	On or before February 14, 2022
March 31, 2022	:	Latest by May 30, 2022

6.4 Date of Book Closure

The Register of members and Share Transfer books of the Company will remain closed from Friday, September 24, 2021 to Thursday, September 30, 2021 (both days inclusive) for the purpose of Annual General Meeting.

6.5 Dividend Payment date: Not Applicable**.** Due to losses in the financial year 2020-21, Company does not recommend any dividend for the shareholders.

6.6 Listing on Stock Exchanges

The names of Stock Exchanges at which Company's Shares are listed and scrip code is as below:

Name and Address of the Stock Exchange	Scrip Symbol/Code	Status of fee paid
National Stock Exchange of India Limited Exchange Plaza, Plot no. C/1,G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	A2ZINFRA	Paid
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	533292	Paid

6.7 International Securities Identification Numbers (ISIN)

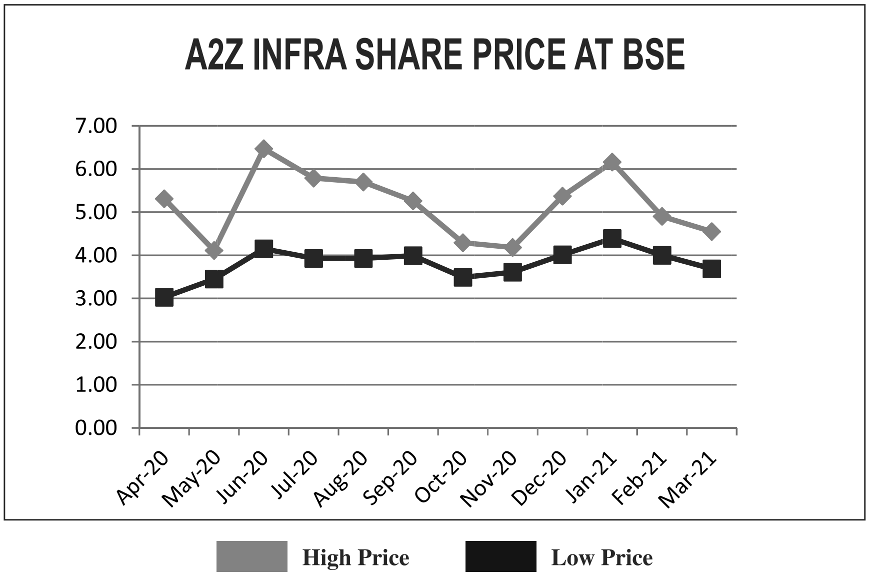
ISIN is a unique identification number of traded scrip. This number has to be quoted in each transaction relating to the dematerialized equity shares of the company. The ISIN number of the shares of Company is **INE619I01012**.

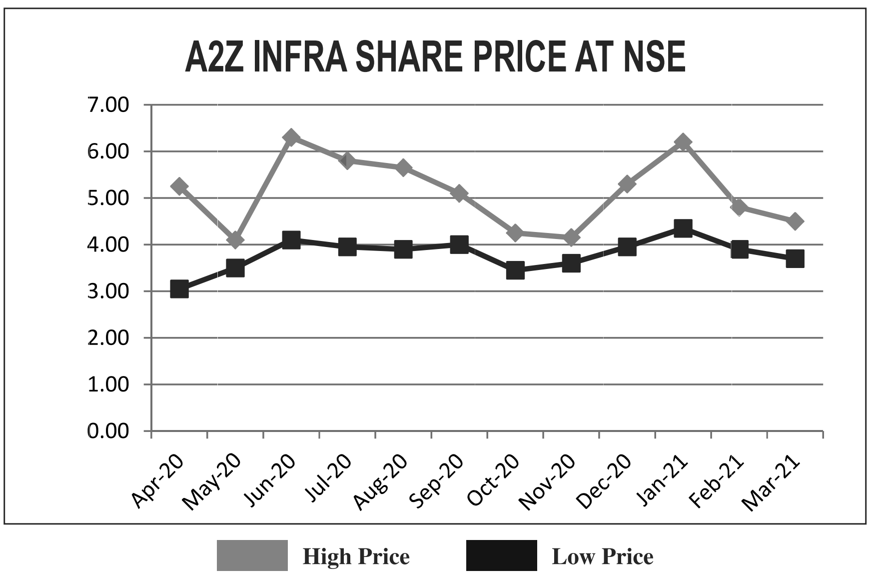
a. Market Price Data

The details of monthly highest and lowest closing price of the equity of the Company and its comparison to broad based indices Sensex (BSE) and Nifty (NSE) during financial year 2020-21 are as under:

BSE Limited				
	A2Z Stock (in INR)		Sensex	
Month & Year	High Price	Low Price	High	Low
Apr-2020	5.31	3.03	33887.25	27500.79
May-2020	4.11	3.45	32845.48	29968.45
Jun-2020	6.47	4.15	35706.55	32348.10
Jul-2020	5.79	3.93	38617.03	34927.20
Aug-2020	5.70	3.93	40010.17	36911.23
Sep-2020	5.26	3.99	39359.51	36495.98
Oct-2020	4.29	3.49	41048.05	38410.20
Nov-2020	4.18	3.61	44825.37	39334.92
Dec-2020	5.37	4.01	47896.97	44118.10
Jan-2021	6.16	4.39	50184.01	46160.46
Feb-2021	4.90	4.00	52516.76	46433.65
Mar-2021	4.55	3.69	51821.84	48236.35

National Stock Exchange of India Limited				
	A2Z Stock (in INR)		Nifty	
Month & Year	High Price	Low Price	High	Low
Apr-20	5.25	3.05	9889.05	8055.80
May-20	4.10	3.50	9598.85	8806.75
Jun-20	6.30	4.10	10553.15	9544.35
Jul-20	5.80	3.95	11341.40	10299.60
Aug-20	5.65	3.90	11794.25	10882.25
Sep-20	5.10	4.00	11618.10	10790.20
Oct-20	4.25	3.45	12025.45	11347.05
Nov-20	4.15	3.60	13145.85	11557.40
Dec-20	5.30	3.95	14024.85	12962.80
Jan-21	6.20	4.35	14753.55	13596.75
Feb-21	4.80	3.90	15431.75	13661.75
Mar-21	4.50	3.70	15336.30	14264.40





6.9 <u>Registrar and Share Transfer Agents</u>

The Company has engaged M/s. Alankit Assignments Limited, a SEBI registered Share Transfer Agent, as Registrar and Share Transfer Agent (RTA). Shareholders can send their queries regarding Transmission/ Dematerialisation of shares and any other correspondences relating to the shares of the Company to the Registrar and Share Transfer Agent. Shareholders holding shares in electronic mode should address all correspondences to their respective depository participants.The address of RTA is as follow:

Registrar & Transfer Agent

M/s Alankit Assignments Limited
Alankit House, 4E/2, Jhandewalan Extension,
New Delhi – 110 055
Ph.: +91 11 42541234, +91 11 235412340
Fax: +91 11 23552001, +91 11 42541201
Email: rta@alankit.com
Website: www.alankit.com

6.10 Share Transfer System

As per direction of Securities and Exchange Board of India, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. This measure has come into effect from April 01, 2019. Shareholders who are still holding share certificate(s) in physical form are advised to dematerialise their shareholding to facilitate transfers and avail other benefits of dematerialisation, which include easy liquidity, electronic transfer and elimination of any possibility of loss of documents and bad deliveries.

The Company has obtained the half yearly certificates from a Company Secretary in Practice for due compliance of share transfer formalities as per the requirement of Regulation 40(9) of the SEBI Listing Regulations. These certificates have been submitted to the Stock Exchanges. As stipulated by SEBI, a Company Secretary in Practice carried out an Audit, on quarterly basis, to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited and the total issued & listed capital. Such reconciliation of share capital audit report was submitted to Stock Exchanges on quarterly basis as per the requirement of Regulation 76A of the SEBI (Depositories and Participants) Regulations, 2018.

6.11 Distribution of Shareholding

(a) By number of shareholder & shares as on March 31, 2021

S. No.	Range of Shares	No. of Shareholders	% to Total Shareholders	No. of Shares	% of Shares to total shares
1	1-500	25916	63.55	4561575	2.59
2	501-1000	5566	13.65	4832354	2.74
3	1001-2000	3473	8.52	5601457	3.18
4	2001-3000	1472	3.61	3860661	2.19
5	3001-4000	733	1.80	2684730	1.52
6	4001-5000	920	2.26	4435694	2.52
7	5001-10000	1342	3.29	10193649	5.79
8	10001-20000	654	1.60	9575211	5.44
9	20001- and above	704	1.72	130374527	74.03
	TOTAL	**40780**	**100.00**	**176119858**	**100.00**

(b) By category of shareholders as on March 31, 2021

Sr. No.	Category of Shareholder	Total number of shares	% of Holding
I	**Shareholding of**		
I	**Shareholding of Promoter and Promoter Group**		
	(a) Indian	49560983	28.14
	(b) Foreign	-	-
	Total Shareholding of Promoter & Promoter Group	49560983	28.14
II	**Public shareholding**		
	(A) Institutions		
	(a) Mutual Funds/ UTI	-	-
	(b) Financial Institutions / Banks	-	-
	(c) Central Government/ State Government(s)		
	(d) Venture Capital Funds	-	-
	(e) Insurance Companies	-	-
	(f) Foreign Institutional Investors	-	-
	(g) Foreign Venture Capital Investors	-	-
	(g) Foreign Portfolio Investors	4357204	2.47
	(h) Qualified Foreign Investor	-	-
	(i) Any Other (specify)	-	-

Sr. No.	Category of Shareholder	Total number of shares	% of Holding
(B)	**Non-institutions**		
	(a) Individuals		
	Individuals -		
	i. Individual shareholders holding nominal share	40569434	23.04
	capital up to INR 2 lakh		
	ii. Individual shareholders holding nominal share		
	capital in excess of INR 2 lakh	50980712	28.95
	(b) Qualified Foreign Investor	-	-
	(c) NBFCs registered with RBI	-	-
	(d) Any Other (specify)	30651525	17.40
	(d-i) Non Resident Indian	10606282	6.02
	(d-ii) Corporate Body	12559925	7.13
	(d-iii) Non-Resident Non-Repartriates	964964	0.55
	(d-iv) Trust	-	-
	(d-v) Clearing Member	729628	0.41
	(d-vi) Resident (HUF)	5778288	3.28
	(d-vii) IEPF	12438	0.01
	Total Public Shareholding (A+B)	126558875	71.86
	GRAND TOTAL (I+II)	**176119858**	**100.00**

6.12 Dematerialization of Shares and Liquidity

(a) Dematerialization of Shares

Your Company's equity shares are compulsorily traded in dematerialised form by all categories of investors. Equity Shares of the Company representing 99.99% of the Company's Share Capital are dematerialized as on March 31, 2021. Equity shares of your Company are available for trading in the depository systems of both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Detail of Shares in Dematerialized and Physical Form. **(As on March 31, 2021)**

Particulars of Shares	Equity Shares of INR 10/- each		Shareholders	
Dematerialised	**Number**	**% of Total Shares**	**Number**	**% of Total Shareholders**
NSDL	118637250	67.36	19299	47.32
CDSL	57477665	32.63	21465	52.64
Sub total	176114915	99.99	40764	99.96
Physical form	4943	0.01	16	0.04
Total	**176119858**	**100.00**	**40780**	**100.00**

(b) Outstanding GDR/ADR or Warrants or any Convertible Instruments, conversion date and likely impact on equity:

As on March 31, 2021, there are no outstanding GDR/ADR/Warrants or any convertible instruments.

(c) Commodity Price Risk or foreign currency risk and hedging activities:

The Company is not having much exposure to foreign exchange and there is a natural hedging partly available in terms of exports made by the Company.

(d) Details of utilization of funds raised through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of SEBI Listing Regulations: Not Applicable.

6.13 PLANT LOCATIONS

The locations of company's plants are as mentioned below:

1. Nakodar, Jalandhar, Punjab
2. Kaineur Road, Morinda, Roopnagar, Ropar, Punjab
3. Village Bodiwalla Pitha, Fazilka, Firozpur, Punjab

6.14 Address for Correspondence

The Shareholders may contact Company or Registrar & Transfer Agent on below address:

The Company Secretary:
Mr. Atul K. Agarwal
Company Secretary cum Compliance Officer
A2Z INFRA ENGINEERING LTD.
Plot No. B-38, Institutional Area, Sector-32, Gurugram-122001, Haryana
Telephone No.: +91 124 4517600, Fax No.: +91 124 4380014
E-mail: complianceofficer@a2zemail.com, **Website:** www.a2zgroup.co.in

Registrar & Transfer Agents:
M/s Alankit Assignments Limited
Alankit House, 4E/2, Jhandewalan Extension, New Delhi – 110 055
Ph.: +91 11 42541234, +91 11 23541234, Fax: +91 11 23552001
Email: rta@alankit.com, Website: www.alankit.com

7. Other Disclosures:

i. Materially Significant Related Party Transactions: - There were no material significant transactions entered by the Company with the related parties and all transactions entered into by the Company with related parties as defined under the Act and Regulation 23 of SEBI LODR, 2015 during the financial year, were in the ordinary course of business. These have been approved by the audit committee and Board. The board has approved a policy on materiality of and dealing with related party transactions, which has been uploaded on the website of Company at

http://media.a2zgroup.co.in/pdf/A2Z-%20Policy%20on%20Materiality%20of%20and%20Dealing%20with%20Related%20Party%20Transactions.pdf

ii. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or the SEBI or any statutory authority, on any matter related to capital markets, during the last three years i.e. 2018-19,2019-20 and 2020-2021 respectively: No strictures or penalties have been imposed on the Company by the Stock Exchanges or by SEBI or by any other Statutory Authorities on any matters related to capital markets during the last three years, except a penalty imposed by both the Stock Exchanges for delay in filing and approval of financial results as mentioned below:

Sr. No	Compliance Requirement	Deviations	Financial Year	Action Taken
1.	Delay in approval of Quarterly Financial Results under Regulation 33 of SEBI (LODR), 2015 for the Quarter ended December 31, 2019 and consequential late submission and publication thereon; Due date- February 14, 2020.	Quarterly Financial Results submitted on February 20, 2020.	2019-20	Company held its meeting on February 20, 2020 and complied with notices issued by the Stock Exchanges and paid the penalty to both the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited as per SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 3, 2018.
2.	Delay in approval of Quarterly Financial Results under Regulation 33 of SEBI (LODR), 2015 for the Quarter ended June 30, 2020 and consequential late submission and publication thereon; Due date- September 15, 2020.	Quarterly Financial Results submitted on September 28, 2020.	2020-21	Company held its meeting on September 28, 2020 and complied with notices issued by the Stock Exchanges and paid the penalty to both the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited as per SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020.
3.	Delay in approval of Quarterly and Yearly Financial Results under Regulation 33 of SEBI (LODR), 2015 for the quarter and year ended March 31, 2021 and consequential late submission and publication thereon; Due date- June 30, 2021.	Quarterly and Yearly Financial Results submitted on July 21, 2021	2020-21	Company held its meeting on July 21, 2021 and complied with notices issued by the Stock Exchanges and paid the penalty to both the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited as per SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020.

iii. **Vigil mechanism/ Whistle Blower Policy:** The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI LODR, 2015 for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the audit committee. The Whistle Blower Policy is available on Company's website {at http://media.a2zgroup.co.in/pdf/VIGIL%20(WHISTLE%20BLOWER)%20POLICY_13.02.2019.pdf

iv. The Company has also adopted Policy on Determination of Materiality for Disclosures, Policy on Archival of Documents and Policy for Preservation of Documents and same were also uploaded on the website of the Company at below mentioned links:-

http://media.a2zgroup.co.in/pdf/Policy%20for%20Determination%20of%20Materiality%20of%20Events_13.02.2019.pdf

http://media.a2zgroup.co.in/pdf/A2Z%20INFRA_ARCHIVAL%20POLICY.pdf

v. **Compliance with the Mandatory Requirements of the SEBI Regulations:** The Company has complied with all the mandatory requirements of the Code of Corporate Governance under the SEBI LODR, 2015 and also the non-mandatory requirements to the extent applicable on the Company and as stipulated under the SEBI LODR, 2015.

vi. **Details of utilization of funds raised through preferential allotment or QIP:** Not Applicable

vii. **Certificate on Disqualification of Directors:** A Certificate from DR Associates, Company Secretaries in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors by the Board /Ministry of Corporate Affairs or any such statutory authority is attached as **Annexure-I** of CG Report.

viii. **Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year.** The Board had accepted all the recommendations made by the respective committee(s).

ix. **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part. -** Details relating to fees paid to the Statutory Auditors are given in **Note 30.1** to the Standalone Financial Statements.

x. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, during the Financial Year 2020-21**

No. of cases filed	No. of cases disposed	No. of cases pending
NIL	NIL	NIL

xi. **Detailed reasons of resignation of independent director:** Dr. Ashok Kumar, Independent Director resigned from the directorship of the Company with effect from July 24, 2020, due to his pre-occupation in other assignments and same has been disclosed and confirmed by him.

xii. **Confirmation from Board that independent director fulfils criteria:** The Board has received the declaration from all the independent directors that they meet the criteria of independence as provided in sub-section (6) of section 149 and Regulation 16(1)(b) of SEBI LODR, 2015.

xiii. **Credit ratings and revisions**: There is no revision in ratings for the bank facilities from the previous financial year as reviewed by the rating committee of Credit Analysis & Research Ltd. (CARE) and the rating recommended by them for the period under review is CARE D.

xiv. There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.

xv. **Code of Conduct**

The Board has laid down a Code of Business Conduct and Ethics for all Board Members and Officer/Senior Management Personnel of the Company.

The said Code has been communicated to the Directors and Officer/Senior Management Personnel and is also posted on the web-site of the company viz. www.a2zgroup.co.in**.**

Declaration from the Whole time director cum Chief Executive Officer, of the Company confirming that the Company has received affirmations from the Board Members and the Senior Management Personnel regarding compliance of Code of Conduct during the Financial Year ended March 31, 2021 is attached as **Annexure-II**.

8. Certificate on Corporate Governance

A Certificate from DR Associates, Company Secretaries, regarding compliance of Corporate Governance practices by the Company is attached as **Annexure III** to CG Report which is based upon their detailed examination of Corporate Governance practices adopted by the Company.

Equity Shares in the Suspense Account:

In accordance with the requirement of Regulation 34 (3) and Schedule V Part F of SEBI LODR, 2015, the Company reports the following details in respect of equity shares lying in the suspense account which were issued in dematerialized form pursuant to the public issue of the Company:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2020.	1	105
Shareholders who approached the Company for transfer of shares from suspense account during the year.	0	NA
Shareholders to whom shares were transferred from the suspense account during the year.	NA	NA
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year on March 31, 2021	1	105

The voting rights on the shares outstanding in the suspense account as on March 31, 2021 shall remain frozen till the rightful owner of such shares claims the shares.

Annexure – I to CG Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

A2Z Infra Engineering Limited
O-116, 1st Floor, DLF Shopping Mall,
Arjun Marg, Gurugram - 122 002

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of A2Z Infra Engineering Ltd. having CIN L74999HR2002PLC034805 and having registered office at O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, Gurgaon- 122 002, (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For DR Associates
Company Secretaries
Firm Regn.: P2007DE003300

Sd/-
Suchitta Koley
Partner
CP No.: 714
UDIN: F001647C000863301

Date: September 04, 2021
Place: New Delhi

Annexure-II to CG Report

Declaration Regarding Compliances by Board Members and Senior Management Personnel with Companies Code of Conduct

Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, hereby confirm that the Company has obtained from all the members of the Board and Senior Management team, affirmation of compliance with the Code of Conduct for Directors and Senior Management in respect of financial year ended March 31, 2021.

For A2Z INFRA ENGINEERING LTD

Sd/-
(Rajesh Jain)
Whole time director & Chief Executive Officer

Place : Gurugram
Date : July 21, 2021

Annexure – III to CG Report

CERTIFICATE ON CORPORATE GOVERNANCE

The Members,
A2Z Infra Engineering Limited
New Delhi

We have examined the compliances of conditions of Corporate Governance by A2Z Infra Engineering Limited, for the year ended on March 31, 2021, as stipulated in Part E of Schedule V of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to examine the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations except there was delay in approval and filing of Quarterly and Yearly Financial Results under Regulation 33 of SEBI (LODR) for the Quarter (Q1) ended 30/06/2020 and for Quarter (Q4) and year ended March 31, 2021 and consequential late submission and publication thereon, however the Company has paid the fine both to National Stock Exchange of India Limited & BSE Limited as per SEBI Circular no.SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For DR Associates
Company Secretaries
Firm Regn.: P2007DE003300

Sd/-
Suchitta Koley
Partner
CP No.: 714
UDIN: F001647C000863343

Date: September 04, 2021
Place: New Delhi

Independent Auditor's Report

To the Members of A2Z Infra Engineering Limited

Report on the Audit of the Standalone Financial Statements

Disclaimer of Opinion

1. We were engaged to audit the accompanying standalone financial statements of A2Z Infra Engineering 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 which are included the returns for the year ended on that date audited by the branch auditors of the Company's branches located at Tanzania, Nepal, Zambia and Uganda.
2. We do not express an opinion on the accompanying standalone financial statements of the Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these standalone financial statements.

Basis for Disclaimer of Opinion

3. a. As stated in Note 31 to the accompanying standalone financial statements, the Company has incurred a net loss after tax of Rs. 8,314.22 lakhs during the year ended 31 March 2021, and as of that date, the Company's accumulated losses amount to Rs. 80,722.77 lakhs, which have resulted in partial erosion of its net worth, and the current liabilities exceed current assets by Rs. 13,366.79 lakhs. Also, certain lenders have filed applications with the National Company Law Tribunal (NCLT), Debt Recovery Tribunal (DRT) and other courts for recovery of their dues as detailed in Note 22.2 and 31. The Company has also delayed in repayment of borrowings, payment of statutory dues and dues payable to other lenders including delays with respect to dues payable under one-time settlement agreements, as further detailed in Note 22.1 and 22.2. As confirmed by the management, the Company has been in discussions with the lenders regarding restructuring of these borrowings, the resolution for which is yet to be finalised. Further, the expected realisation of the amounts outstanding from certain customers, within the next 12 months, with whom the Company is in discussions is uncertain in the absence of any confirmations from such customers and potential impact of COVID-19. Such events and conditions, together with the uncertainty arising on account of COVID-19 pandemic and its possible impact on management's assumptions, as further described in Note 47, and other matters as set forth in the note 31, cast significant doubt on the Company's ability to continue as a going concern. In the absence of sufficient appropriate audit evidence to support the management's assessment with respect to restructuring of borrowings and availability of funds, we are unable to comment on the ability of the Company to continue as a going concern.Further, the component auditor of the Company's Tanzania Branch as detailed in Note 46 has also reported a material uncertainty related to going concern section in their auditor's report on the financial statements of the branch for the year ended 31 March 2021.Our audit report on the standalone financial statements for the year ended 31 March 2020 also included a disclaimer of opinion in respect of this matter.

b. As stated in Note 22.1 and 22.2 to the accompanying standalone financial statement,the Company has borrowings from certain banks which have been classified as non-performing assets ('NPA borrowings') and those from certain other banks/ asset reconstruction company (together referred to as 'the Lenders'). The Company had entered into settlement agreements ("Settlement Agreements") with some of these Lenders for the aforesaid loans. As described in the said note, the Company has delayed payments in respect of the instalments due to these Lenders pursuant to the relevant loan agreements and Settlement Agreements. In respect of the aforementioned NPA borrowings and delayed payments under the Settlement Agreements, the Company has not recognised interest for the year ended 31 March 2021 aggregating to Rs. 3,384.95 lakhs (accumulated interest as at 31 March 2021 being Rs. 5,971.40 lakhs) payable under the terms of the said agreements, as estimated by the management on the basis of expected re-negotiation with the Lenders.

Pending confirmations/ reconciliations from the Lenders and in the absence of sufficient appropriate evidence to substantiate management's assessment, we are unable to comment on the adjustments, if any, that may be required to the carrying values of the aforesaid borrowings and dues (including interest) payable to the Lenders in accordance with the terms of loan agreements and Settlement Agreement, and the consequential impact of such adjustments on the accompanying standalone financials statement. Our audit report on the standalone financial statements for the year ended 31 March 2020 also included a disclaimer of opinion in respect of this matter.

c. As stated in Note 5.2 to the accompanying standalone financial statement, the Company's non-current investment (net of impairment) in its associate Company namely Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ("GWML") and its other current financial assets (net of impairment) and its current financial assets-loan which include amounts dues from such associate company as on 31 March 2021, aggregate to Rs. 21,978.26 lakhs, Rs. 728.37 lakhs and Rs. 435.80 lakhs, respectively. The consolidated net worth of the aforesaid associate company as on that date has been fully eroded on account of losses incurred. Further, the associate company is facing liquidity constraints due to which it may not be able to meet the projections as per the approved business plans. Based upon the valuation report of an independent valuer as at 31 March 2021, arbitration awarded in favor of GWML and other factors described in the aforementioned note, management has considered such balances as fully recoverable. However, in the absence of sufficient and appropriate audit evidence to support the management's assessment as above, we are unable to comment upon adjustments, if any, that may be required to the carrying value of these balances, and the consequential impact on the accompanying standalone financial statement. Our audit report on the standalone financial statements for the year ended 31 March 2020 also included a disclaimer of opinion in respect of this matter.

d. As stated in the Note 23.1 to the accompanying standalone financial statement, there have been consistent delays in filing of Goods and Services Tax ('GST') returns of the Company under various GSTINs held by the Company across various states. Further, such returns indicate certain cross-charge billings between different locations of the Company for which we have not been provided adequate supporting evidences. As further explained in the note, there have also been delays in reporting of certain revenue transactions in the aforesaid returns filed by the Company beyond the timeline under the applicable GST laws.

   In the absence of sufficient and appropriate audit evidence to substantiate the basis for the adjustments made in the GST returns and considering penalties or fines that may be levied on account of aforesaid delays, we are unable to comment on the adjustments, if any, that may be required to the accompanying standalone financial statement, including to the carrying values of GST payable included in Statutory dues payable under other current liabilities and GST recoverable included in Balances with Government authorities under other current assets.

Emphasis of Matter

4. We draw attention to:

   a. Note 3.1 to the accompanying standalone financial statement, which describes the uncertainties relating to the outcome of the pending various litigations in respect of the three cogeneration power plants of the Company, for which the Company has filled petitions and appeals at various forums. The final outcome of these matters is presently unascertainable. Further, the said note also describes the significant estimates and assumptions, used by the management for determining recoverable amount of such cogeneration power plants classified under property, plant and equipment and capital work-in-progress aggregating to Rs. 2,273.91 lakhs and Rs. 4,374.29 lakhs, respectively, as at 31 March 2021, with respect to the impairment assessment in accordance with the requirements of Ind AS 36, 'Impairment of Assets'. Basis such valuation, the management believes that no further adjustment is required to the carrying value of the aforesaid cogeneration power plants.

   b. Note 40(a) to the accompanying standalone financial statement, which describes the uncertainty relating to the outcome of litigation pertaining to income-tax matters pursuant to orders received by the Company against which management and the assessing authorities have filed appeals with relevant Income-tax Authorities. The final outcome of these matters is presently unascertainable.

   c. Note 11 to the accompanying standalone financial statement, which describes the uncertainty relating to utilization/ recovery of input tax credit and levy of interest on service tax. Based on the terms of the contract with the customers/vendors and independent legal opinion, management believes that these amounts are recoverable from the customer including interest thereon and that the Company will be able to avail the input tax credit for aforementioned matter.

   d. Note 21.2 to the accompanying standalone financial statement, which describes the uncertainties relating to the outcome of arbitration proceedings between the Company and its sub-contractor filed under section 17 of the Arbitration and Conciliation Act, 1996 before the Arbitral Tribunal.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

5. The accompanying standalone financial statements have been approved by the Company's Board of Directors. 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the standalone 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.

7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our responsibility is to conduct an audit of the accompanying standalone financial statements in accordance with Standards on Auditing specified under section 143(10) of the Act, and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these standalone financial statements. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Other Matter

9. We did not audit the financial statements of four branches included in the standalone financial statement of the Company, whose financial statements reflects total assets and net assets of Rs. 9,327.31 lakhs and Rs. 479.20 lakhs respectively as at 31 March 2021, and the total revenues of Rs. 5,583.08 lakhs, total net loss after tax of Rs. 361.75 lakhs, total comprehensive loss of Rs. 361.75 lakhs, and cash flows (net) of Rs. (46.73) lakhs respectively for the year then ended, as considered in the standalone financial statements. These financial statements have been audited by the branch auditors, whose reports have been furnished to us by the management, and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of branches, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid branches, is based solely on the report of such branch auditors.

   Further of these branches, three branches are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by branch auditors under generally accepted auditing standards specified in Annexure 1, as applicable in their respective countries. The Company's management has converted the financial statements of such branches from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. This report, in so far as it relates to the balances and affairs of these branches, is based on the audit report of branch auditors, and the conversion adjustments prepared by the management of the Company and audited by us.

Report on Other Legal and Regulatory Requirements

10. Based on our audit, and on the consideration of the reports of the branch auditors as referred to in paragraph 9 above, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

11. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

12. Further to our comments in Annexure A, as required by section 143(3) of the Act, and on the consideration of the reports of the branch auditors as referred to in paragraph 9 above, we report, to the extent applicable, that:

    a) as described in the Basis for Disclaimer of Opinion section, we sought but were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b) due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section, we are unable to state whether 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. Proper returns adequate for the purposes of our audit have been received from the branches not visited by us;

    c) the reports on the accounts of the branch offices of the Company audited under section 143(8) of the Act by the branch auditors have been sent to us and have been properly dealt with by us in preparing this report;

    d) the standalone financial statements dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us;

    e) due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section, we are unable to state whether the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;

    f) the matters described in Paragraph 3 and 4 in the Basis for Disclaimer of Opinion / Emphasis of Matter section, in our opinion, may have an adverse effect on the functioning of the Company;

    g) on the basis of the written representations received from the directors 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;

    h) the reservations relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion section, read with paragraph 12(b) above;

    i) we were also engaged to audit the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 21July 2021 as per Annexure B expressed disclaimer of opinion; and

    j) 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the branch auditors as referred to in paragraph 9 above:

i. due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section, we are unable to state whether the Company has disclosed fully the impact of pending litigations on its financial position as at 31 March 2021;

ii. due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section, we are unable to state whether the Company has made adequate provision as at 31 March 2021, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok& Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
Manish Agrawal
Partner
Membership No.: 507000
UDIN: 21507000AAAACU2585

Place: Gurugram
Date: 21 July 2021

Annexure 1

S. No.	Name	Country of Operations	Name of auditing standard
1	A2Z Infra Engineering Limited (Tanzania Branch)	Tanzania	International Standards Auditing
2	A2Z Infra Engineering Limited (Nepal Branch)	Nepal	Nepal Standards Auditing
3	A2Z Infra Engineering Limited (Uganda Branch)	Uganda	International Standards Auditing

Annexure A to the Independent Auditor's Report of even date to the members of A2Z Infra Engineering Limited, on the standalone financial statements for the year ended 31 March 2021

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets comprising of 'property, plant and equipment', 'capital work in progress', and 'other intangible assets'.

(b) All property, plant and equipment and capital work-in-progress have not been physically verified by the management during the year, however, there is a regular program of verification once in three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company and certain immovable properties in the nature of building that have been taken on lease and disclosed under the head right of use assets in the standalone financial statements, the lease deeds are in the name of the Company, where the Company is the lessee as per the lease agreement.

(ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:

(a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest;

(b) the schedule of repayment of the principal and the payment of the interest has not been stipulated and hence we are unable to comment as to whether repayments/receipts of the principal amount and the interest are regular; and

(c) in the absence of stipulated schedule of repayment of principal and payment of interest, we are unable to comment as to whether there is any amount which is overdue for more than 90 days and whether reasonable steps have been taken by the Company for recovery of the principal amount and interest.

(iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other material statutory dues, as applicable, have not been regularly deposited to the appropriate authorities and there have been significant delays in a large number of cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

Statement of arrears of statutory dues outstanding for more than six months

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Due Date	Date of payment
Income Tax Act, 1961	Tax deducted at source	863.76	March 2016 to August 2020	7th day of subsequent month	Not paid yet
Chapter V of Finance Act,1994	Service tax	5,513.25	March 2016 to June 2017	5th of subsequent month (6th for online payment)	Not paid yet
Central Goods and Services Tax Act, 2017	Goods and services tax	7,321.88	March 2018 to August 2020	20th of subsequent month	Refer Note-1
Employees Provident Fund and Miscellaneous Provisions Act, 1952	Employee Provident fund	92.04	November 2015 to August 2020	15th day of subsequent month	Not paid yet

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Due Date	Date of payment
Employee State Insurance Act, 1948	Employee State Insurance	35.52	June 2016 to August 2020	21st day of subsequent month	Not paid yet
Employee Welfare Fund	Employee welfare fund	0.17	November 2016 to August 2020	25th day of subsequent month	Not paid yet
Madhya Pradesh State Tax on Professions, Trades, Callings and Employment Act, 1995	Professional Tax	7.33	July 2012 to August 2020	10th of subsequent month	Not paid yet
West Bengal State Tax on Professions, Trades, Callings and Employment Act, 1979	Professional Tax	0.86	April 2015 to August 2020	21st of subsequent month	Not paid yet
Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	Professional Tax	0.23	January 2017 to August 2020	30th of subsequent month	Not paid yet
The Gujarat Panchayats, Municipalities, Municipal Corporation and State tax on Professions, Traders, Callings and Employments Act, 1976	Professional Tax	0.06	May 2017 to August 2020	15th of subsequent month	Not paid yet
The Karnataka Tax on Professions, Trades, Callings And Employment Act, 1976	Professional Tax	0.05	May 2017 to August 2020	20th of subsequent month	Not paid yet

Note-1 : Refer Paragraph 3(d) of our audit report on the standalone financial statements for the year ended 31 March 2021, wherein matters relating to the carrying value of GST payables and receivables have been included in the Basis for Disclaimer of Opinion paragraph in such audit report.

(b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Amount Paid Under Protest (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Demand made under section 153A and 153B	3,269.81	-	Assessment years 2009-10 to 2013-14	Income Tax Appellate Tribunal, Delhi
The Maharashtra Value Added Tax, 2002	Value Added Tax	1,801.79	-	2008-09	Maharashtra Sales Tax Tribunal
	Value Added Tax	15.52	-	2009-10	Joint Commissioner (Appeal), Mumbai, Maharashtra
	Central Sales Tax	154.06	-	2009-10	Joint Commissioner (Appeal), Mumbai, Maharashtra
	Value Added Tax	22.88	-	2010-11	Joint Commissioner (Appeal), Mumbai, Maharashtra
	Central Sales Tax	225.99	-	2010-11	Joint Commissioner (Appeal), Mumbai, Maharashtra

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Amount Paid Under Protest (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
	Central Sales Tax	17.92	-	2011-12	Joint Commissioner (Appeal), Mumbai, Maharashtra
	Central Sales Tax	19.88	-	2012-13	Sales Tax Tribunal, Mumbai, Maharashtra- Appeal
	Value Added Tax	29.10	-	2012-13	Sales Tax Tribunal, Mumbai, Maharashtra- Appeal
	Central Sales Tax	98.67	-	2015-16	Assisstant commissioner of State Tax- Nodal Division Mumbai.
	Value Added Tax	72.51	-	2015-16	Assisstant commissioner of State Tax- Nodal Division Mumbai.
Bihar Value Added Tax, 2005	Value Added Tax	203.61	61.08	2012-13	Commissioner, Commercial Tax, Bihar
	Value Added Tax	1,644.31	125.15	2013-14	Commissioner, Commercial Tax Bihar
	Value Added Tax	83.55	-	2010-11	Assessing Officer Commercial Tax, Bihar
The West Bengal Value Added Tax, 2003	Value Added Tax	653.11	50.00	2009-10	West Bengal Commercial Taxes Appellate & Revisional Board Kolkata
	Value Added Tax	1,019.40	175.00	2010-11	West Bengal Commercial Taxes Appellate & Revisional Board, Kolkata
	Central Sales Tax	54.13	-	2010-11	West Bengal Commercial Taxes Appellate & Revisional Board Kolkata
	Central Sales Tax	229.16	-	2011-12	Additional Commissioner (Appeal) Sales Tax, Kolkata
	Central Sales Tax	2.07	-	2014-15	Joint Commissioner (Appeals) Sales tax, Kolkata
	Value Added Tax	192.72	-	2014-15	Joint Commissioner (Appeals) Sales tax, Kolkata
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax	62.95	29.59	2010-11	Andhra Pradesh Sales Tax and VAT Appellate Tribunal, Hyderabad
Haryana VAT Act, 2003	Central Sales Tax	1,930.50	-	2009-10	Sales tax Revisional Authority, Gurgaon
The Madhya Pradesh VAT Act, 2002	Central Sales Tax	3.25	-	2013-14	Joint Commissioner, Indore, Madhya Pradesh
	Central Sales Tax	11.84	2.37	2015-16	Assistant commissioner (Sales tax), Madhya Pradesh
	Central Sales Tax	8.77	-	2016-17	Assistant commissioner (Sales tax), Madhya Pradesh
Jammu and Kashmir Value Added Tax Act, 2005	Central Sales Tax	64.66	-	2012-13	State Tax Officer, Jammu
Kerala VAT Act, 2003	Central Sales Tax	219.38	-	2011-12	Hon'ble High Court of Kerala, Ernakulam
The Karnataka Value Added Tax Act, 2003	Value Added tax	4.46	-	2012-13	Deputy Commissioner- Audit, Bangalore, Karnataka

viii) There are no dues payable to debenture-holders or government. The Company has defaulted in repayment of loans/borrowings to the following banks and financial institutions during the year, which is detailed below:*

(Amount in lakhs)

Particulars	**Default (in months)**			
Banks:	**(0-3)**	**(3-6)**	**(6-12)**	**More than 12**
Allahabad Bank	215.92	82.08	852.99	1,536.19
Axis Bank	209.84	126.59	996.37	3,397.93
DBS	2,103.81	-	136.87	797.51
ICICI Bank	22.16	14.68	49.45	689.47
IDBI Bank	252.17	130.81	603.75	1,996.58
Indusind Bank	159.38	-	-	-
Kotak Mahindra Bank	314.30	237.39	571.15	1,620.37
Standard Chartered Bank	1,020.25	-	312.00	3,432.25
State Bank of India	40.55	26.98	91.50	1,705.58
Union Bank of India	66.15	266.38	265.00	600.84
Financial Institutions:				
Edelweiss ARC-ICICI Bank	787.10	750.51	1,251.66	2,656.98
SICOM Limited	154.70	100.82	329.49	2,820.70

*Also refer Paragraph 3(b) of our audit report on the standalone financial statements for the year ended 31 March 2021, wherein matters relating to the carrying values of the aforesaid borrowings and dues (including interest) have been included in the Basis for Disclaimer of Opinion paragraph in such audit report.

ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.

x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.

xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
Manish Agrawal
Partner
Membership No.: 507000
UDIN: 21507000AAAACU2585

Place: Gurugram
Date: 21 July 2021

Annexure B to the Independent Auditor's Report of even date to the members of A2Z Infra Engineering Limited, on the standalone financial statements for the year ended 31 March 2021

Annexure B

Independent Auditor's Report on the internal financial controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. We were engaged to audit the internal financial controls with reference to standalone financial statements of A2Z Infra Engineering Limited ('the Company') as at 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company as at and for the year ended on that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 (the 'Guidance Note') 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 the Company's business, including adherence to the 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on conducting our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI.

4. Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls with reference to standalone financial statements of the Company.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

5. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include 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 standalone 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 standalone financial statements.

Disclaimer of Opinion

6. Because of matters described below, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Company's internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2021:

   The Company's internal financial controls with reference to standalone financial statements with respect to (a) financial statements closure process towards assessing the Company's ability to continue as going concern were not operating effectively, which could lead to potential material misstatements in the carrying value and classification of assets and liabilities; (b) accrual of interest expenditure in accordance with Ind AS 23 'Borrowing Costs' and reconciliation of outstanding borrowings with lenders, were not operating effectively, which has resulted in a material misstatement in the amount of finance costs and other financial liabilities; (c) estimating the fair value of its investment in an associate company, GWML, including dues recoverable from such associate company in accordance with Ind AS 109 'Financial Instruments', were not operating effectively, which could lead to potential material misstatements in the carrying values of investments, other current financial assets, current financial assets - loans; and (d) recording adjustments in the Goods and Services Tax ('GST') returns, and timely filing of such GST returns, were not operating effectively, which could lead to potential material misstatements in the carrying values of GST payable included in statutory dues payable under other current liabilities, and GST recoverable included in balances with government authorities under other current assets, and could also result in an inappropriate assessment of the accuracy and completeness of penal provisions, and the consequential impact resulting from the aforesaid findings on the earnings, reserves and related disclosures in the accompanying standalone financial statements.

7. We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements

of the Company as at and for the year ended 31 March 2021, and the disclaimer has affected our opinion on the standalone financial statements of the Company and we have issued a disclaimer of opinion on the standalone financial statements.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
Manish Agrawal
Partner
Membership No.: 507000
UDIN: 21507000AAAACU2585

Place: Gurugram
Date: 21 July 2021

Standalone Balance Sheet as at March 31, 2021

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

	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS:			
Non-current assets:			
Property, plant and equipment	3	3,710.02	4,294.75
Right of use of assets	3	65.94	85.01
Capital work-in-progress	3	4,374.29	4,374.29
Intangible assets	4	-	0.88
Financial assets:			
Investments	5	28,256.24	27,141.21
Loans	6	90.28	89.27
Other financial assets	7	1,115.50	1,411.30
Deferred tax assets (net)	8	2,653.97	2,668.96
Non-current tax assets (net)	9	2,949.01	4,351.98
Other non-current assets	10	1.01	13.08
Total Non-current assets		**43,216.26**	**44,430.73**
Current assets:			
Financial assets:			
Investments	12	1,031.69	1,031.69
Trade receivables	13	81,923.82	81,837.39
Cash and cash equivalents	14	430.58	543.47
Loans	6	2,320.89	2,492.95
Other financial assets	7	15,341.99	16,363.37
Other current assets	10	8,389.97	13,033.81
Asset held for sale	15	2,534.55	2,534.55
Total Current assets		**111,973.49**	**117,837.23**
Total assets		**155,189.75**	**162,267.96**
EQUITY AND LIABILITIES:			
Equity:			
Equity share capital	16	17,611.99	17,611.99
Other equity		10,304.65	18,383.11
Total equity		**27,916.64**	**35,995.10**
Liabilities:			
Non-current liabilities:			
Financial liabilities:			
Borrowings	17	39.83	223.38
Lease liability	18	30.11	46.51
Provisions	19	1,862.89	1,239.84
Total Non-current liabilities		**1,932.83**	**1,509.73**
Current liabilities:			
Financial liabilities:			
Borrowings	20	28,649.50	25,890.01
Lease liability	18	38.15	37.53
Trade payables	21		
Total outstanding dues of micro enterprises and small enterprises		929.03	53.71
Total outstanding dues of creditors other than micro enterprises and small enterprises		52,144.15	56,835.05
Other financial liabilities	22	22,729.59	20,297.10
Other current liabilities	23	20,725.60	21,571.74
Provisions	19	124.26	77.99
Total Current liabilities		**125,340.28**	**124,763.13**
Total Liabilities		**127,273.11**	**126,272.86**
Total equity and liabilities		**155,189.75**	**162,267.96**
Summary of significant accounting policies	2		

The summary of significant accounting policies and other explanatory information are an integral part of the standalone financial statements.

This is the standalone balance sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Sd/-
Manish Agrawal
Partner
Membership No. 507000

Place : Gurugram
Date : July 21, 2021

For and on behalf of the Board of Directors

Sd/-
Amit Mittal
Managing Director
(DIN 00058944)

Sd/-
Rajesh Jain
Whole Time Director and CEO
(DIN 07015027)

Sd/-
Rajiv Chaturvedi
Chief Financial Officer

Sd/-
Atul Kumar Agarwal
Company Secretary
M. No. : FCS - 6453

Standalone Statement of Profit and Loss for the Year ended March 31, 2021

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

	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Income:			
Revenue from operations	24	18,785.14	38,522.64
Other income	25	1,845.28	1,928.60
Total income		**20,630.42**	**40,451.24**
Expenses:			
Cost of materials consumed	26	16,474.20	34,006.32
Employee benefits expense	27	476.83	1,750.24
Finance costs	28	4,820.34	4,874.14
Depreciation and amortisation expenses	29	452.78	1,001.14
Other expenses	30	6,694.86	6,667.60
Total expenses		**28,919.01**	**48,299.44**
Loss before exceptional item and tax		**(8,288.59)**	**(7,848.20)**
Exceptional items - (loss)	43	-	(17,630.90)
Loss before tax		**(8,288.59)**	**(25,479.10)**
Tax expense	32		
Current tax		10.64	3.60
Deferred tax charge (net)		14.99	3,606.00
		25.63	**3,609.60**
Loss for the year		**(8,314.22)**	**(29,088.70)**
Other comprehensive income:			
Items that will not be reclassified to profit and loss			
Re-measurement of defined benefit obligations		106.38	31.07
Total other comprehensive income for the year, net of tax		**106.38**	**31.07**
Total comprehensive income for the year		**(8,207.84)**	**(29,057.63)**
Loss per equity share (INR) :	33		
(Nominal value of shares INR 10)			
Basic		(4.72)	(16.52)
Diluted		(4.72)	(16.52)
Summary of significant accounting policies	2		

The summary of significant accounting policies and other explanatory information are an integral part of the standalone financial statements.

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

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors

Sd/-
Manish Agrawal
Partner
Membership No. 507000

Sd/-
Amit Mittal
Managing Director
(DIN 00058944)

Sd/-
Rajesh Jain
Whole Time Director and CEO
(DIN 07015027)

Place : Gurugram
Date : July 21, 2021

Sd/-
Rajiv Chaturvedi
Chief Financial Officer

Sd/-
Atul Kumar Agarwal
Company Secretary
M. No. : FCS - 6453

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

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

		Note No.	Number of shares	Amount
A.	**Equity share capital**			
	Issued, subscribed and fully paid up			
	Equity shares of INR 10 each			
	Balance as at April 1, 2019	16	**176,119,858**	**17,611.99**
	Changes during the year		-	-
	Balance as at March 31, 2020	16	**176,119,858**	**17,611.99**
	Changes during the year		-	-
	Balance as at March 31, 2021	16	**176,119,858**	**17,611.99**

B. Other equity:

	Reserves and surplus*				
	Securities premium account	**General reserve**	**Employee stock option plan reserve**	**Retained earnings**	**Total equity attributable to equity holders**
Balance as at April 1, 2019	**89,586.56**	**640.14**	**608.70**	**(43,672.10)**	**47,163.30**
Loss for the year	-	-	-	(29,088.70)	**(29,088.70)**
Other comprehensive income	-	-	-	31.07	**31.07**
Total comprehensive income	**-**	**-**	**-**	**(29,057.63)**	**(29,057.63)**
Transfer from Employee stock option plan reserve on lapse	-	-	(55.81)	55.81	**-**
Transactions with owners in their capacity as owners:					
Employee stock option plan (ESOP) expense for the year	-	-	269.05	-	**269.05**
On account of ESOP given to employees of subsidiaries	-	-	8.39	-	**8.39**
Balance as at March 31, 2020	**89,586.56**	**640.14**	**830.33**	**(72,673.92)**	**18,383.11**
Loss for the year	-	-	-	(8,314.22)	**(8,314.22)**
Other comprehensive income	-	-	-	106.38	**106.38**
Total comprehensive income	**-**	**-**	**-**	**(8,207.84)**	**(8,207.84)**
Transfer from Employee stock option plan reserve on lapse	-	-	(158.99)	158.99	**-**
Transactions with owners in their capacity as owners:					
Employee stock option plan (ESOP) expense for the year	-	-	103.19	-	**103.19**
On account of ESOP given to employees of subsidiaries	-	-	26.19	-	**26.19**
Balance as at March 31, 2021	**89,586.56**	**640.14**	**800.72**	**(80,722.77)**	**10,304.65**

*Refer Note 2(j) for nature and purpose of reserves.

The summary of significant accounting policies and other explanatory information are an integral part of the standalone financial statements.

This is the standalone statement of change in equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Sd/-
Manish Agrawal
Partner
Membership No. 507000

Place : Gurugram
Date : July 21, 2021

For and on behalf of the Board of Directors

Sd/-
Amit Mittal
Managing Director
(DIN 00058944)

Sd/-
Rajesh Jain
Whole Time Director and CEO
(DIN 07015027)

Sd/-
Rajiv Chaturvedi
Chief Financial Officer

Sd/-
Atul Kumar Agarwal
Company Secretary
M. No. : FCS - 6453

Standalone Cash Flow Statement for the year ended March 31, 2021

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

		For the Year ended March 31, 2021	For the Year ended March 31, 2020
A	**Cash flows from operating activities:**		
	Loss before tax (after exceptional items)	(8,288.59)	(25,479.10)
	Adjustments:		
	Exceptional items	-	17,630.90
	Depreciation and amortisation expense	452.78	1,001.14
	Loss on disposal of property, plant and equipment (net)	71.59	7.54
	Profit on sale of investment in subsidiary	(3.50)	-
	Interest expense	4,600.86	4,404.76
	Interest income	(1,355.17)	(1,175.93)
	Provision for contract revenue in excess of billing	231.58	165.35
	Inventory written off	-	108.02
	Provision for bad and doubtful debts, loans, advances and other receivables(net)	4,918.82	4,078.86
	Liability/provision written back	(469.00)	(161.79)
	Provision for warranty	721.17	716.58
	Provision for employee benefits	13.12	28.32
	Advances written off	35.94	-
	Recognition of share based payments at fair value	103.19	269.05
	Unwinding of interest on security deposits	(1.01)	(0.31)
	Gain on modification of lease contract	(0.03)	(0.15)
	Operating profit before working capital changes	**1,031.75**	**1,593.24**
	Net changes in working capital:		
	Changes in inventories	-	286.11
	Changes in trade receivables	(2,066.70)	(3,965.70)
	Changes in loans	297.08	107.78
	Changes in other financial assets	(297.64)	(2,070.43)
	Changes in other assets	2,700.90	(871.35)
	Changes in trade payables	(3,787.52)	3,211.96
	Changes in provisions	(10.40)	(560.96)
	Changes in financial liabilities	(366.77)	880.57
	Changes in other liabilities	(875.44)	(2,168.06)
	Net changes in working capital	**(4,406.49)**	**(5,150.08)**
	Cash used in operations	**(3,374.74)**	**(3,556.84)**
	Current taxes paid (net of refunds)	1,392.33	(837.27)
	Net cash used in operating activities (A)	**(1,982.41)**	**(4,394.11)**

Standalone Cash Flow Statement for the year ended March 31, 2021

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

		For the Year ended March 31, 2021	For the Year ended March 31, 2020
B	**Cash flows from investing activities:**		
	Acquisition of property, plant and equipment	(1.50)	(30.44)
	Proceeds from sale of property, plant and equipment	110.30	32.30
	Proceeds from sale of investment in subsidiary	3.50	-
	Fixed deposits matured - (net)	285.41	671.05
	Interest received	234.97	298.39
	Net cash flow from investing activities (B)	**632.68**	**971.30**
C	**Cash flows from financing activities:**		
	Proceeds from long term borrowings	-	400.00
	Repayments of long-term borrowings	(95.00)	(2,595.65)
	Proceeds from short term borrowings (net)	2,724.06	7,158.87
	Principal payment of lease liabilities	(41.07)	(26.35)
	Interest payment of lease liabilities	(8.73)	(4.95)
	Interest paid	(1,342.42)	(1,808.52)
	Net cash flow from financing activities (C)	**1,236.84**	**3,123.40**
	Net decrease in cash and cash equivalents (A+B+C)	**(112.89)**	**(299.41)**
	Cash and cash equivalents at the beginning of the year	543.47	842.88
	Cash and cash equivalents at the end of the year	**430.58**	**543.47**

		As at March 31, 2021	As at March 31, 2020
	Reconciliation of cash and cash equivalents as per the cash flow statement. (Refer Note 14)		
	Cash and cash equivalents as per above comprises of the following :		
a.	Cash in hand	0.96	1.62
b.	Balance in current account	429.62	541.85
	Balances as per statement of cash flows	**430.58**	**543.47**

Note: The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'. All figures in brackets are outflows.

The summary of significant accounting policies and other explanatory information are an integral part of the standalone financial statements.

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

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Sd/-
Manish Agrawal
Partner
Membership No. 507000

Place : Gurugram
Date : July 21, 2021

For and on behalf of the Board of Directors

Sd/-
Amit Mittal
Managing Director
(DIN 00058944)

Sd/-
Rajesh Jain
Whole Time Director and CEO
(DIN 07015027)

Sd/-
Rajiv Chaturvedi
Chief Financial Officer

Sd/-
Atul Kumar Agarwal
Company Secretary
M. No. : FCS - 6453

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

1 : CORPORATE INFORMATION

A2Z Infra Engineering Limited ('A2Z or the Company') was incorporated at National Capital Territory of Delhi and Haryana on January 7, 2002 for providing maintenance and engineering services. The Company commenced its business with the facility management services and entered into engineering business during the year 2005-06. The Company has also entered into collaboration with sugar mills for setting up 3 Cogeneration (Cogen) power plants on Built, Own, Operate and Transfer (BOOT) basis for a period of15 years.

The Company's engineering business segment primarily includes supply, erection and maintenance of electrical transmission lines including laying and maintenance of Optic Fiber Cable (OFC) and allied services to power distribution companies.

These standalone financial statements ('financial statements') for the year ended March 31, 2021 were authorized and approved for issue by the Board of Directors on July 21, 2021.The revisions to the standalone financial statements are permitted by the Board of Directors of the Company after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

2 : SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

2.1 Statement of compliance

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies act, 2013 ("The Act") read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2016 issued by Ministry of Corporate Affairs ('MCA'). All other relevant provisions of the Act, as amended, are also complied with in these financial Statements.The Company has prepared these financial statements which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended March 31, 2021, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as 'financial statements').

The financial statements have been prepared on going concern basis using a historical cost convention, except certain financial assets and financial liabilities which are measured at fair value as explained in relevant accounting policies.

The financial statements are presented in INR which is assessed to be the functional currency of the Company in accordance with Ind AS. All values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

The Company has uniformly applied the accounting policies during the period presented.

2.2 Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Any revision to accounting estimates and assumptions are recognised prospectively i.e. recognised in the period in which the estimate is revised and future periods affected.

In particular, information about significant judgements and areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are discussed below:

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

- **Recognition of deferred tax assets -** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.
- **Evaluation of indicators for impairment of assets –** The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- **Classification of leases –** The Company enters into leasing arrangements for various premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

- **Contingencies**

  In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. A tax provision is recognised when the Company has a present obligation as a result of a past event; it is probable that the Company will be required to settle that obligation. Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

  When considering the classification of a legal or tax cases as probable, possible or remote there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific tax law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to inform their decision.

  Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability.

- **Provisions**

  At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

- **Going Concern**

  The management has made an assessment of the Company's ability to continue as going concern and is satisfied that the Company has resources to continue in business for the foreseeable future. Further, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as going concern, read with note 31.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

- **Recoverability of advances/ receivables –** At each balance sheet date, based on discussions with the respective counter-parties and internal assessment of their credit worthiness, the management assesses the recoverability and expected credit loss of outstanding receivables and advances. Such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factor.
- **Classification of assets and liabilities into current and non-current –** The management classifies the assets and liabilities into current and non-current categories based on management's expectation of the timing of realisation of the assets or timing of contractual settlement of liabilities.
- **Warranty provision –** The management makes estimate of costs that would be incurred with respect to warranties given on products. The provision requires use of several estimates based on past data and expectations of future.
- **Impairment of non-financial assets -** The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- **Impairment of financial assets -** The company estimates the recoverable amount of trade receivables and other financial assets where collection of the full amount is expected to be no longer probable. For individually significant amounts, this estimation is performed on an individual basis considering the length of time past due, financial condition of the counter-party, impending legal disputes, if any and other relevant factors.
- **Useful lives of depreciable/ amortisable assets (Property plant and equipment and intangible) –**Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software and other plant and equipment.
- **Revenue recognition –**The Company uses the Input method (percentage completion method) in accounting for its revenue from construction services. The use of percentage-of-completion method requires the Company to estimate costs expended to date as a proportion of the total costs to be expended. Costs expended have been used to measure progress towards completion as there is a direct relationship between input and output.
- **Contract estimates –** The Company, being a part of construction industry, prepares budgets in respect of each project to compute project profitability. The two major components of contract estimate are 'claims arising during construction period' (described below) and 'budgeted costs to complete the contract'. While estimating these components various assumptions

are considered by the management such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) consumption norms will remain same (iii) Assets will operate at the same level of productivity as determined (iv) Wastage will not exceed the normal % as determined etc. (v) Estimates for contingencies (vi) There will be no change in design and the geological factors will be same as communicated and (vii) price escalations etc. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- **Recoverability of claims –** The Company has claims in respect of cost over-run arising due to client caused delays, suspension of projects, deviation in design and change in scope of work etc., which are at various stages of negotiation/ discussion with the clients or under arbitration. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims.
- **Defined benefit obligation (DBO) –** Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- **Fair value measurements –** Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available.

2.3 Significant accounting policies

a) Revenue recognition

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of good or service to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in the Statement of Profit and Loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Significant judgments are used in:

- Determining the revenue to be recognised in case of performance obligation satisfied over a period of time. Revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.
- Determining the estimated losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

i. Revenue from engineering services

Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Impairment loss (termed as provision for foreseeable losses) is recognised in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the Company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfil such remaining performance obligations). In addition, the Company recognises impairment loss (termed as provision for expected credit loss in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

Contract revenue earned in excess of billing has been reflected under “Other financial assets” and billing in excess of contract revenue has been reflected under “Other current liabilities” in the Balance Sheet. As the outcome of the contracts cannot be measured reliably during the early stages of the project, contract revenue is recognised only to the extent of costs incurred in the statement of profit and loss unless the actual cost reaches a minimum threshold of 10% of total estimated cost of the project.

Liquidated damages/ penalties, interest, warranties and contingencies are provided for, based on management’s assessment of the estimated liability, as per contractual terms and/or acceptance.

ii. Revenue from operation and maintenance services

Revenue from maintenance contracts and renting of equipments are recognised over the period of the contract as and when services are rendered in accordance with the terms of the respective contract.

iii. Income from professional and data processing services

Income from professional and data processing services is recognized as and when the customer receives the benefit of the Company’s performance and the Company has an enforceable right to payment for services transferred.

iv. Revenue from operation of plant

Revenue from operation of plant is recognised on transfer of significant risks and rewards of ownership to the buyer, which is when delivered, and measured on an accrual basis based on the rates in accordance with the provisions of the Power Purchase Agreements (PPAs) entered into by the Company with the procurer’s of power. Claims for delayed payment charges and other claims are accounted by the Company on accrual basis in accordance with the provisions of the PPAs only when it is reasonable to expect ultimate collection. Excise Duty is not applicable on generation and sale of power. Sales exclude sales tax and value added tax, where applicable.

v. Revenue from sale of goods

Revenue is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods. Performance obligations in respect of contracts for sale of goods is considered as satisfied at a point in time when the control of the same is transferred to the customer and where there is an alternative use of the asset or the Company does not have either explicit or implicit right of payment for performance completed till date. In case where there is no alternative use of the asset and the Company has either explicit or implicit right of payment considering legal precedents, performance obligation is considered as satisfied over a period of time and revenue is recognized over time. The Company collects goods and service tax (GST) (as applicable) on behalf of the government and, therefore, these are not economic benefits flowing to the Company.

vi. Other income

· Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through other comprehensive income. Interest receivable on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty towards its realisation.

- Dividend income is accounted in the period in which the right to receive the same is established.
- Income from export incentives such as duty drawback is recognized on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.
- Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

b) Foreign currencies and operations

i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (‘the functional currency’). The financial statements are presented in Indian rupee (INR), which is the Company’s functional and presentation currency. All amounts have been rounded off to the nearest lakhs, unless otherwise stated.

ii. Foreign currency transactions and balances

Foreign currency transactions are recorded in the functional currency (Indian Rupee) by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency on the date of the transaction (spot exchange rate).

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

All monetary items denominated in foreign currency are converted into Indian Rupees at the year-end exchange rate. The exchange differences arising on such conversion and on settlement of the transactions are recognised in the statement of profit and loss.

Non-monetary items in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevailing on the date of the transaction.

c) Joint operations

The Company enters into certain joint arrangements when the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Such arrangements are considered to be joint operations, and the Company the entities recognises the following in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

d) Property, plant and equipment (PPE)

i. Initial recognition

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Cost comprises the purchase price and any attributable / allocable cost of bringing the asset to its working condition for its intended use. The cost also includes direct cost and other related incidental expenses.

When significant components of property, plant and equipment are required to be replaced at intervals, recognition is made for such replacement of components as individual assets with specific useful life and depreciation as if these components are initially recognized as separate asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in profit or loss as incurred.

ii. Subsequent measurement

Depreciation is provided from the date the assets are ready to be put to use, on straight line method as per the useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for leasehold land which is amortised over the lease term on straight line basis.

Particulars	Useful life (Straight line method)
Building	10-60 Years
Office equipment	5 Years
Plant and equipment	8-25 Years
Computers	3-6 Years
Furniture and fixtures	8-10 Years
Vehicles	8-10 Years
Leasehold land	Over the lease term on straight line basis.

Depreciation method, useful life and residual value are reviewed periodically.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within 'other income' or 'other expenses' respectively.

e) Intangible assets

Intangible assets include Computer software which is stated at cost less accumulated amortisation. This software is amortised on a straight line basis over the estimated useful life of five to six years, as determined by the management.

f) Investments

Investment in equity instruments of subsidiaries and associates are measured at cost as per Ind AS 27 'Separate Financial Statements'.

g) Leases

i. Where the Company is lessee – Right of use assets and lease liabilities

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease (the transition approach has been explained and disclosed in notes). A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

ii. Where the Company is lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease, except when the lease rentals, increase are in line with general inflation index. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

h) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Initial measurement, recognition and derecognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired; or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (1) the Company has transferred substantially all the risks and rewards of the asset, or (2) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

ii. Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Debt instruments at Amortised cost
- Debt instruments at Fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at Fair value through profit or loss (FVTPL)
- Equity instruments measured at Fair value through other comprehensive income (FVTOCI)
- Equity instruments measured at Fair value through profit or loss (FVTPL)

❑ **Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

1. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
2. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

❑ **Debt instruments at fair value through other comprehensive income**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

1. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
2. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

❑ **Debt instruments at fair value through profit or loss**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

❑ **Equity instruments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

iii. Classification and subsequent measurement of financial liabilities

All financial liabilities are recognised initially at its fair value adjusted by directly attributable transaction costs.

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

The Company has not designated any financial liability as at fair value through profit and loss.

- **Financial liabilities measured at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

iv. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost.

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

c) Loan commitments which are not measured as at FVTPL

d) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables; and the application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

i) Equity shares

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

j) Reserve and surplus

Nature and purpose of reserves;

i. General reserve

General reserves can be used for the purpose and as per guidelines prescribes in the Companies Act, 2013.

ii. Securities premium reserve

Securities premium is used to record the premium on issue of shares or debentures. The reserve will be utilised in accordance with the provisions of the Act.

iii. Net gain on fair value of defined benefit plans

The Company has recognised premeasurement gains/ (loss) on defined benefit plans in Other Comprehensive Income (OCI). These changes are accumulated within the OCI reserve within other equity. The Company transfers amounts from this reserve to retained earnings when the relevant obligations are derecognised.

iv. Employee stock option plan reserves

The Company has six types of Option schemes under which options to subscribe for the Company's share have been granted to certain employees. The Employee Stock Option Plan Reserves is used to recognise the value of equity settled share based payments provided to employees. Refer note 27.2 for further details of these plans.

k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above as they are considered an integral part of the Company's cash management.

l) Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income ('OCI') or directly in equity.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current income-tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax assets or liability arising during tax holiday period is not recognised to the extent it reverses out within the tax holiday period. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

m) Fair value measurement

The Company measures financial instruments at fair value on initial recognition

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

n) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal / external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit (CGU) is estimated. If such recoverable amount of the asset or CGU to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Standalone Statement of Profit and Loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Standalone Statement of Profit and Loss. An asset is deemed impairable when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.

o) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a first-in-first-out basis and includes all applicable overheads in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

p) Provisions, contingent liabilities and contingent assets

Provisions are measured at the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

A provision is recognised when:

- The Company has a present obligation as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

The Company does not recognise contingent liabilities but it is disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

q) Employee benefits

i. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, performance incentives, etc. are recognised at actual amounts due in the period in which the employee renders the related service.

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

ii. **Post-employment benefits**

1. **Defined contribution plans:** The Company makes payments made to defined contribution plans such as provident fund and employees' state insurance. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2. **Defined benefit plans:** The liability is accounted for on the basis of actuarial valuation as per Ind AS 19 'Employee Benefits'. Liability recognized in the Standalone Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation.

   The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Standalone Statement of Profit and Loss.

   Actuarial gain / loss pertaining to gratuity, post separation benefits are accounted for as OCI. All remaining components of costs are accounted for in Standalone Statement of Profit and Loss.

3. **Other long-term employee benefits:** Other long-term employee benefits are recognised as an expense in the Statement of Profit and Loss as and when they accrue. The Company determines the liability using the Projected Unit Credit Method, with actuarial valuations carried out as at the balance sheet date. Actuarial gains and losses in respect of such benefits are charged to the Statement of Profit and Loss.

r) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred. Also, the effective interest rate (EIR) amortization is included in finance costs.

s) Earnings per share

Basic earnings per share is calculated by dividing the net profit / (loss) for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit / (loss) for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

t) Segment reporting

The Company's operating businesses are organized and managed separately according to the nature of services, with each segment representing a strategic business unit that offers different services to different markets. The Company has three operating/reportable segments, i.e., engineering services, Power generation projects and others represents trading of goods, and renting of equipments.

The operating segments are managed separately as each involves different regulations, marketing approaches and other resources. These operating segments are monitored by the Company's chief operating decision maker and strategic decisions are made on the basis of segment operating results. All inter-segment transfers are carried out at arm's length prices based on prices charged to unrelated customers in standalone sales of identical goods or services.

For management purposes, the Company uses the same measurement policies as those used in its financial statements. In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment.

No asymmetrical allocations have been applied between segments.

u) Share based payments

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

v) Current/non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

w) Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

2.4 Recent accounting pronouncements

a) On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

b) On 18 June 2021, MCA through a notification has notified Companies (Indian Accounting Standards) Amendment Rules, 2021.

The notification has made amendments to various Ind AS. Some of the key amendments are:

Ind AS 116 - COVID-19-Related Rent Concessions

The economic challenges presented by the COVID-19 pandemic have persisted longer than anticipated, and therefore the practical expedient relating to rent concessions arising as a consequence of COVID-19 has been modified. Accordingly, lessees are now exempted from assessing whether a COVID-19-related rent concession is a lease modification, if the reduction in lease payments affects only payments originally due on or before 30 June 2022. Earlier the practical expedient was allowed only for lease payments originally due on or before 30 June 2021. A lessee should apply the amendments for annual reporting periods beginning on or after 1 April 2021.

Interest Rate Benchmark Reform - Phase 2

This amendment relates to 'Interest Rate Benchmark Reform - Phase 2 (Amendments to Ind AS 104, Ind AS 107, Ind AS 109 and Ind AS 116)' which addresses issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. Some of the key amendments arising from the interest rate benchmark are:

Ind AS 109: New guidance has been included on changes in the basis for determining the contractual cashflows as a result of interest rate benchmark reform. An entity should apply the amendments for annual reporting periods beginning on or after April 1, 2021. Ind AS 107: Additional disclosures related to nature and extent of risks to which the entity is exposed from financial instruments subject to interest rate benchmark reform and how the entity manages these risks. An entity should apply the amendments when it applies amendments to Ind AS 109, Ind AS 104 or Ind AS 116.

Amendments to Ind AS consequential to Conceptual Framework under Ind AS

The amendments relating to Ind AS 102, Share-based Payment; Ind AS 103, Business Combinations; Ind AS 106, Exploration for and Evaluation of Mineral Resources; Ind AS 114, Regulatory Deferral Accounts; Ind AS 1, Presentation of Financial Statements; Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors; Ind AS 34, Interim Financial Reporting; Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets; Ind AS 38, Intangible Assets, are consequential due to changes in the Conceptual Framework under Ind AS, made in August 2020. The revised Conceptual Framework introduced some new concepts and clarifications along with revision in definitions and changes in recognition criteria of assets and liabilities under Ind AS.

The Company is evaluating the requirements of the amendments and their impact on the standalone financial statements.

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 3 : PROPERTY, PLANT AND EQUIPMENT, RIGHT TO USE OF ASSET AND CAPITAL WORK IN PROGRESS

	Freehold land	Leasehold improvement	Computers	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total	Right to use of asset (Refer Note 42)	Capital work in progress
Gross carrying amount:											
Balance as at April 1, 2019	**635.10**	**26.00**	**458.32**	**3,723.40**	**13,551.56**	**129.67**	**1,616.43**	**523.94**	**20,664.42**	-	**26,788.01**
Additions	-	-	1.65	-	0.44	-	-	3.00	**5.09**	125.13	-
Disposal/adjustments	-	-	(1.99)	-	(215.69)	(2.90)	(49.11)	(0.84)	**(270.53)**	(13.48)	-
Balance as at March 31, 2020	**635.10**	**26.00**	**457.98**	**3,723.40**	**13,336.31**	**126.77**	**1,567.32**	**526.10**	**20,398.98**	**111.65**	**26,788.01**
Additions	-	-	4.66	-	-	-	-	-	**4.66**	25.82	-
Disposal/adjustments	-	-	-	-	(664.83)	-	(71.60)	(1.00)	**(737.43)**	(1.10)	-
Balance as at March 31, 2021	**635.10**	**26.00**	**462.64**	**3,723.40**	**12,671.48**	**126.77**	**1,495.72**	**525.10**	**19,666.21**	**136.37**	**26,788.01**
Accumulated depreciation, amortisation and impairment:											
Balance as at April 1, 2019	**-**	**26.00**	**457.17**	**1,400.66**	**6,072.28**	**122.48**	**1,548.21**	**521.65**	**10,148.45**	-	**12,631.21**
Depreciation/amortisation	-	-	1.79	199.95	746.15	3.33	19.47	1.33	**972.02**	28.53	-
Impairment (Refer Note 3.1)	-	-	-	1,834.51	3,375.77	-	4.02	-	**5,214.30**	-	9,782.51
Disposal/adjustments	-	-	(1.99)	-	(176.55)	(2.90)	(48.26)	(0.84)	**(230.54)**	(1.89)	-
Balance as at March 31, 2020	**-**	**26.00**	**456.97**	**3,435.12**	**10,017.65**	**122.91**	**1,523.44**	**522.14**	**16,104.23**	**26.64**	**22,413.72**
Depreciation/amortisation	-	-	1.90	5.48	387.72	1.77	9.43	1.20	**407.50**	44.40	-
Impairment (Note 3.1)	-	-	-	-	-	-	-	-	**-**	-	-
Disposal/adjustments	-	-	-	-	(484.32)	-	(70.22)	(1.00)	**(555.54)**	(0.61)	-
Balance as at March 31, 2021	**-**	**26.00**	**458.87**	**3,440.60**	**9,921.05**	**124.68**	**1,462.65**	**522.34**	**15,956.19**	**70.43**	**22,413.72**
Net carrying amount:											
Balance as at March 31, 2021	**635.10**	**-**	**3.77**	**282.80**	**2,750.43**	**2.09**	**33.07**	**2.76**	**3,710.02**	**65.94**	**4,374.29**
Balance as at March 31, 2020	**635.10**	**-**	**1.01**	**288.28**	**3,318.66**	**3.86**	**43.88**	**3.96**	**4,294.75**	**85.01**	**4,374.29**

Note 3.1: Power plant litigation and Impairment

In respect of the on-going arbitration proceedings with the sugar mills for certain disputes in respect of cogeneration power plants, the Company had earlier filed petition under section 11 of the Arbitration and Conciliation Act, 1996 in the High Court of Punjab and Haryana for appointment of an independent Arbitrator, which is still pending in the High Court, though the High Court was of the prima-facie view that “there appears to be force in the submissions and the issue requires scrutiny”.

Further during the current year, the Company had also challenged the mandate of the arbitrator under section 14 of the Arbitration and Conciliation Act, 1996 at District & Sessions Court, Chandigarh and thereafter, the Additional Registrar had passed the arbitral awards in all the three arbitration proceedings against the Company. The arbitral awards consists of claims in the nature of various amounts such as guarantee return, repair and maintenance of boiler, electricity purchased for operating plant etc amounting to INR 7,234.73 lakhs and interest thereon as per the management estimates. The Company has also challenged aforementioned arbitral awards under section 34 of the Arbitration and Conciliation Act, 1996 which is pending at District & Sessions Court, Chandigarh. Based on their assessment and upon consideration of advice from the independent legal consultant, the management believes that the Company has reasonable chances of succeeding before the District & Sessions Court, Chandigarh and the High Court of Punjab and Haryana. Pending the final decision on the matter, no further adjustment has been made in the standalone financial statements.

During the previous years, the management of the Company decided to shift these power plants to other locations. Accordingly, the Company had filed a writ petition in the Hon’ble High court of Punjab and Haryana for relocation of such power plants adjacent to RDF based facilities. In the current year, the High court had dismissed the petition with direction to the Company that they should follow up with the Chief Secretary, State of Punjab regarding the said mater. The Company has submitted its representation before the Chief Secretary, State of Punjab several times but no response has been received till date.

The management has also performed an impairment assessment of three cogeneration power plants set up in collaboration with certain sugar mills on Build, Own, Operate and Transfer (BOOT) using Depreciated Replacement Cost (DRC) Method under Cost Approach. As at March 31, 2021, such plants have a power generation capacity of 15 MW each.

Accordingly, the management has recorded an impairment of INR 29,536.28 lakhs (March 31, 2020: INR 29,536.28 lakhs) in carrying value of these assets as at March 31, 2021. The management believes that the recoverable amount of these power plants are reasonable and no further material adjustments to the carrying value of these plants are necessary.

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Out of the aforementioned impairment as at March 31, 2021 INR 22,413.72 lakhs (INR 9,782.51 lakhs for the year ended March 31, 2020) pertain to, two power plants, which were yet to be capitalised and INR 7,122.56 lakhs (INR 5,214.30 lakhs for the year ended March 31, 2020) are for power plant which has already been capitalised.

The recoverable amount of cogeneration power plants classified under property, plant and equipment and capital work-in-progress aggregates to INR 2,273.91 lakhs and INR 4,374.29 lakhs respectively as at March 31, 2021 (March 31, 2020: INR 2,533.87 lakhs and 4,374.29 lakhs respectively). The recoverable amount of all three cogeneration power plants is based on Depreciated Replacement Cost (DRC) Method under Cost Approach and determined at the level of the Cash Generating Unit (CGU). The auditors have expressed an emphasis of matter on the same.

Note 3.2: Contractual commitments

The Company does not have any outstanding contractual commitments to purchase any items of property, plant and equipment (including capital work in progress).

Note 3.3: Property, plant and equipment are pledged as collateral for borrowings from banks and financial institutions (Refer Note 17 and Note 20).

Note 3.4: Capital work in progress

Assets under construction comprises of expenditure for the power plant in the course of construction. The amount of expenditure recognised in carrying amount of capital work in progress are as under.

	As at March 31, 2021	As at March 31, 2020
Buildings under construction	190.04	190.04
Power plant equipment's under erection	17,248.85	17,248.85
Borrowing costs capitalised		
Interest	5,179.50	5,179.50
Amortisation of ancillary borrowing cost	225.05	225.05
Other expenses (directly attributable to construction/erection of assets)		
Rent	107.24	107.24
Legal and professional charges	406.08	406.08
Employee benefit expense	991.42	991.42
Depreciation	334.80	334.80
Insurance charges	70.79	70.79
Power and fuel	158.67	158.67
Repair and maintenance charges	145.65	145.65
Test run expenses	1,515.94	1,515.94
Other miscellaneous expenses	213.96	213.96
Less:- Impairment (Refer note 3.1)	(22,413.72)	(22,413.72)
Total	**4,374.29**	**4,374.29**

Note 4 : INTANGIBLE ASSETS

	Computer Software	Total
Gross carrying amount:		
Balance as at April 01, 2019	**537.86**	**537.86**
Additions	-	-
Disposal/adjustments	(5.33)	(5.33)
Balance as at March 31, 2020	**532.53**	**532.53**
Additions	-	-
Disposal/adjustments	-	-
Balance as at March 31, 2021	**532.53**	**532.53**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

Amortisation and impairment:

	Computer Software	Total
Balance as at April 01, 2019	**536.39**	**536.39**
Amortisation for the year	0.59	0.59
Disposal/adjustments	(5.33)	(5.33)
Balance as at March 31, 2020	**531.65**	**531.65**
Amortisation for the year	0.88	0.88
Disposal/adjustments	-	-
Balance as at March 31, 2021	**532.53**	**532.53**
Net carrying amount:		
Balance as at March 31, 2021	**-**	**-**
Balance as at March 31, 2020	**0.88**	**0.88**

Note 4.1: The Company does not have any outstanding contractual commitments to purchase any items of intangible assets.

	As at March 31, 2021	As at March 31, 2020
Note 5 **: NON-CURRENT INVESTMENTS**		
Carrying amount		
I. Investments in equity instruments		
(i) Subsidiary companies	7,588.58	7,695.40
(ii) Associate companies	14,212.16	14,212.16
	21,800.74	**21,907.56**
II. Investments in preference shares (debt portion)		
(i) Subsidiary company	311.49	311.49
(ii) Associate company	8,729.81	7,640.97
	9,041.30	**7,952.46**
III. Provision for impairment in value of non-current investment		
(i) Subsidiary companies	(1,653.39)	(1,786.40)
(ii) Associate companies	(932.41)	(932.41)
	(2,585.80)	**(2,718.81)**
Total	**28,256.24**	**27,141.21**

Note 5.1 Details of investments:

	As at March 31, 2021	As at March 31, 2020
I. Investment in equity instruments [Valued at cost]:		
(i) Subsidiary companies [Unquoted]:		
A. In fully paid-up equity shares :		
3,580,410 (March 31, 2020 : 3,580,410) equity shares of INR 10 each in A2Z Infraservices Limited	6,072.29	6,072.29
125,000 (March 31, 2020 : 125,000) equity shares of INR 10 each in A2Z Powercom Limited	10.00	10.00
Nil (March 31, 2020 : 1,400,000) equity shares of INR 10 each in Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) (Refer note 5.1.5)	-	133.01
50,000 (March 31, 2020 : 50,000) equity shares of INR 10 each in Mansi Bijlee & Rice Mills Limited	5.00	5.00
60,000 (March 31, 2020 : 60,000) equity shares of INR 10 each in Magic Genie Services Limited	6.00	6.00
	6,093.29	**6,226.30**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2021	As at March 31, 2020
B. Investment in preference shares (equity portion)		
14,958,000 (March 31, 2020 : 14,958,000) fully paid up, 0.01% Non participative cumulative redeemable preference shares of INR 10 each in Mansi Bijlee & Rice Mills Limited	1,335.90	1,335.90
	1,335.90	**1,335.90**
C. Investment in subsidiaries, other than in shares (Refer note 5.1.3)	159.39	133.20
	159.39	**133.20**
	7,588.58	**7,695.40**
D. Provision for impairment in value of non-current investment		
Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) (in equity share) (Refer note 5.1.5)	-	(133.01)
Magic Genie Services Limited (in equity share)	(6.00)	(6.00)
Mansi Bijlee & Rice Mills Limited (in preference share - equity portion)	(1,335.90)	(1,335.90)
	(1,341.90)	**(1,474.91)**
(ii) Associates companies [Unquoted]:		
A. In fully paid-up equity shares :		
9,693,987 (March 31, 2020 : 9,693,987) equity shares of INR 10 each in Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ('GWML')	969.40	969.40
24,000 (March 31, 2020 : 24,000) equity shares of INR 10 each in A2Z Waste Management (Nainital) Private Limited	2.40	2.40
10,000 (March 31, 2020 : 10,000) equity shares of INR 10 each in A2Z Waste Management (Jaipur) Limited	1.00	1.00
	972.80	**972.80**
B. Investment in preference shares (equity portion)		
171,200,000 (March 31, 2020 : 171,200,000) fully paid-up, 0.01%, Non participative cumulative redeemable preference shares of INR 10 each in Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ('GWML')	13,197.61	13,197.61
	13,197.61	**13,197.61**
C. Investment in associates, other than in shares (Refer note 5.1.3 & 5.1.4)	41.75	41.75
	41.75	**41.75**
	14,212.16	**14,212.16**
D. Provision for impairment in value of non-current equity investment		
A2Z Waste Management (Nainital) Private Limited	(2.40)	(2.40)
Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ('GWML')	(929.01)	(929.01)
A2Z Waste Management (Jaipur) Limited	(1.00)	(1.00)
	(932.41)	**(932.41)**
II. Investment in preference shares (Debt portion) [Valued at amortised cost]:		
Subsidiary companies [unquoted]:		
14,958,000 (March 31, 2020 : 14,958,000) fully paid up, 0.01% Non participative cumulative redeemable preference shares of INR 10 each in Mansi Bijlee & Rice Mills Limited	311.49	311.49

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

	As at March 31, 2021	As at March 31, 2020
Associates companies [unquoted]:		
171,200,000 (March 31, 2020: 171,200,000) fully paid-up, 0.01%, Non participative cumulative redeemable preference shares of INR 10 each in Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ('GWML')	8,729.81	7,640.97
	9,041.30	**7,952.46**
Provision for impairment in value of non-current investment		
Mansi Bijlee & Rice Mills Limited (In preference share - debt portion)	(311.49)	(311.49)
	(311.49)	**(311.49)**
Total	**30,842.04**	**29,860.02**
Aggregate amount of unquoted investments	30,842.04	29,860.02
Aggregate amount of impairment in value of investments	(2,585.80)	(2,718.81)

Note 5.1.1 The management has committed to provide continued operational and financial support to its subsidiaries/associates for meeting their working capital and other financial requirements and based upon approved future projections of the subsidiaries/ associates, believes that no impairment exist in excess of the provision already created and accordingly, no further adjustment is considered necessary in respect of carrying value of investments.

Note 5.1.2 With effect from December 16, 2019, the name of Selligence Technologies Services Private Limited has been struck off pursuant to section 248 of the Companies Act, 2013. Consequently, it ceased to be a subsidiary of the Company.

Note 5.1.3 Investment in subsidiaries and associates, other than in shares, represents employee stock option granted to employees of subsidiaries and associates.

Note 5.1.4 This amount pertains to employee stock option granted to employees of the subsidiary Companies which were earlier subsidiaries and now have become associates of the Company.

Note 5.1.5 During the current year, 'A2Z Waste Management (Ludhiana) Limited' a step subsidiary company has acquired Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) which was earlier subsidiary company of A2Z Infra Engineering Limited. A2Z Waste Management (Ludhiana) Limited has acquired 1,400,000 equity shares of Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) for a consideration of INR 3.50 lakhs.

Note 5.2 The Company, as at March 31, 2021, has non-current investments (net of impairment) amounting to INR 21,978.26 lakhs (March 31, 2020 : INR 20,889.42 lakhs), other current financial assets (net of impairment) amounting to INR 728.37 lakhs (March 31, 2020 : INR 418.24 lakhs) and current financial assets-loan amounting to INR 435.80 lakhs (March 31, 2020 : INR 399.73 lakhs) in its associate company Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ('GWML') which has holding in various SPVs under its fold (hereinafter Greeneffect Waste Management Limited together with its subsidiaries is referred to as Greeneffect Waste Management Group). While Greeneffect Waste Management Group has incurred losses during its initial years and consolidated net-worth as at March 31, 2021 has been completely eroded, the underlying projects are expected to achieve adequate profitability on substantial completion. Based on internal assessment and valuation report from an independent valuer, the recoverable amount from the underlying investments/assets is higher than the net worth of Greeneffect Waste Management Group. There are assumptions and estimates used in such future projections such as discount rate, long term growth rate, arbitration claims etc. which management believes are appropriate. Therefore, the management believes that the realisable amount from the aforementioned associate company and its subsidiaries is higher than the carrying value of the non-current investments, other current financial assets and current financial assets-loans due to which these are considered as good and recoverable. The auditors have expressed disclaimer of opinion on the same.

Note 5.3 Investments pledged as collateral for borrowings from banks (Refer Note 17 and Note 20)

Note 5.4 The Company does not have any quoted investments.

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2021		As at March 31, 2020	
	Current	**Non-Current**	**Current**	**Non-Current**
***Note 6* : LOANS**				
(Unsecured considered good, unless otherwise stated)				
Security deposits (Refer Note 6.2)				
Considered good	457.33	90.28	530.95	89.27
Credit impaired	169.48	50.30	173.77	50.30
Less: Provision for impairment	(169.48)	(50.30)	(173.77)	(50.30)
	457.33	**90.28**	**530.95**	**89.27**
Loans to related parties (Refer Note 6.1 and 6.2)				
Subsidiaries				
Considered good	773.94	-	906.60	-
Credit impaired	1,046.33	-	1,135.69	-
Less: Provision for impairment	(1,046.33)	-	(1,135.69)	-
	773.94	-	906.60	-
Associates (refer note 5.2, 6.1 and 6.2)	1,089.62	-	1,053.06	-
Loan to employees	-	-	2.34	-
Total	**2,320.89**	**90.28**	**2,492.95**	**89.27**

Note 6.1 Disclosure pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of loans and advances to in nature of loans:

Particulars*	**As at March 31, 2021**		**As at March 31, 2020**	
	Amount out-standing**	**Maximum amount outstanding during the year**	**Amount out-standing****	**Maximum amount outstanding during the year**
Subsidiaries:				
a) Mansi Bijlee & Rice Mills Limited	-	84.31	5.48	5.48
b) A2Z Maintenance & Engineering Services Limited and Satya Builder (AOP)	3.82	3.82	3.82	143.94
c) A2Z Waste Management (Ludhiana) Limited (Refer Note 34.4)	770.12	909.27	897.30	1,023.83
	773.94	**997.40**	**906.60**	**1,173.25**
Associates:				
a) Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ('GWML')	435.80	435.80	399.73	399.73
b) A2Z Waste Management (Ludhiana) Limited (Refer Note 34.4)	-	-	-	688.38
c) A2Z Waste Management (Dhanbad) Private Limited	230.56	230.56	230.56	230.56
d) A2Z Waste Management (Ranchi) Limited	350.00	350.00	350.00	350.00
e) A2Z Waste Management (Varanasi) Limited	72.77	72.77	72.77	72.77
f) A2Z Waste Management (Jaunpur) Limited	0.49	0.49	-	-
	1,089.62	**1,089.62**	**1,053.06**	**1,741.44**
Total	**1,863.56**	**2,087.02**	**1,959.66**	**2,914.69**

* All the above loans are repayable on demand

** Net of impairment written off

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

Note 6.2 : Disclosure pursuant to section 186(4) of the Companies Act 2013:

	As at March 31, 2021	As at March 31, 2020
Nature of the transactions (loans given/investment made/guarantee given/security provided) #		
(A) Loan and advances:		
Subsidiaries:		
a) Mansi Bijlee & Rice Mills Limited	-	5.48
b) A2Z Maintenance & Engineering Services Limited and Satya Builder (AOP)	3.82	3.82
c) A2Z Waste Management (Ludhiana) Limited (Refer Note 34.4)	770.12	897.30
Total	**773.94**	**906.60**
Associates:		
a) Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ('GWML')	435.80	399.73
b) A2Z Waste Management (Dhanbad) Private Limited	230.56	230.56
c) A2Z Waste Management (Ranchi) Limited	350.00	350.00
d) A2Z Waste Management (Varanasi) Limited	72.77	72.77
f) A2Z Waste Management (Jaunpur) Limited	0.49	-
Total	**1,089.62**	**1,053.06**
(B) Security deposit		
Subsidiaries:		
A2Z Infraservices Limited	-	57.31
Chavan Rishi International Ltd.	12.00	12.00
Total	**12.00**	**69.31**
(C) Guarantees:*		
Subsidiaries:		
a) A2Z Infraservices Limited	10,698.00	10,674.00
b) A2Z Maintenance & Engineering Services Limited and Satya Builders (AOP)	580.00	580.00
	11,278.00	**11,254.00**
Associates:		
a) Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ('GWML')	25,025.00	25,025.00
b) A2Z Waste Management (Merrut) Limited	1,100.00	1,100.00
c) A2Z Waste Management (Moradabad) Limited	480.00	480.00
d) A2Z Waste Management (Varanasi) Limited	2,000.00	2,000.00
	28,605.00	**28,605.00**
(D) Investment in fully paid equity instruments	Refer Note 5	

\# All transactions are in the ordinary course of business.

* Also Refer Note 40(a)

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-Current	Current	Non-Current
***Note 7* : OTHER FINANCIAL ASSETS**				
[Unsecured, considered good unless otherwise stated]				
Deferred purchase consideration against sale of investment				
Considered doubtful	-	146.00	-	146.00
Less: Provision for doubtful assets	-	(146.00)	-	(146.00)
	-	**-**	**-**	**-**
Earnest money deposit				
Considered good	-	-	-	-
Considered doubtful	226.88	-	226.88	-
Less: Provision for doubtful deposit	(226.88)	-	(226.88)	-
	-	**-**	**-**	**-**
Other assets				
Considered good*	2,581.97	444.85	5,456.77	455.24
Considered doubtful	467.15	99.00	320.73	99.00
Less: Provision for doubtful assets	(467.15)	(99.00)	(320.73)	(99.00)
	2,581.97	**444.85**	**5,456.77**	**455.24**
Contract revenue in excess of billings (Refer Note 7.1)				
Considered good	12,031.65	-	10,488.36	-
Considered doubtful	602.27	-	370.69	-
Less: Provision for doubtful assets	(602.27)	-	(370.69)	-
	12,031.65	**-**	**10,488.36**	**-**
Recoverable from associates (Refer Note 5.2)				
Considered good	728.37	-	418.24	-
Considered doubtful	877.12	-	877.12	-
Less: Provision for doubtful assets	(877.12)	-	(877.12)	-
	728.37	**-**	**418.24**	**-**
Bank deposits with more than 12 months maturity**	-	670.65	-	956.06
Total	**15,341.99**	**1,115.50**	**16,363.37**	**1,411.30**
*Includes amount due from a director of the Company- Mr Amit Mittal (Refer Note 35.3)	-	-	34.93	-
*Includes amount due from a director of the Company- Mr Rajesh Jain (Refer Note 35.4)	-	-	16.50	-
*Includes amount due from a director of the Company- Mr Ashok Saini (Refer Note 35.4)	-	-	10.50	-

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

Note 7.1:Contract revenue in excess of billings, pertain to revenue recognized by the Company during earlier years, representing amounts billable to, and receivable from the customers towards work done on certain EPC contracts under execution by the Company in accordance with the terms implicit in the contract. The delay in billing these amounts is on account of conclusion of reconciliations with the customers, pending joint measurement/survey of the work done till date and non-achievement of milestones as per the contractual terms. Management is in discussion with the customers and expects to bill these amounts at the earliest, and believes that whilst it may take some time to recover the amounts owing to completion of certain administrative and contractual matters, the current carrying value is representative of the amount considered realisable.

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2019	Charge to statement of profit and loss	As at March 31, 2020	Charge to statement of profit and loss	As at March 31, 2021
Note 8 **: DEFERRED TAX ASSETS (NET)**					
Deferred tax liabilities/ (assets)					
Property, plant and equipment	450.67	(1,354.82)	(904.15)	-	(904.15)
	450.67	**(1,354.82)**	**(904.15)**	**-**	**(904.15)**
Deferred tax assets					
Provision for doubtful debts and unbilled receivables	2,289.50	(899.47)	1,390.03	(14.99)	1,375.04
Provision for doubtful advances and others receivables	1,615.99	(1,615.99)	-	-	-
Provision for warranty	324.70	(37.26)	287.44	-	287.44
Provision for employee benefits	113.31	(25.97)	87.34	-	87.34
Provision for impairment	2,382.13	(2,382.13)	-	-	-
	6,725.63	**(4,960.82)**	**1,764.81**	**(14.99)**	**1,749.82**
Total	**6,274.96**	**(3,606.00)**	**2,668.96**	**(14.99)**	**2,653.97**

Note 8.1 The Company has not recognised deferred tax asset in respect of losses and unabsorbed depreciation of INR 74,514.22 lakhs and INR 39,922.15 lakhs, respectively (March 31, 2020: INR 82,153.51 lakhs and INR 39,245.81 lakhs respectively) as there is no reasonable certainty supported by convincing evidences of their recoverability in the near future. (Refer Note 32.1)

	As at March 31, 2021	As at March 31, 2020
Note 9 **: NON-CURRENT TAX ASSETS (NET)**		
Advance tax (net of provision)	2,949.01	4,351.98
Total	**2,949.01**	**4,351.98**

	As at March 31, 2021		As at March 31, 2020	
	Current	**Non-Current**	**Current**	**Non-Current**
Note 10 **: OTHER ASSETS**				
[Unsecured, considered good unless otherwise stated]				
Capital advances				
Considered good	-	0.53	-	0.27
Considered doubtful	-	12.81	-	13.93
Less: Provision for doubtful advances	-	(12.81)	-	(13.93)
	-	0.53	-	0.27
Other advances				
Considered good	2,040.47	-	2,760.81	-
Considered doubtful	1,374.05	-	1,583.28	-
Less: Provision for doubtful advances	(1,374.05)	-	(1,583.28)	-
	2,040.47	-	2,760.81	-
Prepaid expenses	21.37	0.48	103.23	12.81
Balances with government authorities				
Considered good (Refer note 11)	6,328.13	-	10,169.77	-
Considered doubtful	1,591.98	-	-	-
Less: Provision for doubtful balances	(1,591.98)	-	-	-
	6,328.13	-	10,169.77	-
Total	**8,389.97**	**1.01**	**13,033.81**	**13.08**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

Note 11: During the financial year ended March 31, 2017, the Company based on the legal advice filed an application for advance ruling with the Advance Ruling Authorities ('the Authority') regarding applicability of service tax in respect of one of the projects undertaken by them. During the year ended March 31, 2018, the Company received response to its application wherein the Authority opined that entire project is covered within the ambit of the service tax. Accordingly, the Company has recognized the service tax liability and based on the contractual terms which stipulates that any taxes shall be borne by the customer, has also recognized amount recoverable from customer of an equivalent amount. Further, the management believes that the interest, if any, on the delayed deposit of the aforementioned service tax liability is currently unascertainable and shall be reimbursed by the customer. The Company has made submissions with the customer in this regard. Additionally, based on the independent legal advice, the Company believes that the input tax credit in respect of the aforementioned project shall be adjustable against the liability considering the entire project has now been clarified to be covered under the service tax ambit. Accordingly, no further adjustments to the books of account are considered necessary. The auditors have expressed an emphasis of matter on the same.

	As at March 31, 2021	As at March 31, 2020
Note 12 **: CURRENT INVESTMENTS**		
Carrying amount		
I. Investments in equity instruments		
Subsidiary companies	1,031.69	1,031.69
	1,031.69	**1,031.69**
Total	**1,031.69**	**1,031.69**

Note 12.1 Details of investments:

	As at March 31, 2021	As at March 31, 2020
Investment in equity instruments [Valued at cost]:		
Subsidiary companies [Unquoted]:		
In fully paid-up equity shares :		
1,146,326 (March 31, 2020: 1,146,326) equity shares of INR 10 each fully paid up in Chavan Rishi International Limited (Refer Note 12.1.1)	1,031.69	1,031.69
Aggregate amount of unquoted investments	**1,031.69**	**1,031.69**

Note 12.1.1 During the previous year the Company has re-classified investment held in Chavan Rishi International Limited under current investment from non-current investments as the management of the Company intends to liquidate this investment as per the approved plan of the Board of Directors.

Note 12.2 Investments pledged as collateral for borrowings from banks (Refer Note 17 and Note 20)

Note 12.3 The Company does not have any quoted investments.

	As at March 31, 2021	As at March 31, 2020
Note 13 **: TRADE RECEIVABLES**		
Trade receivables - (Unsecured):		
From other than related parties		
Considered good	81,481.27	81,302.32
Credit impaired	7,041.23	5,027.39
	88,522.50	**86,329.71**
From related parties		
Considered good	442.55	535.07
Credit impaired	31.36	64.93
	473.91	**600.00**
Less: Loss allowance (Refer Note 13.3)	(7,072.59)	(5,092.32)
Total	**81,923.82**	**81,837.39**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 13.1 : Trade receivables include retention money of INR 46,465.64 lakhs (March 31, 2020 INR 46,123.11 lakhs) which are due on completion of erection / contracts / final acceptance by the customers. The management is confident of recovering these amounts upon erection / contract completion.

Note 13.2 : The company has engaged major / principal sub-contractors for executing certain projects wherein cash flows under these projects are earmarked for payments to these sub-contractors. Accordingly, cash-flows arising out of realization from debtors amounting to INR 64,247.61 lakhs (March 31, 2020 INR 63,958.70 lakhs) are charged to contractors/ respective banks who have provided the required non fund limits for these projects. Further, out of remaining INR 17,676.21 lakhs (March 31, 2020 INR 17,878.69 lakhs) an amount of INR 12,198.10 lakhs (March 31, 2020 INR 13,131.38 lakhs) are on account of retention receivable which are pending for more than 3 years as the projects are not closed by departments.

Note 13.3 : The movements in the loss allowance is presented below:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance as at the beginning of the year	5,092.32	6,174.14
Changes in loss allowance:-		
Add: Provided for during the year	1,980.27	3,130.90
Less: Receivables written off during the year	-	(4,212.72)
Balance as at the end of year	**7,072.59**	**5,092.32**

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. The doubtful trade receivables are mostly due from customers in the business-to-business market that are experiencing financial difficulties.

	As at March 31, 2021	As at March 31, 2020
Note 14 **: CASH AND CASH EQUIVALENTS**		
Balances with banks in current account	429.62	541.85
Cash in hand	0.96	1.62
Total	**430.58**	**543.47**

	As at March 31, 2021	As at March 31, 2020
Note 15 **: ASSETS HELD FOR SALE**		
Building*#	2,534.55	2,534.55
Total	**2,534.55**	**2,534.55**

* The management has decided to sell two floors at Medanta Medicity premises located at Sector 38, NH-8, Gurugram pursuant to which the advertisement for the sale of these mentioned flats was given on November 23, 2018. The property is carried at book value in accordance with Ind AS 105 “Non-current Assets Held for Sale and Discontinued Operations” being lower than the fair value less cost to sell. Expected date of sale of building held for sale is March 31, 2022.

Assets held for sale are pledged as collateral for borrowings from banks (Refer Note 17 and Note 20).

	Number of Shares	Amount
Note 16 **: EQUITY SHARE CAPITAL**		
(i) Authorised share capital		
Equity shares of INR 10 each		
Balance as at April 1, 2019	**240,000,000**	**24,000.00**
Changes in equity share capital	-	-
Balance as at March 31, 2020	**240,000,000**	**24,000.00**
Changes in equity share capital	-	-
Balance as at March 31, 2021	**240,000,000**	**24,000.00**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

	Number of Shares	Amount
ii) Issued, subscribed and fully paid up		
Equity Shares of INR 10 each fully paid up		
Balance as at April 1, 2019	**176,119,858**	**17,611.99**
Issue of equity share capital	-	-
Balance as at March 31, 2020	**176,119,858**	**17,611.99**
Issue of equity share capital	-	-
Balance as at March 31, 2021	**176,119,858**	**17,611.99**

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

	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	176,119,858	17,611.99	176,119,858	17,611.99
Balance as at the end of the year	**176,119,858**	**17,611.99**	**176,119,858**	**17,611.99**

iv) Rights, preferences and restrictions attached to equity shares:

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 and March 31, 2020

vi) No equity shares of INR 10.00 each bought back pursuant to Section 68, 69 and 70 of the Companies Act, 2013 for the period of 5 years immediately preceding March 31, 2021 and March 31, 2020

vii) Shares reserved for issue under options

Information relating to Employee option plan, including details of options issues, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 27.2.

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

Equity shares of INR 10 each fully paid up	As at March 31, 2021		As at March 31, 2020	
	Number of Shares held	Holding	Number of Shares held	Holding
Amit Mittal	27,350,601	15.53%	27,350,601	15.53%
Mestric Consultants Private Limited	22,200,000	12.61%	22,200,000	12.61%
Edelweiss Asset Reconstruction Company Limited as representative of EARC Trust SC299	6,432,161	3.65%	11,432,161	6.49%
	55,982,762	**31.79%**	**60,982,762**	**34.63%**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Note 17 **: NON-CURRENT BORROWINGS***				
Carried at amortised cost-secured				
Term loans from banks (Refer Note 17.2 and 17.5)	10,055.86	39.83	7,219.15	95.58
Term loans from financial institution (Refer Note 17.3 and 17.5)*	3,805.00	-	3,776.35	-
Working capital term loans from banks (Refer Note 17.4 (a) and 17.5)	354.30	-	226.50	127.80
Funded interest term loans from banks (Refer Note 17.4 (b) and 17.5)	1,128.90	-	1,128.90	-
	15,344.06	**39.83**	**12,350.90**	**223.38**
Less: Amount disclosed under other financial liabilities as 'Current maturities of long-term borrowings' (Refer Note 22)	15,344.06	-	12,350.90	-
Total	**-**	**39.83**	**-**	**223.38**

*Refer Note 22.1 and 22.2

Note 17.1: Restructuring of borrowings under Corporate Debt Restructuring Scheme (CDR Scheme):

The Corporate Debt Restructuring (CDR) proposal to re-structure the debt obligations, including interest, additional funding and other terms (hereafter referred to as "the CDR Scheme") of the Company, having January 01, 2013 as the "cut-off date", was approved by the CDR Cell vide its Letter of Approval (LOA) dated December 28, 2013 as further modified dated February 03, 2014. From the "cut-off date" the interest on the restructured debts has been recomputed and provided at the effective interest rates as per the CDR Scheme.

Details of terms of repayment for the non-current borrowings (including current maturities) and security provided in respect of secured non-current borrowings:

Note 17.2: Term loans from banks:

1) Term loans from banks amounting to INR 169.48 lakhs (March 31, 2020 INR 169.48 lakhs) having interest rate of 10.15% - 10.75% per annum during the year are repayable in 28 quarterly installments, first installment was due in March 2016.

   The above loan is secured against:

   (i) First charge ranking pari passu on present and future fixed assets of the Power projects situated at Fazlika, Nakodar and Morinda in the state of Punjab.

   (ii) Second charge ranking pari passu on present and future current assets of the Power projects situated at Fazlika, Nakodar and Morinda in the state of Punjab.

   (iii) Second charge ranking pari passu on both present and future current assets, as well as fixed assets of Company other than assets exclusively financed to other lenders.

   (iv) Second Pari passu charge on the landed property first charged to DBS and Standard Chartered Bank (SCB) given for Term Loan.

2) Term loans from banks amounting to INR 488.65 lakhs (March 31, 2020 INR 488.65 lakhs) having interest rate from 10.15% - 10.75% per annum during the year are repayable in 21 quarterly installments, first installment was due in March 2016.

   The above loan is secured against:

   (i) First charge ranking pari passu on both present and future current assets as well as fixed assets of the Company other than assets exclusively charged to other lenders.

   (ii) Second charge ranking pari passu on both present and future current assets of the power projects situated at Fazilka, Nakodar and Morinda in the state of Punjab.

   (iii) Second Pari passu charge on the landed property first charged to DBS and SCB given for Term Loan.

3) Term loans from bank amounting to INR 9,437.56 lakhs (March 31, 2020 INR 6,656.60 lakhs), pertains to settlement consideration payable to the bank pursuant to One Time Settlement Agreement (OTS) of facilities taken from bank. For Standard Chartered Bank, it is repayable in 12 installments and the first installment shall be due in July 2018, carrying Nil interest rate till September 30, 2019 and 13% per annum thereafter and for DBS, it is repayable in 9 installments and the first installment shall be due in July 2019. (Refer Note: 43.1).

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

The above mentioned loans of Standard Chartered Bank are secured against:-

i) Equity shares of A2Z Infraservices Limited (""subsidiary company"").

ii) First charge by the way of equitable/registered mortgage over following two immovable properties in unit No 701, 7th Floor, Medicity support area, next to Medanta, Sector 38, Gurgaon Haryana and unit No 801, 8th Floor, Medicity Support Area, Next to Medanta, Sector 38, Gurgaon, Haryana.

The above mentioned loans of DBS Bank are secured against:-

i) Equity shares of A2Z Infraservices Limited (""subsidiary company"").

ii) First charge on the property at B-38, Sector-32, Gurugram of Chavan Rishi International Limited (""subsidiary company"").

iii) Corporate guarantee of Chavan Rishi International Limited (""subsidiary company"")."

Note 17.3: Term loans from financial institution:

The loan amounting to INR 3,805.00 lakhs (March 31, 2020 INR 3,776.35 lakhs) is secured against first pari passu charge on both present and future current assets as well as fixed assets of the biomass based power projects situated at Fazilka, Nakodar and Morinda in the state of Punjab. During the year ended March 31, 2017, the bank had transferred/assigned its fund based outstanding amount recoverable in favour of Edelweiss Assets Reconstruction Company Limited.

The above loan is secured against

(i) First pari passu charge on both present and future current assets as well as fixed assets of the biomass based power projects situated at Fazilka, Nakodar and Morinda in the state of Punjab.

(ii) Second pari-passu charge on fixed assets and current assets on EPC business.

(iii) Second pari-passu charge on exclusive property with DBS and SCB Bank given for the term Loan.

Pursuant to a One Time Settlement (OTS) agreement entered with the bank, the loan has been settled during financial year 2018-19. The same is repayable in 9 quarterly installment and the 1st installment was due in March 2019. (Refer Note 43.1)

Note 17.4 (a) : Working capital term loan:

Working capital term loans from bank amounting to INR 354.30 lakhs (March 31, 2020 INR 354.30 lakhs) having an interest rate of 10.15% - 10.75% per annum as per CDR Scheme are repayable in 29 quarterly installments. First installment was due in March 2015.

The above loan is secured against:

(i) First pari passu charge on both present and future fixed assets as well as current assets of the Company or Borrower other than assets exclusively charged to other lenders.

(ii) Second pari passu charge on both present and future current assets as well as fixed assets of the Power projects situated at Fazlika, Nakodar and Morinda in the state of Punjab.

(iii) Second pari-passu charge on exclusive property with DBS and SCB Bank given for the term Loan.

Note 17.4 (b) (i) : Funded interest term loan -1 (EPC):

Funded interest term loans from bank amounting to INR 817.66 lakhs (March 31, 2020 INR 817.66 lakhs) having an interest rate of 10.15% - 10.75% per annum as per CDR Scheme are repayable in 25 quarterly installments. First installment was due in March 2015.

The above loan is secured against:

(i) First charge by way of mortgage ranking pari passu on both present and future fixed assets as well as current assets of the Company other than assets exclusively charged to other lenders.

(ii) Second charge ranking pari passu on both present and future current assets as well as fixed assets of the Power projects situated at Fazlika, Nakodar and Morinda in the state of Punjab.

(iii) Second Pari passu charge on the landed property first charged to DBS and SCB given for Term Loan.

Note 17.4 (b) (ii) : Funded interest term loan -2 (EPC):

Funded interest term loans from bank amounting to INR 311.24 lakhs (March 31, 2020 INR 311.24 lakhs) having an interest rate of 10.15% - 10.75% per annum as per CDR Scheme are repayable in single installment, which was due in March 2021.

The above loan is secured against:

(i) First charge pari passu on both present and future current asset as well as fixed assets of the EPC business other than assets exclusively charged to lenders.

(ii) Second charge pari passu on both current assets and fixed assets of the 3 biomass power plant projects situated at Fazlika, Nakodar and Morinda in the state of Punjab.

(iii) Second charge pari passu on land property first charged to DBS and SCB given for term loan.

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 17.5: The Company has defaulted in repayment of principal and interest in respect of loans from banks and financial institutions as mentioned below:

	As at March 31, 2021	As at March 31, 2020
Banks:		
- Principal		
0-3 Months	3,092.37	700.00
3-6 Months	-	1,015.14
6-12 Months	567.86	1,798.81
> 12 Months	5,075.16	2,261.20
- Interest		
0-3 Months	298.65	30.71
3-6 Months	49.57	363.86
6-12 Months	616.71	193.27
> 12 Months	773.27	56.86

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Note 18 **: LEASE LIABILITY**				
Lease liability (Refer Note 42)	38.15	30.11	37.53	46.51
	38.15	**30.11**	**37.53**	**46.51**

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Note 19 **: PROVISIONS**				
Provision for employee benefits				
Provision for gratuity (Refer Note 19.ii)	11.48	58.49	22.79	146.62
Provision for compensated absences	2.23	-	6.44	-
Others				
Provision for warranty (Refer Note 19.i)	110.55	1,804.40	48.76	1,093.22
Total	**124.26**	**1,862.89**	**77.99**	**1,239.84**

Movements in provisions:	As at March 31, 2021	As at March 31, 2020
	Amount	Amount
i) Movement in provision for warranty during the financial year are as follows:		
Balance as at beginning of the year	**1,141.98**	**929.19**
Charged/ (credited) to profit or loss		
Additional provision recognised	721.17	716.58
Unwinding of the discounting	51.81	52.88
Amount reversed during the year	(0.01)	(556.67)
Balance as at end of the year	**1,914.95**	**1,141.98**

A provision is recognised for expected warranty claims, based on past experience, for expected cost of meeting obligations of rectification/replacement. It is expected that most of these costs will be incurred in the next 1 year and all would have been

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

incurred within 2 years after the reporting date. The Company accounts for the provision for warranty on the basis of the information available with the management duly taking into account the current and past technical estimates / trends. These estimates are established using historical information on the nature and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

ii) 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. The gratuity plan is governed by the Payment of Gratuity Act, 1972. 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 (Kotak Life Insurance) in the form of a qualifying insurance policy.

Leave wages [Short term employment benefit]:

The employees of the Company are entitled to leave as per the leave policy of the Company. The Company 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 or losses are recognized in Statement of Profit and Loss.

A reconciliation of the Company'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)

	As at March 31, 2021	As at March 31, 2020
Present value of obligation	(71.55)	(170.41)
Fair value of plan assets	1.58	1.00
Net liability	**(69.97)**	**(169.41)**

Expenses recognised during the year

	For the year ended March 31, 2021	For the year ended March 31, 2020
In statement of profit and loss	17.33	32.47
In other comprehensive income	(106.38)	(31.07)
Total expenses recognized during the year	**(89.05)**	**1.40**

Defined benefit obligation

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

Changes in the present value of obligation

	For the year ended March 31, 2021	For the year ended March 31, 2020
Present value of obligation as at the beginning	**170.41**	**174.38**
Current service cost	6.24	19.43
Interest expense	11.16	13.20
Re-measurement or actuarial (gain) / loss arising from:		
- change in demographic assumptions	-	(0.05)
- change in financial assumptions	0.66	11.10
- experience adjustments	(107.06)	(42.11)
Benefits paid	(9.86)	(5.54)
Present value of obligation as at the year end	**71.55**	**170.41**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

Bifurcation of net liability

	As at March 31, 2021	As at March 31, 2020
Current liability (short term)	11.48	22.79
Non-current liability (long term)	58.49	146.62
Net liability	**69.97**	**169.41**

Plan assets

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

Changes in the fair value of plan assets

	As at March 31, 2021	As at March 31, 2020
Fair value of plan assets as at the beginning	**1.00**	**2.08**
Interest income	0.07	0.16
Employer's contribution	10.38	4.29
Benefits paid	(9.86)	(5.54)
Return on plan assets (excluding amount recognised as interest income)	(0.02)	0.01
Fair value of plan assets as at the year end	**1.58**	**1.00**

Expenses recognised in the profit and loss statement

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	6.24	19.43
Net interest cost	11.09	13.04
Expenses recognised in the profit and loss statement	**17.33**	**32.47**

Other comprehensive income

	For the year ended March 31, 2021	For the year ended March 31, 2020
Actuarial (gains) / losses		
- change in demographic assumptions	-	(0.05)
- change in financial assumptions	0.66	11.10
- experience variance (i.e. Actual experience vs assumptions)	(107.06)	(42.11)
Return on plan assets (excluding amount recognised as interest income)	0.02	(0.01)
Components of defined benefit costs recognised in other comprehensive income	**(106.38)**	**(31.07)**

Financial assumptions

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

	As at March 31, 2021	As at March 31, 2020
Discount rate (per annum)	6.40%	6.55%
Salary growth rate (per annum)	5.00%	5.00%

Demographic assumptions

	As at March 31, 2021	As at March 31, 2020
Mortality Rate (% of IALM 12-14)	100.00%	100.00%
Normal Retirement age	60 Years	60 Years
Withdrawal Rate	10.00%	10.00%

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

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 has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting year, while holding all other assumptions constant. The result of sensitivity analysis is given below:

	As at March 31, 2021	As at March 31, 2020
Defined benefit obligation (Base)	71.55	170.41

	As at March 31, 2021		As at March 31, 2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	76.25	67.35	182.94	159.31
(% change compared to base due to sensitivity)	6.60%	(5.9%)	7.35%	(6.51%)
Salary Growth Rate (- / + 1%)	67.67	75.69	159.81	182.01
(% change compared to base due to sensitivity)	(5.4%)	5.80%	(6.22%)	6.81%
Attrition Rate (- / + 50%)	68.41	73.43	162.44	174.63
(% change compared to base due to sensitivity)	(4.4%)	2.60%	(4.68%)	2.47%
Mortality Rate (- / + 10%)	71.52	71.58	170.36	170.47
(% change compared to base due to sensitivity)	0.00%	0.00%	(0.03%)	0.03%

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 from the prior period.

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

	As at March 31, 2021	As at March 31, 2020
Within the next 12 months [next annual reporting period]	13.05	23.80
Between 2 and 5 years	30.14	69.71
Between 6 and 10 years	32.74	84.42
Beyond 10 years	38.31	115.47
Total expected payments	**114.24**	**293.40**

The average duration of the defined benefit plan obligation at the end of the reporting period is 6 years (March 31, 2020: 7 years)

	As at March 31, 2021	As at March 31, 2020
Note 20 **: CURRENT BORROWINGS***		
Carried at amortised cost		
From banks (secured) (Refer Note 20.1 and 20.3)		
Working capital loans	1,849.33	-
Cash credit facilities	24,208.04	23,297.88
From financial institution (secured) (Refer Note 20.2 and 20.3)	2,592.13	2,592.13
Total	**28,649.50**	**25,890.01**

*Refer Note 22.1 and 22.2

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

Note 20.1: Working capital loans from banks and other secured loans

a) The working capital loans of INR 1,849.33 lakhs (March 31, 2020 INR Nil) and Cash credit facilities of INR 24,208.04 lakhs (March 31, 2020 INR 23,297.88 lakhs) from banks are secured against whole of the assets (both current as well as fixed) of the Company, namely stock of raw material, stock in process, semi-finished and finished goods, stores and spares (consumable stores and spares), bills receivables and book debts and all other movables and fixed assets (except fixed assets exclusively financed by other lenders) both present and future stored or to be stored at the Company's godown, premises and division at O-116, First Floor Shopping mall, Arjun Marg, DLF City Phase - I, Gurugram or wherever else the same may be by way of first pari - passu charge amongst the consortium members. The charge is also additionally secured by first charge over immovable properties i.e.

   I) Plot No. G-1030 A having 1500 sq mtr. area situated at Industrial Area, Bhiwadi Phase-III, Bhiwadi, Rajasthan in the name of Shree Balaji Pottery Private Limited;

   II) Plot No. G-1030 having 1500 sq mtr. area situated at Industrial Area, Bhiwadi Phase-III, Bhiwadi, Rajasthan in the name of Shree Hari Om Utensils Private Limited;

   III) Office space on 7th Floor of a B+G+7 storied commercial building on east side of LA-VIDA Mall at CK-3,4, 48, 49 Salt Lake City, Sector-II, Kolkata

   IV) Mortgage of following properties :
      (a) Land measuring 17 Bigha-1 Biswa, situated at village Morinda, Tehsil Chamkur Sahib, District Roop Nagar, Punjab;
      (b) Land measuring about 5.309 Hectare situated at village Palsora, District Indore;
      (c) Land with Boundary wall, Gate No. 70, Vill Sherpur Madho urf Ghania Khera, Near India Brick Kiln, Pargana & Tehsil Bilari, District Moradabad admeasuring about 1.465 Hectare or 3.62 acre;
      (d) Land with Boundary wall, at Gate No. 184, 188, 189, Vill Sherpur Madho urf Ghaniakhera, Near India Brick Kiln, Pargana & Tehsil Bilari, District Moradabad admeasuring about 2.391 Hectare or 5.91 acre;

   V) Additionally, the following properties in the name of personal guarantor's has also been secured by way of first charge:
      (a) Flat, 401, Block A-3, Unitech Apartment, Unitech World, Gurgaon
      (b) Flat, A-126, Type Chancellor on 12th Floor in Regency Park I along with PA-114, DLF City Gurgaon
      (c) Flat, 1706 located at valley view Apartments, Gurgaon
      (d) Flat, 1606 located at valley view Apartments, Gurgaon
      (e) O-116, Shopping Mall, DLF Phase -1, Arjun Marg, Gurgaon

   Further secured by Corporate Guarantees of Shree Hariom Utensils Private Limited and Balaji Pottery Private Limited. The rate of interest vary from 10.15% - 13.25% per annum and these loans are repayable on demand.

b) Second charge on pari-passu basis over all rights, titles, interest, benefits, claims and demands in respect of projects and insurance contracts and over all movable and immoveable properties, accounts, plant and machinery, all other tangible moveable assets both present and future, project book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature in respect of project.

Note 20.2: Term loans from financial institution

Term loans from financial institution amounting to INR 2,592.13 lakhs (March 31, 2020 INR 2,592.13 lakhs), pertains to settlement consideration payable to the bank pursuant to One Time Settlement Agreement (OTS) of facilities taken from bank. For SICOM, it is repayable within 30 days from the date of communication of the shortfall amount i.e. September 18, 2019 along with 19% interest rate per annum with monthly rests w.e.f. September 18, 2019 till the date of actual payment. The above loan is secured by first charge by way of Hypothecation and escrow in favour of SICOM of the entire retention money receivables of the Company both present and future.

Note 20.3: The Company has defaulted in repayment of principal and interest in respect of loans from banks and financial institutions as mentioned below:

	As at March 31, 2021	As at March 31, 2020
Banks:		
- Principal		
0-3 Months	-	1,271.00
3-6 Months	-	6,419.71
6-12 Months	829.73	-
> 12 Months	7,849.82	-
- Interest		
0-3 Months	803.24	896.96
3-6 Months	529.47	395.66
6-12 Months	1,738.82	207.69
> 12 Months	2,078.48	293.57

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2021	As at March 31, 2020
Financial institutions:		
- Principal		
0-3 Months	450.00	400.00
3-6 Months	450.00	400.00
6-12 Months	800.00	3,192.13
> 12 Months	4,697.13	800.00
- Interest		
0-3 Months	154.70	164.29
3-6 Months	401.33	223.16
6-12 Months	781.15	125.16
> 12 Months	1,022.65	172.93

	As at March 31, 2021	As at March 31, 2020
Note 21 **: TRADE PAYABLES**		
Total outstanding dues of micro enterprises and small enterprises (Refer note 21.1 and 21.2)	929.03	53.71
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 21.2)	52,144.15	56,835.05
Total	**53,073.18**	**56,888.76**

Note 21.1*Disclosures under Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) ("MSMD Act, 2006"): The micro and small enterprises have been identified by the Company from the available information. According to such identification, the disclosures in respect to Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is as follows:

	As at March 31, 2021	As at March 31, 2020
Details of dues to micro and small enterprises as per MSMED 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	800.94	23.51
- interest amount	97.89	14.46
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.	-	-
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.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	128.09	30.20
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	-	-

* The information has been given in respect of such vendors to the extent they could be identify as "Micro, Small & Medium Enterprises" on the basis of information available with the Company.

Note 21.2 During the year ended March 31, 2021, the Company has terminated its agreement with a sub-vendor in respect of BSNL Package G with effect from December 12, 2020 as the Company noticed repeated slippages by the sub-vendor in achieving the targets and multifarious breaches under the work and service orders.

Subsequent to year end, the sub-vendor filed an arbitration claim application under section 17 of the Arbitration and Conciliation Act, 1996 before the Arbitral Tribunal against termination of the contract. Final counter claim before the arbitration tribunal will be

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

filed the Company in due course before its due date. Further, Company has assigned an independent technical consultant appointed on behalf of all the lenders of the Company to assess the liability/ recoverability basis the work done by the sub-vendor and slippages noted thereon.

Based on their assessment and upon consideration of advice from the independent legal consultant, the management believes that the Company has reasonable chances of succeeding before the Arbitral Tribunal and does not foresee any material liability. Pending the final decision on the matter, no further adjustment has been made in the standalone financial statements. The auditors have expressed an emphasis of matter on the same."

	As at March 31, 2021	As at March 31, 2020
Note 22 **: OTHER CURRENT FINANCIAL LIABILITIES**		
Current maturities of long term debt (Refer Note 17, 22.1, 22.2 & 22.3)	15,344.06	12,350.90
Derivative liability (Refer note 36)	-	2,762.56
Interest accrued (Refer Note 22.1)	4,425.69	1,860.19
Book overdrafts	-	185.73
Security deposits received	2,939.36	3,120.40
Payable against purchase of property, plant and equipment	20.48	17.32
Total	**22,729.59**	**20,297.10**

Note 22.1 The loan accounts of the Company have been classified as Non- Performing Assets by certain banks and they have not charged interest on the said accounts and also the Company has not charged interest on borrowings from certain banks/ Asset Reconstruction Company which had entered into Settlement agreement(s), therefore provision for interest has not been made in the books of accounts and to that extent interest costs and loan liabilities have been understated. The extent of exact amount is under determination and reconciliation with the bank, however as per the details available, the amount of unaccrued interest, on approximate basis, on the said loans (other than the borrowings of few banks which are regular) amounts to INR 3,384.95 lakhs and INR 5,971.40 lakhs for the year ended March 31, 2021 and as at March 31, 2021 respectively (INR 1,809.46 lakhs for the year ended March 31, 2020). The Company is already in discussion with the said banks and Asset Reconstruction Company for settlement of their dues. The auditors have expressed disclaimer of opinion on the same.

Note 22.2 The Company had entered into Settlement agreement(s) ('Agreements') with certain banks/assets reconstruction company ('the Lenders') during the years/period ended March 31, 2018, March 31, 2019 and June 30, 2019 wherein it had settled the outstanding borrowings by issue of equity shares, upfront payments and deferred instalments. As at March 31, 2021, the Company has delayed payments in respect of the certain deferred instalments amounting INR 15,365.13 lakhs (March 31, 2020 : INR 11,560.13 lakhs) which were due and payable pursuant to these Agreements. So far the lenders have not given any written notice on event of default as per the agreements and the management is in discussions with the Lenders to condone the aforementioned delays.

Further, certain Lenders have filed an application with Debt Recovery Tribunal and other judicial authorities for recovery of its dues as they existed prior to the settlement agreement entered with it in earlier period. However, basis the agreed terms/discussions, management believes that no additional liability shall devolve on the Company in addition to the carrying value of such liability as at March 31, 2021. The Company is in the process of negotiations/ reconciliations of its outstanding obligations carried in these standalone financial statements.

Pursuant to the above discussions with the lenders, management is confident that no material impact will devolve on the Company in respect of aforementioned delays. The auditors have expressed disclaimer of opinion on the same.

Note 22.3 Includes provision of INR 2,762.56 lakhs (March 31, 2020 INR Nil) pertaining to amount payable on account of pre-emptive options agreement entered with lender for One Time Settlement of its dues.

	As at March 31, 2021	As at March 31, 2020
Note 23 **: OTHER CURRENT LIABILITIES**		
Advance purchase consideration against sale of property, plant and equipment	21.00	21.00
Advances from customers	3,873.67	4,016.89
Billing in excess of contract revenue	4,990.98	3,637.59
Other payables	8.05	615.59
Statutory dues payable (Refer Note 11 and 23.1)	11,831.90	13,280.67
Total	**20,725.60**	**21,571.74**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

Note 23.1 The Company has recorded certain adjustments in the Goods and Services Tax ('GST') returns for the FY 2018-19 to 2020-21 relating to cross charge billings related to services rendered/ cost incurred from one state to other states within the purview of different GSTIN registrations, as per the advice of independent GST consultant to comply with the requirements of the GST laws.

Further, the Company had issued certain invoices to their customers which were accepted by such customers in subsequent periods. Therefore, the Company had disclosed such invoices in their GST returns filed during the FY 17-18 to 20-21 in the subsequent periods in which such invoices were accepted by such customers.

However, in our view, the above-mentioned adjustments in GST returns do not impact the financial statements of the Company for the respective years.

The Company was not able to file the aforementioned GST returns within the due date due to on-going Covid-19 and liquidity crunch. However, the management accrued for interest provision on delayed filling of GST returns in the books of accounts. Accordingly, the management believes that there will be no further impact on the standalone financial statements. The auditors have expressed disclaimer of opinion on the same.

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 24* : REVENUE FROM OPERATIONS		
Operating revenues:		
Sale/rendering of services		
Revenue from engineering services	18,660.10	37,590.07
Revenue from sale of power	-	241.00
Revenue from operation and maintenance services	36.48	384.09
Revenue from professional services	3.26	281.32
Other operating revenues:		
Sale of traded goods	85.30	26.16
Total	**18,785.14**	**38,522.64**

* Refer Note- 41

	For the year ended March 31, 2021	For the year ended March 31, 2020
***Note 25* : OTHER INCOME**		
Interest income		
on fixed deposits	29.80	111.82
on loan given to subsidiaries/associate	1,154.79	1,063.22
on others	171.59	1.20
Other non-operating income		
Scrap sales	-	285.31
Liabilities written back	469.00	161.79
Foreign exchange fluctuation(net)	-	34.86
Profit for sale of investment (net)	3.50	-
Miscellaneous	16.60	270.40
Total	**1,845.28**	**1,928.60**

	For the year ended March 31, 2021	For the year ended March 31, 2020
***Note 26* : COST OF MATERIALS CONSUMED**		
Opening inventory	-	394.13
Add: Purchases	6,901.23	12,673.61
Less: Recovery from contractors	-	(3.10)
Less: Inventory written off	-	(108.02)
Less: Closing inventory	-	-
Material consumed	**6,901.23**	**12,956.62**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Freight and cartage	100.83	290.62
Sub contractor / erection expenses	7,988.19	18,388.73
Labour charges	112.86	26.62
Fabrication expenses	0.06	20.79
Site expenditure	13.72	47.06
Technical consultancy for projects	1,210.24	1,368.70
Power plant running expenses	-	583.54
Other direct cost	147.07	323.64
Total	**16,474.20**	**34,006.32**

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 27 **: EMPLOYEE BENEFITS EXPENSE**		
Salaries and bonus including directors' remuneration	342.31	1,366.03
Contribution to provident and other funds (Refer Note 27.1)	8.36	55.51
Gratuity (Refer Note 19 ii)	17.33	32.47
Compensated absences benefits	(4.21)	(4.15)
Share-based payments (Refer Note 27.2)	103.19	269.05
Staff welfare expenses	9.85	31.33
Total	**476.83**	**1,750.24**

Note 27.1 Defined contribution plan

The Company 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 contributions are made to registered provident fund administered by the government. The obligation of the company 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 8.36 Lakhs (March 31, 2020 INR 55.51 Lakhs).

Note 27.2 Share-based employee remuneration

(a) A2Z Stock Option Plan 2010

During the year ended March 31, 2010, the Company had formulated Employee Stock Option Scheme referred as 'A2Z Stock Option Plan 2010 ('the plan')' for all eligible employees/ directors of the Company except an employee who is promoter or belongs to the promoter company of the Company and its subsidiaries in pursuance of the special resolution duly approved by the shareholders on March 30, 2010.

The plan shall be administered and supervised by the Nomination and Remuneration Committee under the powers delegated by Board. Each option shall entitle the option grantee to apply for and be transferred equity shares of the Company. On or from the time of the listing of the equity shares of the Company, the maximum number of options that can be granted to any employee in any year under the A2Z ESOP shall be less than 5% of the issued share capital of the Company (excluding any outstanding warrants or other securities convertible into equity shares) at the time of grant of options, subject to the overall ceiling of 2,865,056 number of options in the aggregate.

(b) A2Z Employees Stock Option Plan, 2013- Tranche II

The members of the Company vide special resolution at the Annual General Meeting held on September 28, 2013 had approved the A2Z Employees Stock Option Plan, 2013. The ESOP Compensation Committee in its meeting held on July 3, 2014 has granted 1,905,000 number of stock options convertible into equivalent number of equity shares of INR 10.00 each to the eligible employees / directors of the Company and its subsidiary companies at the exercise price of INR 19.95 each which is BSE closing market price on July 02, 2014 (i.e. previous trading day of the grant date). The entire granted stock options shall vest and will be exercisable 30% on the first anniversary, 30% on the second anniversary & 40% on the third anniversary of the grant date till completion of five years since then.

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

(c) A2Z Employees Stock Option Plan, 2014

The members of the Company vide special resolution at the Annual General Meeting held on September 27, 2014 had approved the A2Z Employees Stock Option Plan, 2014. The ESOP Compensation Committee in its meeting held on July 6, 2015 has granted 4,500,000 number of stock options convertible into equivalent number of equity shares of INR 10.00 each to the eligible employees / directors of the Company and its subsidiary companies at the exercise price of INR 15.50 each which is NSE closing market price on July 03, 2015 (i.e. previous trading day of the grant date). The entire granted stock options shall vest and will be exercisable 30% on the first anniversary, 30% on the second anniversary & 40% on the third anniversary of the grant date till completion of five years since then.

(d) A2Z Employees Stock Option Plan, 2013 & 2014 (Regrant)

The Nomination and remuneration Committee in its meeting held on August 17, 2017 has regranted 1,760,000 number of stock options (788,000 against stock option lapses under A2Z Employee Stock Options Plan, 2013 and 972,000 against stock options lapses under A2Z Employee Stock Options Plan, 2014) convertible into equivalent number of equity shares of INR 10.00 each to the eligible employees/directors of the Company and its subsidiary companies at the exercise price of INR 36.90 each which is NSE closing market price on August 16, 2017 (i.e. previous trading day of the grant date). The entire granted stock options shall vest and will be exercisable 30% on the first anniversary, 30% on the second anniversary and 40% on the third anniversary of the grant date till completion of five years since then.

(e) A2Z Employees Stock Option Plan, 2018- Tranche I

The members of the Company vide special resolution at the Annual General Meeting held on September 29, 2018 had approved the A2Z Employees Stock Option Plan, 2018. The ESOP Compensation Committee in its meeting held on October 24, 2018 has granted 3,800,000 stock options convertible into equivalent number of equity shares of INR 10.00 each to the eligible employees/Directors of the Company and its subsidiary companies at the exercise price of INR 10.00 each . The entire granted stock options shall vest and will be exercisable 30% on the first anniversary, 30% on the second anniversary and 40% on the third anniversary of the grant date till completion of five years since then.

(f) A2Z Employees Stock Option Plan, 2018- Tranche II

The members of the Company vide special resolution at the Annual General Meeting held on September 29, 2018 had approved the A2Z Employees Stock Option Plan, 2018. The ESOP Compensation Committee in its meeting held on April 8, 2019 has granted 1,200,000 stock options convertible into equivalent number of equity shares of INR 10.00 each to the eligible employees/ Directors of the Company and its subsidiary companies at the exercise price of INR 10.00 each . The entire granted stock options shall vest and will be exercisable 50% on the first anniversary and 50% on the second anniversary of the grant date till completion of five years since then.

	ESOP 2010 plan (Number of shares)	Programme weighted average exercise price per share	ESOP 2013-II Plan (Number of shares)	Programme weighted average exercise price per share	ESOP 2014 Plan (Number of shares)	Programme weighted average exercise price per share
Outstanding as at April 1, 2019	**77,800**	**314.13**	**269,000**	**19.95**	**1,915,000**	**15.50**
Granted	-	-	-	-	-	-
Lapsed/forfeited	41,950	314.13	-	-	160,000	15.50
Exercised	-	-	-	-	-	-
Outstanding as at March 31, 2020	**35,850**	**314.13**	**269,000**	**19.95**	**1,755,000**	**15.50**
Granted	-	-	-	-	-	-
Lapsed/forfeited	35,850	314.13	1,500	19.95	320,000	15.50
Exercised	-	-	-	-	-	-
Outstanding as at March 31, 2021	**-**	**-**	**267,500**	**19.95**	**1,435,000**	**15.50**
Exercisable at March 31, 2020	35,850	314.13	269,000	19.95	1,755,000	15.50
Exercisable at March 31, 2021	-	-	267,500	19.95	1,435,000	15.50

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	ESOP 2013 & 2014 (Regrant I) Plan (Number of shares)	Programme weighted average exercise price per share	ESOP 2018-I Plan (Number of shares)	Programme weighted average exercise price per share	ESOP 2018-II Plan (Number of shares)	Programme weighted average exercise price per share
Outstanding as at April 1, 2019	**1,270,000**	**36.90**	**3,800,000**	**10.00**	**-**	**-**
Granted	-	-	-	-	1,200,000	10.00
Lapsed/forfeited	-	-	25,000	10.00	-	-
Exercised	-	-	-	-	-	-
Outstanding as at March 31, 2020	**1,270,000**	**36.90**	**3,775,000**	**10.00**	**1,200,000**	**10.00**
Granted	-	-	-	-	-	-
Lapsed/forfeited	255,000	36.90	275,000	10.00	-	-
Exercised	-	-	-	-	-	-
Outstanding as at March 31, 2021	**1,015,000**	**36.90**	**3,500,000**	**10.00**	**1,200,000**	**10.00**
Exercisable at March 31, 2020	1,270,000	36.90	3,775,000	10.00	1,200,000	10.00
Exercisable at March 31, 2021	1,015,000	36.90	3,500,000	10.00	1,200,000	10.00

The following table lists the inputs to the models used for the ESOP plans as at March 31, 2021:

	ESOP 2010 Plan	ESOP 2013-II Plan	ESOP 2014 Plan	ESOP 2013 & 2014 (Regrant I) Plan (Number of shares)	ESOP 2018-I Plan	ESOP 2018-II Plan
Grant date	June 2, 2010	July 3, 2014	July 6, 2015	August 17, 2017	October 24, 2018	April 8, 2019
Vesting period ends	June 1, 2015	July 2, 2017	July 5, 2018	August 16, 2020	October 23, 2021	April 7, 2021
Share price at date of grant	INR 221.75	INR 14.52	INR 10.48	INR 39.40	INR 10.40	INR 18.75
Volatility	34.93%	67.05%	65.50%	50.14%	61.62%	58.73%
Option life	10 years	8 years	8 years	8 years	8 years	7 years
Dividend yield	2.25%	0%	0%	0%	0%	0%
Risk-free investment rate	7.45%	8.64%	8.19%	6.74%	7.38%	6.67%
Fair value at grant date	INR 58.23	INR 14.52	INR 11.15	INR 24.81	INR 6.09	INR 12.81
Exercise price at date of grant	INR 314.13	INR 19.95	INR 15.50	INR 36.90	INR 10.00	INR 10.00
Exercisable from	June 2, 2015	July 3, 2017	July 6, 2018	August 17, 2020	October 24, 2021	April 8, 2021
Exercisable till	June 1, 2020	July 2, 2022	July 5, 2023	August 16, 2025	October 23, 2026	April 7, 2026
Weighted average remaining contractual life (In years)	-	1.25	1.87	3.48	4.66	4.52
Model used	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes

The following table lists the inputs to the models used for the ESOP plans as at March 31, 2020:

	ESOP 2010 Plan	ESOP 2013-II Plan	ESOP 2014 Plan	ESOP 2013 & 2014 (Regrant I) Plan (Number of shares)	ESOP 2018-I Plan	ESOP 2018-II Plan
Grant date	June 2, 2010	July 3, 2014	July 6, 2015	August 17, 2017	October 24, 2018	April 8, 2019
Vesting period ends	June 1, 2015	July 2, 2017	July 5, 2018	August 16, 2020	October 23, 2021	April 7, 2021
Share price at date of grant	INR 221.75	INR 14.52	INR 10.48	INR 39.40	INR 10.40	INR 18.75
Volatility	34.93%	67.05%	65.50%	50.14%	61.62%	58.73%
Option life	10 years	8 years	8 years	8 years	8 years	7 years
Dividend yield	2.25%	0%	0%	0%	0%	0%

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
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	ESOP 2010 Plan	ESOP 2013-II Plan	ESOP 2014 Plan	ESOP 2013 & 2014 (Regrant I) Plan (Number of shares)	ESOP 2018-I Plan	ESOP 2018-II Plan
Risk-free investment rate	7.45%	8.64%	8.19%	6.74%	7.38%	6.67%
Fair value at grant date	INR 58.23	INR 14.52	INR 11.15	INR 24.81	INR 6.09	INR 12.81
Exercise price at date of grant	INR 314.13	INR 19.95	INR 15.50	INR 36.90	INR 10.00	INR 10.00
Exercisable from	June 2, 2015	July 3, 2017	July 6, 2018	August 17, 2020	October 24, 2021	April 8, 2021
Exercisable till	June 1, 2020	July 2, 2022	July 5, 2023	August 16, 2025	October 23, 2026	April 7, 2026
Weighted average remaining contractual life (In years)	0.17	2.24	2.94	4.48	5.66	5.52
Model used	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 28 **: FINANCE COSTS**		
Interest expense (Refer Note 22.1)[*]	4,600.86	4,404.76
Other borrowing costs		
Bank commission and other charges	219.48	469.38
Total	**4,820.34**	**4,874.14**
[*] The break up of interest expense into major heads is given below:		
On term loans	226.17	142.73
On other bank loans	2,562.52	3,018.51
On others	1,812.17	1,243.52
Total	**4,600.86**	**4,404.76**

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 29 **: DEPRECIATION AND AMORTISATION EXPENSES**		
Depreciation of property, plant and equipment (Refer Note 3)	407.50	972.02
Amortisation of intangible assets (Refer Note 4)	0.88	0.59
Depreciation on Right to use asset (Refer Note 3)	44.40	28.53
Total	**452.78**	**1,001.14**

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 30 **: OTHER EXPENSES**		
Electricity	29.44	50.52
Rent (Refer Note 42)	37.82	116.05
Rates and taxes	56.56	53.22
Insurance	20.77	82.22
Repair and maintenance - Others	17.80	80.38
Traveling expenses	90.67	257.41
Communication expenses	8.84	15.06
Printing and stationery	2.83	15.24
Legal and professional fees	182.97	501.73

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
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	For the year ended March 31, 2021	For the year ended March 31, 2020
Director sitting fees	12.75	16.00
Payment to auditors (Refer Note 30.1)	101.55	117.91
Foreign exchange fluctuation(net)	47.47	-
Loss on disposal of property, plant and equipment	71.59	7.54
Provision for contract revenue in excess of billing	231.58	165.35
Inventory written off	-	108.02
Provision for bad and doubtful debts	1,980.27	3,130.90
Provision for bad and doubtful loans, advances and other receivables	2,938.55	947.92
Fees and subscription / inspection charges	26.91	19.92
Business promotion	4.87	19.70
Warranty expense (Refer Note 19.i)	721.17	716.58
Bad debts written off	-	0.04
Advances written off	35.94	-
Liquidated charges	-	115.77
Miscellaneous expenses	74.51	130.12
Total	**6,694.86**	**6,667.60**

Note 30.1 : Details of payment to auditors*

	For the year ended March 31, 2021	For the year ended March 31, 2020
As auditor		
Statutory audit fee	37.50	44.50
Limited review fee	37.50	54.00
Certification fee	2.60	0.75
Other matters**	18.59	12.78
Reimbursement of expenses	5.36	5.88
Total	**101.55**	**117.91**

* Excluding Goods and Service Tax, as applicable.

** Including INR 9.84 lakhs as audit fee of branch auditor (March 31, 2020 INR 10.78 lakhs)

Note 31:

The Company has incurred a net loss after tax of INR 8,314.22 lakhs for the year ended March 31, 2021 (March 31, 2020 INR 29,088.70 lakhs) and accumulated losses amounting INR 80,722.77 lakhs as at March 31, 2021 (March 31, 2020 INR 72,673.92 lakhs) and is presently facing acute liquidity problems on account of delayed realization of trade receivables coupled with delays in commencement of commercial production at its biomass-based power generation plants. Also, two of the banks and four other parties have filed an application with the National Company Law Tribunal (NCLT) for recovery of its dues amounting to INR 10,696.64 lakhs and INR 756.96 lakhs respectively. The matters have not been admitted yet with the NCLT and the management is in discussion with the said lender and parties for amicably settling the matters. Further, during the previous year, because of delays in required extension of performance security, one of the customers has invoked the bank guarantee submitted by the Company amounting to INR 6,500.00 lakhs and converted into cash security as a fixed deposit and used it as security margin for providing a limit of Letter of Credit to facilitate timely payments to vendors for ensuring early completion of the project. The Company has also delayed in repayments due to certain lenders as further detailed in note 22.1 and 22.2. Conditions explained above, indicate existence of uncertainties that may cast significant doubt on the Company's ability to continue as a going concern due to which the Company may not be able to realise its assets and discharge its liabilities in the normal course of business. However, the management is evaluating various options and has entered into one-time settlement agreements with various lenders (as described in note 22.2), including interest and other related terms and conditions apart from further negotiating the terms with the remaining lenders for settlement of its existing debt obligations. Further the management is in discussions with certain customers for an immediate recovery of the amount due from them and believes that the substantial portion of such trade receivables shall be realized within

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
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the upcoming year. Management believes that the Company will be able to settle its remaining debts in the due course and in view of the proposed settlement of debt obligations together with the expected increased realisation from the trade receivables, a new facility from a lender and expected start of commercial production of the biomass-based power generation plants, no adjustments are required in the standalone financial statements and accordingly, these have been prepared on a going concern basis. The auditors have expressed disclaimer of opinion on the same.

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 32 **: TAX EXPENSE**		
Current tax		
Current tax expense*	10.64	3.60
	10.64	**3.60**
Deferred tax		
Deferred tax expenses (Refer Note 8)	14.99	3,606.00
Tax expense	**25.63**	**3,609.60**

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

	For the year ended March 31, 2021	For the year ended March 31, 2020
Loss before tax	(8,288.59)	(25,479.10)
Corporate tax rate as per income tax act, 1961	25.17%	25.17%
Tax on accounting profit	**(2,086.24)**	**(6,413.09)**
i) Tax effect on non deductible expenses/non taxable income	313.15	(833.49)
ii) Tax effect on temporary timing differences on which deferred tax not created	1,121.70	2,739.30
iii) Tax effect on losses of current year on which no deferred tax is created	643.62	3,475.31
iv) Tax effect on temporary timing differences on which deferred tax was created, now reversed during the year	-	4,003.53
v) Effect of change in tax rates	33.40	638.04
Tax expense	**25.63**	**3,609.60**

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

	As at March 31, 2021			As at March 31, 2020		
	Base amount	**Deferred tax**	**Expiry date (Assessment year)**	**Base amount**	**Deferred tax**	**Expiry date (Assessment year)**
Tax losses						
Assessment Year 2013-14	-	-	March 31, 2022	2,507.61	631.17	March 31, 2022
Assessment Year 2014-15	13,971.29	3,516.57	March 31, 2023	13,971.29	3,516.57	March 31, 2023
Assessment Year 2015-16	15,307.92	3,853.00	March 31, 2024	15,307.92	3,853.00	March 31, 2024
Assessment Year 2017-18	11,147.83	2,805.91	March 31, 2026	11,147.83	2,805.91	March 31, 2026
Assessment Year 2018-19	3,352.60	843.85	March 31, 2027	3,352.60	843.85	March 31, 2027
Assessment Year 2019-20	21,852.36	5,500.24	March 31, 2028	23,276.00	5,858.57	March 31, 2028
Assessment Year 2020-21	5,846.44	1,471.55	March 31, 2029	12,590.25	3,168.97	March 31, 2029
Assessment Year 2021-22	1,443.80	363.40	March 31, 2030	-	-	-
Total	**72,922.24**	**18,354.52**		**82,153.50**	**20,678.04**	

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

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

	As at March 31, 2021			As at March 31, 2020		
	Base amount	Deferred tax	Expiry date (Assessment year)	Base amount	Deferred tax	Expiry date (Assessment year)
Unabsorbed depreciation	10,540.27	2,652.99	Not applicable	9,536.89	2,400.43	Not applicable
Provision for doubtful advances	6,968.16	1,753.89	Not applicable	7,295.21	1,836.20	Not applicable
Impairment loss	22,413.72	5,641.53	Not applicable	22,413.72	5,641.53	Not applicable
	39,922.15	**10,048.41**		**39,245.82**	**9,878.16**	

* The Company had elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019 during the previous year. Accordingly, the Company has recognised provision for income-tax for the quarter and year ended March 31, 2021 and re-measured its deferred tax assets/liabilities basis the rate prescribed in the aforesaid section.

Note 33 : EARNINGS PER SHARE (EPS)

Both the basic and diluted earnings per share have been calculated using the Profit/(loss) attributable to shareholders of the Company as the numerator, i.e. no adjustments to profit/(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:

	As at March 31, 2021	As at March 31, 2020
Weighted average number of shares used in basic earnings per share	176,119,858	176,119,858
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	**176,119,858**	**176,119,858**

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

(Loss)/Profit attributable to shareholders	INR in Lakhs	(8,314.22)	(29,088.70)
Weighted average number of equity shares outstanding during the year	Numbers	176,119,858	176,119,858
Nominal value of equity share	INR	10.00	10.00
Basic EPS	INR	(4.72)	(16.52)
Diluted EPS	INR	(4.72)	(16.52)

Note 34 : INFORMATION ABOUT INTEREST IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE

A) Interest in subsidiaries

The Company's interest and share in subsidiaries including step down subsidiaries.

S. No.	Name	Principal place of business	Proportion of ownership interest as at March 31, 2021	Proportion of ownership interest as at March 31, 2020
I	**Subsidiary companies**			
1	A2Z Infraservices Limited	India	93.83%	93.83%
2	A2Z Powercom Limited	India	100.00%	100.00%
3	Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) (till December 18, 2020) (Refer Note 34.5)	India	0.00%	100.00%
4	Mansi Bijlee & Rice Mills Limited	India	100.00%	100.00%
5	Magic Genie Services Limited	India	75.00%	75.00%
6	Chavan Rishi International Limited	India	100.00%	100.00%
7	A2Z Maintenance & Engineering Services Limited and Satya Builders (Association of person)	India	60.00%	60.00%

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
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S. No.	Name	Principal place of business	Proportion of ownership interest as at March 31, 2021	Proportion of ownership interest as at March 31, 2020
II	**Step down subsidiaries**			
a)	**Subsidiaries of A2Z Infraservices Limited**			
1	Ecogreen Envirotech Solutions Limited (Refer note 34.6)	India	49.00%	49.00%
2	A2Z Infraservices Lanka Private Limited (Refer Note 34.2)	Sri Lanka	51.00%	51.00%
3	A2Z Waste Management (Aligarh) Limited (Refer Note 34.4) (w.e.f July 15, 2019)	India	80.00%	80.00%
4	A2Z Waste Management (Ludhiana) Limited (Refer Note 34.4) (w.e.f July 15, 2019)	India	70.00%	70.00%
b)	**Subsidiary of A2Z Waste Management (Ludhiana) Limited**			
1	Magic Genie Smartech Solutions Limited	India	100.00%	100.00%
2	Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) (w.e.f. December 19, 2020)	India	100.00%	0.00%
B)	**Associates**			
	The Company's interest and share in Associate Companies			
I	**Associate Companies**			
1	Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ('GWML')	India	42.61%	42.61%
2	A2Z Waste Management (Nainital) Private Limited (Refer Note 34.1)	India	48.00%	48.00%
II	**Subsidiaries of Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ('GWML')**			
1	A2Z Waste Management (Moradabad) Limited	India	80.00%	80.00%
2	A2Z Waste Management (Merrut) Limited	India	80.00%	80.00%
3	A2Z Waste Management (Varanasi) Limited	India	80.00%	80.00%
4	A2Z Waste Management (Jaunpur) Limited	India	100.00%	100.00%
5	A2Z Waste Management (Badaun) Limited	India	100.00%	100.00%
6	A2Z Waste Management (Sambhal) Limited	India	100.00%	100.00%
7	A2Z Waste Management (Mirzapur) Limited	India	100.00%	100.00%
8	A2Z Waste Management (Balia) Limited	India	100.00%	100.00%
9	A2Z Waste Management (Fatehpur) Limited	India	100.00%	100.00%
10	A2Z Waste Management (Ranchi) Limited	India	100.00%	100.00%
11	A2Z Waste Management (Dhanbad) Private Limited	India	100.00%	100.00%
12	Shree Balaji Pottery Private Limited	India	100.00%	100.00%
13	Shree Hari Om Utensils Private Limited	India	100.00%	100.00%
14	A2Z Waste Management (Jaipur) Limited (Refer Note 34.3)	India	80.00%	80.00%
15	A2Z Waste Management (Ahmedabad) Limited	India	100.00%	100.00%
16	Earth Environment Management Services Private Limited	India	100.00%	100.00%
III	**Associate of Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ('GWML')**			
1	A2Z Waste Management (Ludhiana) Limited (w.e.f July 15, 2019)	India	30.00%	30.00%
2	A2Z Waste Management (Nainital) Private Limited (Refer Note 34.1)	India	26.00%	26.00%
IV	**Associate of A2Z Waste Management (Ludhiana) Limited**			
1	Ecogreen Envirotech Solutions Limited (Refer note 34.6)	India	51.00%	51.00%

Note 34.1: The Company directly holds 48% (March 31, 2020 : 48%) of the share capital and 26% (March 31, 2020 : 26%) indirectly through its associate, Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ('GWML').

Note 34.2: A2Z Infraservices Limited is initial shareholder by virtue of shares subscription arrangement with A2Z Infraservices Lanka Private Limited and has committed to make investment in the company.

Note 34.3: The Company directly holds 20% (March 31, 2020 20%) of the share capital and 80% (March 31, 2020 80%) indirectly through its associate, Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ('GWML').

Note 34.4: A2Z Waste Management (Aligarh) Limited and A2Z Waste Management (Ludhiana) Limited (alongwith with its subsidiary

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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company) i.e. "Magic Genie Smartech Solutions Limited") ceased to be subsidiary of Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ('GWML') and became subsidiary of A2Z Infraservices Limited with effect from July 15, 2019. As a result, these two companies have become step subsidiaries of A2Z Infra Engineering Limited.

Note 34.5: Company has transferred its 100% stake held in Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) ("a Wholly Owned Subsidiary Company of the Company") to A2Z Waste Management (Ludhiana) Ltd., an indirect subsidiary of the Company. Henceforth, Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) ceased to be the wholly owned subsidiary of the Company and became an indirect subsidiary of the Company w.e.f. December 19, 2020.

Note 34.6: Ecogreen Envirotech Solution Limited is direct subsidiary of A2Z Infraservices Limited as A2Z Infraservices Limited holds 49% shareholding in the Ecogreen Envirotech Solutions Limited along with management control and remaining 51% shares are held by A2Z Waste Management (Ludhiana) Limited.

C) Interest in joint ventures

The Company's interest and share in joint ventures in the jointly controlled operations as at March 31, 2021 and March 31, 2020 are as follows:

S. No.	Name of Joint Venture partner	Description of Interest	Nature of Project	Ownership Interest	Country of Incorporation
1	M/s UB Engineering Limited (UBEL)	Jointly controlled operations	A Joint Venture Agreement effective from June 18, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Maharashtra State Electricity Transmission Company Limited for Design, Manufacture and Supply of all materials, execution of relevant civil works, erection, testing and commissioning of new 220KV Sub-station at Airoli, Sonkhar & Vasai and 132 KV Substation at Jam, Patur, Ghatanji, Wardha, Akola, Pandharkawda, Elichpur and Kundalwadi on turnkey basis.	See Note 34(c).1 below	*
2	M/s UB Engineering Limited (UBEL)	Jointly controlled operations	A Joint Venture Agreement effective from December 12, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Construction of 220/132KV Grid Sub-Station at Bishnah (J&K).	See Note 34(c).1 below	*
3	M/s UB Engineering Limited (UBEL)	Jointly controlled operations	A Joint Venture Agreement effective from December 31, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Construction of 220/132KV Grid Sub-Station at Budgam (Pkg A) & Mir Bazar (Pkg B).	See Note 34(c).1 below	*
4	M/s UB Engineering Limited (UBEL)	Jointly controlled operations	A Joint Venture Agreement effective from June 14, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Bihar State Electricity Board for Turnkey Construction of 220/132/33 KV Grid station at Begusarai.	See Note 34(c).1 below	*
5	M/s Southern Petrochemical Industries Corporation Limited (SPIC - SMO)	Jointly controlled operations	A Joint Venture Agreement effective from January 21, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of 220kv D/C Wagoora-Budgam Zainakot Transmission Line in Kashmir Valley.	See Note 34(c).1 below	*
6	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly controlled operations	A Joint Venture Agreement effective from February 15, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of Construction of 1x20 MVA, 132/33 KV Grid Sub-Station at Chandak, District Poonch (J&K).	See Note 34(c).1 below	*
7	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly controlled operations	A Joint Venture Agreement effective from February 15, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of Construction of 1x50 MVA, 132/33 KV Grid Sub-Station at Battal, Manwal, District Udhampur (J&K).	See Note 34(c).1 below	*
8	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly controlled operations	A Joint Venture Agreement effective from November 15, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package for Survey, Engineering, Design, Fabrication of Lattice Type Structures Galvanisation Supply of Structures, Laying of foundation, Protection Works, Erection of Towers, laying & stringing of ACSR PANTHER Conductor, Testing and Commissioning of Transmission lines from Badampora – Bandipora and from Lassipora – Sopian.	See Note 34(c).1 below	*
9	M/s Linkwell Telesystems Private Limited	Jointly controlled operations	Joint Venture Agreement effective from August 9, 2008.The principal activity of the Venture is to bid jointly and enter into contract with Madhya Pradesh Poorva Kshetra Vidyut Vitaran Co. Ltd. ('MPPKVVCL'), Jabalpur for design, manufacture, supply, install, commission, operate and maintain Remote Metering of LT Consumers above 10 BHP.	See Note 34(c).1 below	*
10	M/s Shyama Power (India) Private Limited	Jointly controlled operations	Joint Venture effective from August 22, 2008. The principal activity of the Venture is to submit a bid jointly and enter into contract with NHPC Ltd for the design manufacture, supply and erection, testing and commissioning of Equipment / Materials stipulated in the bidding documents for Rural Electrification works along with 66 KV Transmission Line each in Leh and Kargil District of Jammu & Kashmir.	See Note 34(c).1 below	*

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
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S. No.	Name of Joint Venture partner	Description of Interest	Nature of Project	Ownership Interest	Country of Incorporation
11	M/s Cobra Instalaciones Y Servicios, S.A	Jointly controlled operations	Joint Venture agreement effective from December 12, 2008. The principal activity of the venture is to bid for tender and enter into contract with Maharashtra State Electricity Transmission Company Limited (MSETCL), Mumbai for Design, Manufacture and Supply of all materials execution of relevant civil works, erection, testing and commissioning for establishment of new 220 KV Sub-Station at Kudus, Talegaon, Jath, Patoda, Bhokardhan and 132 KV Sub-station at Badnapur on Turnkey basis.	See Note 34(c).1 below	*
12	M/s Karamtara Engineering Private Limited	Jointly controlled operations	Joint Venture agreement effective from July 10, 2009. The principal activity of the venture is to bid for tender and enter into contract with Power Grid Corporation of India Limited (PGCIL) for Design, Manufacture, Supply, Erection, Testing & Commissioning of Equipments/Materials for 765 KV S/C Meerut-Agra Transmission Line (Part-I) associated with 765 KV system for central part of Northern Grid.	See Note 34(c).1 below	*
13	M/S Richardson & Cruddas (1972) Limited	Jointly controlled operations	Joint Venture agreement effective from September 19, 2008. The principal activity of the venture is to bid for tender and enter into contract with Rajasthan Rajya Vidyut Prasaran Nigam Ltd. (RRVPNL), Jaipur for Design, Manufacture and Supply of materials for construction of 220KV/132KV transmission lines on turnkey basis.	See Note 34(c).1 below	*
14	M/S Satya Builders	Jointly controlled operations	Joint Venture agreement effective from September 17, 2010. The principal activity of the venture is survey, design, supply of all material & labour, T & P and laying of Branch – lateral, Main and Trunk sewer lines and appurtenants works under Mussoorie sewerage in different Zones of Mussoorie, Dehradun under Urban Infrastructure Development Scheme for Small & Medium Towns (UIDSSMT) Programme.	See Note 34(c).2 below	*
15	M/S Sudhir Power Projects Limited	Jointly controlled operations	Joint Venture agreement effective from May 8, 2013. The principal activity of the venture is procurement of plant, design, supply and installation of package - 21(B) - 132 KV substation Urlana with 2*40/50 MVA, 132/33 KV transformers, 66 KV substation Sector 20, Panchkula with 2*25/31.5 MVA, 66/11 KV transformers, 66 KV substation Laha with 1*12.5/16 MVA, 66/11 KV transformers of HaryanaVidyut Prasaran Nigam Limited.	See Note 34(c).1 below	*

*Country of Incorporation not applicable, as these are unincorporated Joint Ventures.

Note 34(c).1: As per joint venture agreements, the scope and value of work of each partner has been clearly defined and accepted by the clients. The Company's share in assets, liabilities, income and expenses are duly accounted for in the accounts of the Company in accordance with such division of work and therefore does not require separate disclosure. However, joint venture partners are jointly and severally liable to clients for any claims in these projects.

Note 34(c).2: The Company holds 60% interest in an Association of Person (AOP), formed between A2Z Infra Engineering Limited and Satya Builders, a jointly controlled entity which is involved in waste water projects at Alwar and Chittorgarh, Rajasthan.

Note 35 : DISCLOSURE OF RELATED PARTIES /RELATED PARTY TRANSACTIONS PURSUANT TO IND AS 24 "RELATED PARTY DISCLOSURES"

A Name of the related parties and nature of the related party relationship:

1 Subsidiary companies

a) A2Z Infraservices Limited
b) Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) (till December 18, 2020)
c) A2Z Powercom Limited
d) Selligence Technologies Services Private Limited (strike off w.e.f. December 16, 2019)
e) Mansi Bijlee & Rice Mills Limited
f) Chavan Rishi International Limited
g) Magic Genie Services Limited
h) A2Z Maintenance & Engineering Services Limited and Satya Builders (Association of person)

2 Associate Companies

a) Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited)
b) A2Z Waste Management (Nainital) Private Limited

3 Subsidiaries of Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)

a) A2Z Waste Management (Merrut) Limited
b) A2Z Waste Management (Moradabad) Limited

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c) A2Z Waste Management (Varanasi) Limited
d) A2Z Waste Management (Aligarh) Limited (till July 14, 2019)
e) A2Z Waste Management (Badaun) Limited
f) A2Z Waste Management (Balia) Limited
g) A2Z Waste Management (Fatehpur) Limited
h) A2Z Waste Management (Jaunpur) Limited
i) A2Z Waste Management (Mirzapur) Limited
j) A2Z Waste Management (Ranchi) Limited
k) A2Z Waste Management (Sambhal) Limited
l) A2Z Waste Management (Dhanbad) Private Limited
m) A2Z Waste Management (Ludhiana) Limited (till July 14, 2019)
n) A2Z Waste Management (Jaipur) Limited
o) A2Z Mayo SNT Waste Management (Nanded) Private Limited (Strike off w.e.f. December 02, 2019)
p) A2Z Waste Management (Ahmedabad) Limited
q) Earth Environment Management Services Private Limited
r) Shree Balaji Pottery Private Limited
s) Shree Hari Om Utensils Private Limited

4 Subsidiaries of A2Z Infraservices Limited

a) Ecogreen Envirotech Solutions Limited
b) A2Z Waste Management (Ludhiana) Limited (w.e.f. July 15, 2019)
c) A2Z Waste Management (Aligarh) Limited (w.e.f. July 15, 2019)
d) A2Z Infraservices Lanka Private Limited

5 Subsidiaries of A2Z Waste Management (Ludhiana) Limited

a) Magic Genie Smartech Solutions Limited
b) Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) (w.e.f. December 19, 2020)

6 Joint Venture (unincorporated)

a) M/s UB Engineering Limited
b) M/s Southern Petrochemical Industries Corporation Limited (SPIC - SMO)
c) M/s Cobra Instalaciones Y Servicios, S.A.
d) M/s Karamtara Engineering Private Limited
e) M/s Richardson & Cruddas (1972) Limited
f) M/s Linkwell Telesystems Private Limited
g) M/s Shyama Power (India) Private Limited
h) M/s Sudhir Power Projects Limited
i) M/s Satya Builders

7 Key Management Personnel ('KMP')

a) Mr. Amit Mittal (Managing Director)
b) Mr. Rajesh Jain (Chief Executive Officer and Whole time director)
c) Mrs. Dipali Mittal (Non-Executive Director)
d) Mr. Surender Kumar Tuteja (Non- executive independent director)
e) Dr. Ashok Kumar (Non- executive independent director till July 23, 2020)
f) Ms. Atima Khanna (Non-executive independent director w.e.f. May 23, 2019)
g) Dr. Ashok Kumar Saini (Non-Executive Director)
h) Mr. Atul Kumar Agarwal (Company Secretary)
i) Mr. Rajiv Chaturvedi (Chief Financial Officer)

8 Relatives of Key Management Personnel

a) Mrs. Sudha Mittal (Mother of Mr. Amit Mittal)

9 Entity in which Director/Relative of the Director is Director

a) Fibzy Infrasolutions Private Limited

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

B. Transactions with related parties:

The following transactions were carried out with the related parties in the ordinary course of business:

	For the year ended March 31, 2021					For the year ended March 31, 2020				
	Subsidiary Companies	Associates Companies	Joint Ventures	Enterprise in control of Relatives of KMP	KMP/ Relative of KMP/ Directors	Subsidiary Companies	Associates Companies	Joint Ventures	Enterprise in control of Relatives of KMP	KMP/ Relative of KMP/ Directors
Sale of goods / services										
- A2Z Waste Management (Ludhiana) Limited	-	-	-	-	-	-	2.55	-	-	-
Interest income										
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	1,127.83	-	-	-	-	994.47	-	-	-
- A2Z Waste Management (Ludhiana) Limited	26.96	-	-	-	-	26.55	3.25	-	-	-
- Mansi Bijlee & Rice Mills Limited	-	-	-	-	-	38.95	-	-	-	-
Liability written back										
- A2Z Maintenance & Engineering Services Limited and Satya Builders (AOP)	-	-	-	-	-	140.12	-	-	-	-
- A2Z Powercom Limited	-	-	-	-	-	128.20	-	-	-	-
- Cobra Instalaciones Y Servicios, S. A.	-	-	-	-	-	-	-	4.85	-	-
- Sudhir Power Projects Limited	-	-	-	-	-	-	-	629.17	-	-
Purchase of goods or services										
- A2Z Infraservices Limited	1.25	-	-	-	-	22.57	-	-	-	-
- A2Z Waste Management (Ludhiana) Limited	-	-	-	-	-	11.00	44.62	-	-	-
- Fibzy Infrasolutions Private Limited	-	-	-	32.05	-	-	-	-	122.03	-
Subcontractor expenses										
- A2Z Infraservices Limited	2,081.92	-	-	-	-	-	-	-	-	-
Profit on sale of PPE										
- A2Z Waste Management (Ludhiana) Limited	15.45	-	-	-	-	-	-	-	-	-
Sale of investment										
- A2Z Waste Management (Ludhiana) Limited	3.50	-	-	-	-	-	-	-	-	-
Rent expense										
- Sudha Mittal	-	-	-	-	5.28	-	-	-	-	5.28
- Dipali Mittal	-	-	-	-	10.76	-	-	-	-	10.54
- Chavan Rishi International Limited	30.00	-	-	-	-	30.00	-	-	-	-
Share based payment expenses (refer note 5.1.3)										
- A2Z Infraservices Limited	-	-	-	-	-	6.45	-	-	-	-
- Ecogreen Envirotech Solution Limited	33.94	-	-	-	-	7.90	-	-	-	-
- Chavan Rishi International Limited	0.33	-	-	-	-	1.08	-	-	-	-
- Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited)	0.66	-	-	-	-	5.06	-	-	-	-
- A2Z Powercom Limited	0.66	-	-	-	-	2.15	-	-	-	-
- Rajesh Jain	-	-	-	-	61.91	-	-	-	-	170.53
- Ashok Kumar Saini	-	-	-	-	3.65	-	-	-	-	13.43
- Atul Kumar Agarwal	-	-	-	-	8.56	-	-	-	-	22.69

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

B. Transactions with related parties:

The following transactions were carried out with the related parties in the ordinary course of business:

	For the year ended March 31, 2021					For the year ended March 31, 2020				
	Subsidiary Companies	Associates Companies	Joint Ventures	Enterprise in control of Relatives of KMP	KMP/ Relative of KMP/ Directors	Subsidiary Companies	Associates Companies	Joint Ventures	Enterprise in control of Relatives of KMP	KMP/ Relative of KMP/ Directors
Reversal of ESOP option to employees										
- A2Z Infraservices Limited	9.12	-	-	-	-	-	-	-	-	-
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	-	-	-	-	-	2.27	-	-	-
- A2Z Waste Management (Merrut) Limited	-	-	-	-	-	-	8.92	-	-	-
- A2Z Waste Management (Ludhiana) Limited	0.29	-	-	-	-	-	2.26	-	-	-
- Shree Hari Om Utensils Private Limited	-	-	-	-	-	-	0.77	-	-	-
Fund transferred / includes expenses incurred on behalf of related party										
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	310.13	-	-	-	-	3.82	-	-	-
- A2Z Infraservices Limited	2,068.03	-	-	-	-	443.22	-	-	-	-
- A2Z Maintenance & Engineering Services Limited and Satya Builders (AOP)	-	-	-	-	-	1.82	-	-	-	-
- A2Z Waste Management (Varanasi) Limited	-	-	-	-	-	-	72.77	-	-	-
- Chavan Rishi International Limited	5.50	-	-	-	-	-	-	-	-	-
- Rajesh Jain	-	-	-	-	7.81	-	-	-	-	-
Fund received / includes expenses incurred on behalf of Company										
- A2Z Infraservices Limited	938.95	-	-	-	-	451.34	-	-	-	-
- A2Z Powercom Limited	-	-	-	-	-	128.20	-	-	-	-
- Chavan Rishi International Limited	27.47	-	-	-	-	45.10	-	-	-	-
Provision created/(reversed) for doubtful debts expense										
- UB Engineering Limited	-	-	-	-	-	-	-	(2,672.05)	-	-
- SPIC-SMO	-	-	(33.57)	-	-	-	-	(832.78)	-	-
Write off of trade receivables										
- UB Engineering Limited	-	-	-	-	-	-	-	6,375.00	-	-
- SPIC-SMO	-	-	-	-	-	-	-	1,673.65	-	-
Provision created/write back of loans and advances										
- Mansi Bijlee & Rice Limited	(89.36)	-	-	-	-	-	-	-	-	-
- Karamtara Engineering Private Limited	-	-	84.27	-	-	-	-	-	-	-
Provision created for investments										
- Mansi Bijlee & Rice Mills Limited	-	-	-	-	-	1,647.39	-	-	-	-
- Magic Genie Services Limited	-	-	-	-	-	6.00	-	-	-	-
- A2Z Waste Management (Jaipur) Limited	-	-	-	-	-	-	1.00	-	-	-

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

B. Transactions with related parties:

The following transactions were carried out with the related parties in the ordinary course of business:

	For the year ended March 31, 2021					For the year ended March 31, 2020				
	Subsidiary Companies	Associates Companies	Joint Ventures	Enterprise in control of Relatives of KMP	KMP/ Relative of KMP/ Directors	Subsidiary Companies	Associates Companies	Joint Ventures	Enterprise in control of Relatives of KMP	KMP/ Relative of KMP/ Directors
Loan given / advances given										
- A2Z Maintenance & Engineering Services Limited and Satya Builders (AOP)	-	-	-	-	-	2.00	-	-	-	-
- A2Z Waste Management (Ludhiana) Limited	24.72	-	-	-	-	452.72	145.56	-	-	-
- Mansi Bijlee & Rice Mills Limited	0.22	-	-	-	-	5.48	-	-	-	-
- A2Z Infraservices Limited	-	-	-	-	-	4.00	-	-	-	-
Amount recovered during the year										
- Rajesh Jain	-	-	-	-	16.50	-	-	-	-	-
- Ashok Kumar Saini	-	-	-	-	10.50	-	-	-	-	-
- Amit Mittal	-	-	-	-	34.93	-	-	-	-	-
Loan / advances refunded										
- Mansi Bijlee & Rice Limited	84.41	-	-	-	-	-	-	-	-	-
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	-	-	-	-	8.00	-	-	-	-
- A2Z Waste Management (Ludhiana) Limited	157.84	-	-	-	-	260.10	10.00	-	-	-
- A2Z Infraservices Limited	-	-	-	-	-	213.66	-	-	-	-
- Amit Mittal	-	-	-	-	-	-	-	-	-	40.00
- SPIC-SMO	-	-	-	-	-	-	-	49.84	-	-
Guarantees revoked on behalf of subsidiaries										
- A2Z Infraservices Limited	-	-	-	-	-	(144.00)	-	-	-	-
Imprest given during the year										
- Atul Kumar Agarwal	-	-	-	-	-	-	-	-	-	0.50
- Rajesh Jain	-	-	-	-	-	-	-	-	-	6.95
- Ashok Kumar Saini	-	-	-	-	-	-	-	-	-	0.08
Remuneration/sitting fee										
- Ashok Kumar Saini	-	-	-	-	1.25	-	-	-	-	0.75
- Dipali Mittal	-	-	-	-	3.25	-	-	-	-	3.00
- Surender Kumar Tuteja	-	-	-	-	4.75	-	-	-	-	5.50
- Ashok Kumar	-	-	-	-	-	-	-	-	-	3.75
- Atima Khanna	-	-	-	-	3.50	-	-	-	-	3.00
- Atul Kumar Agarwal	-	-	-	-	29.25	-	-	-	-	38.97
- Rajiv Chaturvedi	-	-	-	-	17.14	-	-	-	-	23.49

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

C. Balance outstanding at the end of the year

	For the year ended March 31, 2021					For the year ended March 31, 2020				
	Subsidiary Companies	Associates Companies	Joint Ventures	Enterprise in control of Relatives of KMP	KMP/ Relative of KMP/ Directors	Subsidiary Companies	Associates Companies	Joint Ventures	Enterprise in control of Relatives of KMP	KMP/ Relative of KMP/ Directors
Loan/advances given										
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	435.80	-	-	-	-	399.73	-	-	-
- A2Z Waste Management (Ludhiana) Limited	770.13	-	-	-	-	897.30	-	-	-	-
- A2Z Waste Management (Dhanbad) Private Limited	-	230.56	-	-	-	-	230.56	-	-	-
- A2Z Waste Management (Ranchi) Limited	-	350.00	-	-	-	-	350.00	-	-	-
- A2Z Waste Management (Varanasi) Limited	-	72.77	-	-	-	-	72.77	-	-	-
- A2Z Waste Management (Jaunpur) Limited	-	0.49	-	-	-					
- Mansi Bijlee & Rice Mills Limited	111.93	-	-	-	-	206.78	-	-	-	-
- A2Z Maintenance & Engineering Services Limited and Satya Builder - (AOP)	938.21	-	-	-	-	938.21	-	-	-	-
Investment in equity shares (net of impairment)										
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	40.39	-	-	-	-	40.39	-	-	-
- A2Z Infraservices Limited	6,072.29	-	-	-	-	6,072.29	-	-	-	-
- A2Z Powercom Limited	10.00	-	-	-	-	10.00	-	-	-	-
- Mansi Bijlee & Rice Mills Limited	5.00	-	-	-	-	5.00	-	-	-	-
- Chavan Rishi International Limited	1,031.69	-	-	-	-	1,031.69	-	-	-	-
Investment in shares - ESOP Scheme										
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	10.45	-	-	-	-	10.45	-	-	-
- A2Z Powercom Limited	46.17	-	-	-	-	45.51	-	-	-	-
- A2Z Infraservices Limited	62.75	-	-	-	-	71.88	-	-	-	-
- A2Z Waste Management (Ludhiana) Limited	0.73	-	-	-	-	1.02	-	-	-	-
- Chavan Rishi International Limited	1.41	-	-	-	-	1.08	-	-	-	-
- A2Z Waste Management (Merrut) Limited	-	19.19	-	-	-	-	19.19	-	-	-
- A2Z Waste Management (Balia) Limited	-	12.11	-	-	-	-	12.11	-	-	-
- Ecogreen Envirotech Solution Limited	42.61	-	-	-	-	8.67	-	-	-	-
- Rishikesh Waste Management Limited (A2Z Powertech Limited)	5.72	-	-	-	-	5.06	-	-	-	-

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

C. Balance outstanding at the end of the year

	For the year ended March 31, 2021					For the year ended March 31, 2020				
	Subsidiary Companies	Associates Companies	Joint Ventures	Enterprise in control of Relatives of KMP	KMP/ Relative of KMP/ Directors	Subsidiary Companies	Associates Companies	Joint Ventures	Enterprise in control of Relatives of KMP	KMP/ Relative of KMP/ Directors
Trade receivable / advances recoverable										
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	1,655.49	-	-	-	-	1,345.36	-	-	-
- A2Z Waste Management (Ludhiana) Limited	25.96	-	-	-	-	-	-	-	-	
- UB Engineering Limited	-	-	400.00	-	-	-	-	400.00	-	-
- SPIC-SMO	-	-	47.94	-	-	-	-	200.00	-	-
- Karamtara Engineering Private Limited	-	-	-	-	-	-	-	84.27	-	-
- Atul Kumar Agarwal	-	-	-	-	-	-	-	-	-	3.93
- Amit Mittal (refer note 35.3)	-	-	-	-	-	-	-	-	-	34.93
- Rajesh Jain (refer note 35.4)	-	-	-	-	-	-	-	-	-	16.50
- Ashok Kumar Saini (refer note 35.4)	-	-	-	-	-	-	-	-	-	10.50
Security deposit paid										
- Chavan Rishi International Limited	12.00	-	-	-	-	12.00	-	-	-	-
- A2Z Infraservices Limited	-	-	-	-	-	57.31	-	-	-	-
Investment in preference shares (debt portion)										
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	8,729.81	-	-	-	-	7,640.97	-	-	-
Investment in preference shares (equity portion)										
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	13,197.61	-	-	-	-	13,197.61	-	-	-
Investment in subsidiaries/associates, other than in shares										
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	10.45	-	-	-	-	10.45	-	-	-
- Chavan Rishi International Limited	1.41	-	-	-	-	1.08	-	-	-	-
- A2Z Powercom Limited	46.17	-	-	-	-	45.51	-	-	-	-
- A2Z Infraservices Limited	62.76	-	-	-	-	71.89	-	-	-	-
- A2Z Waste Management (Ludhiana) Limited	0.73	-	-	-	-	1.02	-	-	-	-
- Rishikesh Waste Management Limited (A2Z Powertech Limited)	5.72	-	-	-	-	5.06	-	-	-	-
- A2Z Waste Management (Merrut) Limited	-	19.19	-	-	-	-	19.19	-	-	-
- A2Z Waste Management (Balia) Limited	-	12.11	-	-	-	-	12.11	-	-	-
- Ecogreen Envirotech Solution Limited	42.61	-	-	-	-	8.67	-	-	-	-

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

C. Balance outstanding at the end of the year

	For the year ended March 31, 2021					For the year ended March 31, 2020				
	Subsidiary Companies	Associates Companies	Joint Ventures	Enterprise in control of Relatives of KMP	KMP/ Relative of KMP/ Directors	Subsidiary Companies	Associates Companies	Joint Ventures	Enterprise in control of Relatives of KMP	KMP/ Relative of KMP/ Directors
Provision for doubtful debts/advances										
- UB Engineering Limited	-	-	28.00	-	-	-	-	28.00	-	-
- SPIC-SMO	-	-	3.36	-	-	-	-	36.93	-	-
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	877.12	-	-	-	-	877.12	-	-	-
Provision created/write off of loans and advances										
- A2Z Maintenance & Engineering Services Limited and Satya Builders (AOP)	934.39	-	-	-	-	934.39	-	-	-	-
- Mansi Bijlee & Rice Mills Limited	111.93	-	-	-	-	201.30	-	-	-	-
Remuneration/sitting fees payable										
- Ashok Kumar Saini	-	-	-	-	2.19	-	-	-	-	1.13
- Dipali Mittal	-	-	-	-	2.54	-	-	-	-	7.65
- Surender Kumar Tuteja	-	-	-	-	-	-	-	-	-	4.73
- Ashok Kumar	-	-	-	-	3.65	-	-	-	-	9.95
- Suresh Prasad Yadav	-	-	-	-	0.90	-	-	-	-	0.90
- Atul Kumar Agarwal	-	-	-	-	5.20	-	-	-	-	7.03
- Rajiv Chaturvedi	-	-	-	-	4.12	-	-	-	-	7.08
Trade payable/imperest payable										
- A2Z Infraservices Limited	994.20	-	-	-	-	97.29	-	-	-	-
- Chavan Rishi International Limited	150.24	-	-	-	-	95.12	-	-	-	-
- Magic Genie Service Limited	3.28	-	-	-	-	3.28	-	-	-	-
- Dipali Mittal	-	-	-	-	9.91	-	-	-	-	7.12
- Rajesh Jain	-	-	-	-	0.05	-	-	-	-	7.38
- Sudha Mittal	-	-	-	-	11.58	-	-	-	-	9.50
- Fibzy Infrasolutions Private Limited	-	-	-	68.54	-	-	-	-	55.76	-
- Atul Kumar Aggarwal	-	-	-	-	2.17	-	-	-	-	-
- Rajiv Chaturvedi	-	-	-	-	0.20	-	-	-	-	-

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

C. Balance outstanding at the end of the year

	For the year ended March 31, 2021					For the year ended March 31, 2020				
	Subsidiary Companies	Associates Companies	Joint Ventures	Enterprise in control of Relatives of KMP	KMP/ Relative of KMP/ Directors	Subsidiary Companies	Associates Companies	Joint Ventures	Enterprise in control of Relatives of KMP	KMP/ Relative of KMP/ Directors
Guarantees given on behalf of subsidiaries/ associates (Refer Note 40(a))										
- A2Z Infraservices Limited	10,698.00	-	-	-	-	10,674.00	-	-	-	-
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	25,025.00	-	-	-	-	25,025.00	-	-	-
- A2Z Waste Management (Merrut) Limited	-	1,100.00	-	-	-	-	1,100.00	-	-	-
- A2Z Waste Management (Moradabad) Limited	-	480.00	-	-	-	-	480.00	-	-	-
- A2Z Waste Management (Varanasi) Limited	-	2,000.00	-	-	-	-	2,000.00	-	-	-
- A2Z Maintenance & Engineering Services Limited and Satya Builders (AOP)	580.00	-	-	-	-	580.00	-	-	-	-

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 35.1: In the opinion of the management, the transactions reported herein are on arms' length basis.

Note 35.2: 'Details relating to persons referred to as key managerial personnel above:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Short term employee benefits	46.39	62.46
Defined contribution/ benefit plan*	-	-
Share-based payment expenses	74.12	206.65
Sitting fees	12.75	16.00
Total compensation paid/payable to key management personnel	**133.26**	**285.12**

* In the absence of employee wise details of the defined contribution/ benefit plan, the amount considered is INR Nil (March 31, 2020: Nil)

Note 35.3: Due to unexpected change in the profitability of the Company during the financial year 2012-13 and 2013-14, the managerial remuneration paid to the Managing Director exceeded the limits in terms of the provision of Section 198, 309, 310 read with schedule XIII of the erstwhile Companies Act, 1956. Subsequent to the approval by shareholders in the 13th Annual General Meeting of the Company duly held on September 27, 2014, the Company had made an application for the approval from the Central Government for the waiver of excess remuneration so paid. The Central Government has rejected the Company's application for the waiver of the excess remuneration so, paid remuneration amounting to INR 189.48 Lakhs was held in trust by him and after that full excess remuneration has been recovered from the Managing Director within the time line as defined in the Companies Act, 2013. As on March 31, 2021 no amount was outstanding with him (March 31, 2020 INR 34.93 Lakhs).

Note 35.4: During the earlier years, the Company paid excess remuneration to Mr. Rajesh Jain and Mr. Ashok Kumar Saini amounting to INR 16.50 lakhs and INR 10.50 Lakhs respectively from the date of re-appointment to the date of receipt of abatement letter from Central Government in accordance with amended provision of section 197 read with Schedule V of Companies Act 2013. Therefore the remuneration paid was held in trust by the said directors. After that full amount of the excess remuneration has been recovered from the said directors within the time line as defined in the Companies Act, 2013. As on March 31, 2021 no amount was outstanding with them (March 31, 2020 INR 16.50 Lakhs from Mr. Rajesh Jain) and (March 31, 2020 INR 10.50 Lakhs from Mr. Ashok Kumar Saini).

Note 36 : FAIR VALUE MEASUREMENT

(i) Fair value measurement of financial instruments

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 assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2021	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial liabilities				
Derivative liability (Refer Note 22.3)	-	-	-	**-**
Total	**-**	**-**	**-**	**-**

As at March 31, 2020	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial liabilities				
Derivative liability	-	-	2,762.56	**2,762.56**
Total	**-**	-	**2,762.56**	**2,762.56**

(iii) Fair value of instruments measured at amortised cost

The carrying values of financial instruments measured at amortised cost is considered to be a reasonable approximation of their fair values.

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

(iv) Valuation process and technique used to determine fair value

The fair value of derivative liability is estimated by the market value approach. The significant unobservable inputs used in the fair value measurements are as shown below:-

	As at March 31, 2021	As at March 31, 2020
Significant unobservable inputs	-	3.15
Market price of equity share		
Sensitivity		
The sensitivity of profit or loss and equity to changes in volatility		
Market Price– increase by 10%	-	23.74
Market Price– decrease by 10%	-	(23.74)

Note 37 : FINANCIAL RISK MANAGEMENT

(i) Financial instruments by category

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

	As at March 31, 2021		
	FVTPL	FVTOCI	Amortised cost
Financial assets			
Investments in Preference shares	-	-	9,041.30
Trade receivables	-	-	81,923.82
Loans	-	-	2,411.17
Cash and cash equivalents	-	-	430.58
Other financial assets	-	-	16,457.49
Total	**-**	**-**	**110,264.36**
Financial liabilities			
Borrowings	-	-	44,033.39
Lease liability	-	-	68.26
Trade payables	-	-	53,073.18
Other financial liabilities	-	-	7,385.53
Total	**-**	**-**	**104,560.36**

	As at March 31, 2020		
	FVTPL	FVTOCI	Amortised cost
Financial assets			
Investments in Preference shares	-	-	7,952.46
Trade receivables	-	-	81,837.39
Loans	-	-	2,582.22
Cash and cash equivalents	-	-	543.47
Other financial assets	-	-	17,774.67
Total	**-**	**-**	**110,690.21**
Financial liabilities			
Borrowings	-	-	38,464.29
Lease liability	-	-	84.04
Trade payables	-	-	56,888.76
Other financial liabilities	2,762.56	-	5,183.64
Total	**2,762.56**	**-**	**100,620.73**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

(ii) Risk management

The Company'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 Company's risk management is carried out by a central treasury department (of the company) 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 Company. The Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, 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 Company's policy is to deal only with creditworthy counterparties.

The Company's receivables comprises of trade receivables. During the periods presented, the Company does not expect to receive future cash flows or recoveries from collection of cash flows from written off. The Company has certain trade receivables that have not been settled by the contractual due date, as given below:

	As at March 31, 2021	As at March 31, 2020
Not more than 30 days	4,309.08	13,265.74
More than 30 days but not more than 60 days	2,473.20	2,795.80
More than 60 days but not more than 90 days	638.31	126.99
More than 90 days	81,575.82	70,741.18
	88,996.41	**86,929.71**
Less: Provision for impairment	(7,072.59)	(5,092.32)
Total	**81,923.82**	**81,837.39**

In respect of trade and other receivables, the Company 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 Company recognizes lifetime expected credit losses on specific trade receivables using a simplified approach and uses historical information to arrive at loss percentage relevant to each category of trade receivables. The Company follows a single loss rate approach and estimates expected credit loss on trade receivables to be 7%. 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.

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2021	As at March 31, 2020
Balance as at the beginning of the year	**5,092.32**	**6,174.14**
Changes in provisions		
Additional Provision	1,980.27	3,130.90
Reversal/Write-off	-	(4,212.72)
Balance as at the end of the year	**7,072.59**	**5,092.32**

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 Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company'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 analyses the company'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
Non-derivative financial liabilities					
Borrowings(including estimated future interest)	44,005.23	46.40	-	-	**44,051.63**
Trade payables	53,073.18	-	-	-	**53,073.18**
Lease liability	45.53	26.99	2.09	-	**74.61**
Other financial liabilities	7,385.53	-	-	-	**7,385.53**
Total	**104,509.47**	**73.39**	**2.09**	**-**	**104,584.95**

As at March 31, 2020	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivative financial liabilities					
Borrowings(including estimated future interest)	38,868.34	199.26	42.36	-	**39,109.96**
Trade payables	56,888.76	-	-	-	**56,888.76**
Lease liability	41.35	34.73	17.08	2.09	**95.25**
Other financial liabilities	5,183.64	-	-	-	**5,183.64**
Derivative financial liabilities					
Other financial liabilities	2,762.56	-	-	-	**2,762.56**
Total	**103,744.65**	**233.99**	**59.44**	**2.09**	**104,040.17**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

C. Market risk

(a) Interest rate risk

(i) Liabilities

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

Interest rate risk exposure

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

	As at March 31, 2021	As at March 31, 2020
Variable rate borrowing	30,961.26	25,439.21
Fixed rate borrowing	13,072.13	13,025.08
Total borrowings	**44,033.39**	**38,464.29**

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)	(231.68)	(190.36)
Interest rates – decrease by 100 basis points (100 bps)	231.68	190.36

* Holding all other variables constant

(b) Foreign exchange risk

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

Unhedged foreign currency exposure

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

	As at March 31, 2021			
	Currency	Amount in foreign currency	Exchange rate	Amount in INR
Trade receivable	USD	41.25	73.24	3,021.05
	NPR	1,131.73	0.62	702.85
	Tanzania Shillings	68,346.84	0.03	2,152.35
Cash and cash equivalents	USD	0.11	73.24	8.21
	Uganda Shillings	11.14	0.02	0.22
	NPR	260.65	0.62	161.88
	Tanzania Shillings	2,642.13	0.03	83.20
Other financial assets	USD	0.68	73.24	49.59
Trade payables	USD	6.85	73.24	501.96
	Uganda Shillings	132.65	0.02	2.62
	NPR	2,473.47	0.62	1,536.13
	Tanzania Shillings	77,453.02	0.03	2,439.11

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2020			
	Currency	Amount in foreign currency	Exchange rate	Amount in INR
Trade receivables	USD	47.99	75.10	3,604.28
	Tanzania Shillings	99,864.48	0.03	3,227.62
Cash and cash equivalents	USD	3.92	75.10	294.33
	Uganda Shillings	159.97	0.02	3.14
	Zambian Kwacha	0.01	4.21	0.02
	Tanzania Shillings	224.31	0.03	7.25
Other financial assets	USD	0.66	75.10	49.26
Trade payables	USD	12.05	75.10	905.04
	Uganda Shillings	385.01	0.02	7.56
	Zambian Kwacha	0.74	4.21	3.11
	Tanzania Shillings	135,211.79	0.03	4,370.05

Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	As at March 31, 2021	As at March 31, 2020
USD sensitivity		
INR/USD- increase by 6.82% (for previous year - 6.82%)	131.51	155.29
INR/USD- decrease by 6.82%(for previous year - 6.82%)	(131.51)	(155.29)
Uganda Shillings (UGX) sensitivity		
INR/UGX- increase by 6.05% (for previous year - 6.05%)	(0.11)	(0.20)
INR/UGX- decrease by 6.05% (for previous year - 6.05%)	0.11	0.20
Zambian Kwacha (ZMW) sensitivity		
INR/ZMW- increase by 12.26% (for previous year - 12.26%)	(126.08)	(0.28)
INR/ZMW- decrease by 12.26% (for previous year - 12.26%)	126.08	0.28
TZS sensitivity		
INR/TZS- increase by 6.41% (for previous year - 6.41%)	(9.76)	(54.45)
INR/TZS- decrease by 6.41% (for previous year - 6.41%)	9.76	54.45

* Holding all other variables constant

Note 38 : CAPITAL MANAGEMENT POLICIES AND PROCEDURES

For the purpose of the Company's capital management, capital includes issued equity share capital, security premium and all other equity reserves attributable to the equity holders of the Company.

The Company' s capital management objectives are:

- to ensure the Company'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 Company 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 Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations.

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2021	As at March 31, 2020
Borrowings	44,033.39	38,464.29
Less: cash and cash equivalents	430.58	543.47
Net debt	43,602.81	37,920.82
Equity	27,916.64	35,995.10
Capital and net debt	**71,519.45**	**73,915.92**
Gearing ratio	**60.97%**	**51.30%**

In order to achieve this overall objective, the Company'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.

Note 39 : SEGMENT REPORTING

Segmental information

Business segments:

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

(i) Engineering service (ES)

(ii) Power generation projects ('PGP')

(iii) Others represents trading of goods and renting of equipment's

	For the year ended March 31, 2021			
	Engineering services	Power generation projects	Others	Total
Revenue				
Segment revenue	18,663.36	-	121.78	**18,785.14**
Other income	489.07	-	-	**489.07**
Total segment revenue	**19,152.43**	**-**	**121.78**	**19,274.21**
Cost				
Segment cost	(23,481.69)	(607.28)	(15.09)	**(24,104.06)**
Total segment cost	**(23,481.69)**	**(607.28)**	**(15.09)**	**(24,104.06)**
Segment operating (loss)/profit	**(4,329.26)**	**(607.28)**	**106.69**	**(4,829.85)**
Total reportable segment operating loss				**(4,829.85)**
Interest income				1,356.18
Interest expense				(4,600.86)
Exceptional item				-
Unallocable expenditure net off unallocable income				(214.06)
Loss before tax				**(8,288.59)**
Tax expense				
Current tax				10.64
Deferred tax (net)				14.99
Loss after tax				**(8,314.22)**
Reclassification of net actuarial gain on employee defined benefit obligations				**106.38**
Total comprehensive income for the year (comprising loss and other comprehensive income)				**(8,207.84)**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

	As at March 31, 2021			
	Engineering services	**Power generation projects**	**Others**	**Total**
Assets				
Segment assets	106,074.56	7,761.26	3,755.15	**117,590.97**
Unallocable corporate assets	-	-	-	**37,598.78**
Total assets	**106,074.56**	**7,761.26**	**3,755.15**	**155,189.75**
Liabilities				
Segment liabilities	77,110.52	90.98	5,969.96	**83,171.46**
Unallocable corporate liabilities	-	-	-	**44,101.65**
Total liabilities	**77,110.52**	**90.98**	**5,969.96**	**127,273.11**
Capital expenditure	4.66	-	-	**4.66**
Depreciation	147.54	259.96	45.28	**452.78**
Other non-cash expenditure				**6,023.82**

	For the year ended March 31, 2020			
	Engineering services	**Power generation projects**	**Others**	**Total**
Revenue				
Segment revenue	37,871.39	241.00	410.25	**38,522.64**
Other income	752.36	-	-	**752.36**
Total segment revenue	**38,623.75**	**241.00**	**410.25**	**39,275.00**
Cost				
Segment cost	(41,437.08)	(1,599.52)	(391.46)	**(43,428.06)**
Total segment cost	**(41,437.08)**	**(1,599.52)**	**(391.46)**	**(43,428.06)**
Segment operating (loss)/profit	**(2,813.33)**	**(1,358.52)**	**18.79**	**(4,153.06)**
Total reportable segment operating loss				**(4,153.06)**
Interest income				1,176.24
Interest expense				(4,404.76)
Exceptional item				(17,630.90)
Unallocable expenditure net off unallocable income				(466.62)
Loss before tax				**(25,479.10)**
Tax expense				
Current tax				3.60
Deferred tax credit				3,606.00
Loss after tax				**(29,088.70)**
Reclassification of net actuarial gain on employee defined benefit obligations				31.07
Total comprehensive income for the year (comprising profit and other comprehensive income)				**(29,057.63)**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

	As at March 31, 2020			
	Engineering services	Power generation projects	Others	Total
Assets				
Segment assets	112,674.74	8,242.25	3,694.22	**124,611.21**
Unallocable corporate assets	-	-	-	**37,656.75**
Total assets	**112,674.74**	**8,242.25**	**3,694.22**	**162,267.96**
Liabilities				
Segment liabilities	80,986.49	183.68	6,554.36	**87,724.53**
Unallocable corporate liabilities	-	-	-	**38,548.33**
Total liabilities	**80,986.49**	**183.68**	**6,554.36**	**126,272.86**
Capital expenditure	5.09	-	-	**5.09**
Depreciation	169.38	802.64	29.12	**1,001.14**
Provision for impairment	-	14,996.81	-	**14,996.81**
Other non-cash expenditure				**5,363.26**

Unallocated operating income and expense mainly consist of exceptional items and tax expense. The unallocable assets includes tax receivable from Government authorities.

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 company basis.

The revenue from customers (having more than 10% of total revenue) during the year is INR 17,372.78 lakhs (March 31, 2020 INR 25,028.15 lakhs) arising from revenue from engineering services.

Note 40 : CONTINGENT LIABILITIES AND COMMITMENTS

a) The details of contingent liabilities are as follows:

	As at March 31, 2021	As at March 31, 2020
Corporate guarantees given to banks on account of facilities granted by said banks to subsidiaries, associates and others$	41,684.83	41,660.83
Right to recompense (CDR Scheme)	10,032.81	8,949.61
Litigations under workmen compensation act*	43.76	43.76
Litigations with contractors and others*	158.46	309.87
Sales tax demand under dispute*	8,841.73	8,790.85
Income tax demand under dispute**	2,792.10	2,792.10
	63,553.69	**62,547.02**

$In addition to the aforementioned, during financial year March 31, 2018, the Company executed an one time settlement (OTS) agreement with Standard Chartered Bank (SCB) (hereinafter "SCB OTS") after invocation of the corporate guarantees amounting INR 14,060.00 lakhs issued by the Company in favour of SCB for various subsidiaries of Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited). In terms of the said agreements, in case of any defaults with the terms of SCB OTS, SCB has the right to reinstate the aforementioned guarantees on the Company.

*Based on discussions with the solicitors / favourable decisions in similar cases/legal opinions taken by the Company, the management believes that the Company has a good chance of success in above-mentioned cases and hence, no provision is considered necessary.

**The Income tax authorities conducted a search and survey at certain premises of the Company under section 132 and 133 of the Income Tax Act, 1961 in April 2012. During the year ended March 31, 2015, the Company received the assessment orders for the assessment years 2009-10 to 2013-14 from the Deputy Commissioner of Income Tax (DCIT) demanding additional tax liability of INR 1,992.17 lakhs.

During the year ended March 31, 2015 the Company had filed appeals with Commissioner of Income Tax (CIT) (Appeals) challenging these orders against which the said authority had granted partial relief to the Company. The Company has further filed appeals with Income Tax Appellate Tribunal (ITAT) challenging the orders for these assessment years in respect of the matters, where the CIT(A) has not accepted the Company's contention. Additionally, the DCIT has also filed appeals with the ITAT against the matters where the relief has been given to the Company.

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Further, during the year ended March 31, 2018, the Company had received penalty orders for the Assessment year 2009-10 to 2013-14 from DCIT and for the Assessment year 2008-09 from CIT demanding additional tax liability of INR 1,277.64 lakhs against which the CIT (Appeals) had not granted relief to the Company.

During the year ended March 31, 2019, the Company has received orders from CIT (Appeals) quashing the penalty orders aggregating INR 477.71 lakhs out of the aforementioned and upholding the rest. The Company has filed appeals with the ITAT challenging the penalty orders for these assessment years in respect of the matters where the CIT(A) has not accepted the Company's contention.

Based on their assessment and upon consideration of advice from the independent legal counsel, the management believes that the Company has reasonable chances of succeeding before the ITAT and does not foresee any material liability. Pending the final decision on the matter, no further adjustment has been made in the standalone financial statements. The auditors have expressed an emphasis of matter on the same.

*** Pursuant to judgement by the Hon'ble Supreme Court of India dated February 28, 2019, it was held that basic wages, for the purpose of provident fund, should include certain allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies and accordingly, the Company has not provided for any liability on account of this. The Company will continue to assess any further developments in this matter for the implications on the financial statements, if any.

b) Commitments outstanding:

(i) Estimated amount of contracts to be executed and not provided for:

	As at March 31, 2021	As at March 31, 2020
Commitments	58,915.93	66,602.55
	58,915.93	**66,602.55**

(ii) The management is committed to provide continued operational and financial support to its associate companies for meeting their working capital and other financing requirements.

Note 41 : DISCLOSURE PURSUANT TO IND AS 115 "REVENUE FROM CONTRACTS WITH CUSTOMERS"

(a) Disaggregation of revenue into operating segments and geographical areas

i. For the year ended March 31, 2021:

Segment	Revenue as per Ind AS 115	Other revenue	Total
Operating revenues:			
Sale/rendering of services			
Revenue from engineering services	18,660.10	-	**18,660.10**
Revenue from operation and maintenance services	36.48	-	**36.48**
Revenue from professional services	3.26	-	**3.26**
Other operating revenues:			
Sale of traded goods	85.30	-	**85.30**
Total	**18,785.14**	**-**	**18,785.14**

ii. For the year ended March 31, 2020:

Segment	Revenue as per Ind AS 115	Other revenue	Total
Operating revenues:			
Sale/rendering of services			
Revenue from engineering services	37,590.07	-	**37,590.07**
Revenue from sale of power	241.00	-	**241.00**
Revenue from operation and maintenance services	384.09	-	**384.09**
Revenue from professional services	281.32	-	**281.32**
Other operating revenues:			
Sale of traded goods	26.16	-	**26.16**
Total	**38,522.64**	**-**	**38,522.64**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021

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

(b) Out of the total revenue recognised under IND AS-115 during the year, INR 18,699.84 lakhs (March 31, 2020 : INR 38,255.48 lakhs) is recognised over a period of time and INR 85.3 lakhs (March 31, 2020 : INR 267.16 lakhs) is recognised at a point in time.

c) Movement in expected credit loss during the year:

Particulars	Provision on Trade receivables covered under Ind AS 115		Provision on Contract assets	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Opening balance as at April 1	**5,092.32**	**6,174.14**	**370.69**	**377.78**
Changes in allowance for expected credit loss:				
Provision/(reversal) of allowance for expected credit loss	1,980.27	3,130.90	231.58	165.35
Write off as bad debts (Refer Note-37 (ii)(A))	-	(4,212.72)	-	(172.44)
Closing balance as at March 31	**7,072.59**	**5,092.32**	**602.27**	**370.69**

(c) Contract balances:

(i) Movement in contract balances during the year:

Particulars	As at March 31, 2021			As at March 31, 2020		
	Trade Receivable*	Contract assets *	Contract liabilities	Trade Receivable*	Contract assets *	Contract liabilities
Opening balance as at April 1	81,837.39	10,488.36	7,654.48	89,474.71	13,499.08	9,008.44
Closing balance as at March 31	81,923.82	12,031.65	8,864.65	81,837.39	10,488.36	7,654.48
Net (decrease)/ increase	**86.43**	**1,543.29**	**1,210.17**	**(7,637.32)**	**(3,010.72)**	**(1,353.96)**

*(Refer Note- 43)

(ii) Revenue recognised during the year from opening balance of contract liabilities amounts to INR 3,454.97 lakhs (March 31, 2020: INR 3,959.07 lakhs)

(iii) Revenue recognised during the year from the performance obligation satisfied in previous year (arising out of contract modifications) amounts to Nil (March 31, 2020: NIL)

(d) Cost to obtain the contract :

(i) Amount of amortisation recognised in Profit and Loss : NIL (March 31, 2020: NIL)

(ii) Amount recognised as assets as at March 31, 2021: NIL (March 31, 2020: NIL)

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

Particulars	March 31, 2021	March 31, 2020
Opening contracted price of orders as at April 1*	359,046.56	336,440.49
Add:		
Fresh orders/change orders received (net)	11,320.91	25,350.69
Less:		
Orders completed during the year	125.04	2,744.61
Closing contracted price of orders as at March 31*	**370,242.43**	**359,046.56**
Total Revenue recognised during the year:	18,785.14	38,522.64
Less: Revenue out of orders completed during the year	125.04	826.04
Revenue out of orders under execution at the end of the year (I)	18,660.10	37,696.60
Revenue recognised upto previous year (from orders pending completion at the end of the year) (II)	284,335.13	246,745.06
Balance revenue to be recognised in future viz. Order book (III)	67,247.20	74,604.90
Closing contracted price of orders as at March 31* (I+II+III)	**370,242.43**	**359,046.56**

*including full value of partially executed contracts.

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

(f) 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:

As at March 31, 2021

Particulars	Total	Expected conversion in revenue	
		Upto 1 Year	More than 1 Year
Transaction price allocated to remaining performance obligation	67,247.20	67,247.20	-

As at March 31, 2020

Particulars	Total	Expected conversion in revenue	
		Upto 1 Year	More than 1 Year
Transaction price allocated to remaining performance obligation	74,604.90	74,604.90	-

(g) The Company has a process whereby periodically long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under the law/accounting standards for the material foreseeable losses on such long term contracts has been made in the books of accounts.

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. Gross rental expenses aggregate to INR 37.82 Lakhs (March 31, 2020: INR 116.05 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 weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 10.15%

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	As at March 31, 2021	As at March 31, 2020
Short-term leases	37.82	116.05
Leases of low value assets	-	-
Variable lease payments	-	-
Closing Balance	**37.82**	**116.05**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

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

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	85.01	47.57
Addition during the year	25.82	77.56
Depreciation during the year	44.40	28.53
Deletion during the year	0.49	11.58
Closing Balance	**65.94**	**85.01**

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Balance	84.04	47.37
Addition during the year	25.82	74.75
Finance cost accrued during the year	8.73	4.95
Payment of lease liabilities	49.80	31.30
Deletion during the year	0.53	11.73
Closing Balance	**68.26**	**84.04**

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

Particulars	As at March 31, 2021	As at March 31, 2020
Current lease liabilities	38.15	37.53
Non-current lease liabilities	30.11	46.51
Total	**68.26**	**84.04**

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

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	45.53	41.35
One to five years	29.07	53.90
More than five years	-	-
Total	**74.60**	**95.25**

The information about extension and termination options are as follows:

Particulars	Guest House	Office premises
Number of leases	1.00	3.00
Range of remaining term (in years)	3.00	0.50-1.92
Average remaining lease term (in years)	3.00	1.31
Number of leases with extension option	Nil	Nil
Number of leases with purchase option	Nil	Nil
Number of leases with termination option	-	2.00

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 43 : EXCEPTIONAL ITEMS

	For the year ended March 31, 2021	For the year ended March 31, 2020
One time settlement with banks and financial institutions (refer note 43.1)	-	8,639.32
Liabilities written back	-	2,404.09
Impact of fair valuation of derivative liability on subsequent measurement (refer note 43.2)	-	(2,224.09)
Capital assets impaired/written off (refer note 3.1)	-	(14,996.81)
Trade receivable written off	-	(8,472.12)
Investment provision/written off	-	(1,654.39)
Contract revenue in excess of billing written off	-	(1,326.90)
Total	**-**	**(17,630.90)**

Note 43.1: Gain on one time settlement agreements with banks and financial institutions for borrowings pertains to excess of outstanding loan liabilities against the settlement consideration paid/to be paid under the settlement agreement entered by the Company.

Note 43.2: Derivative liability pertains to fair valuation of liability arising out of the embedded put option as per the settlement agreement and options agreement entered with lenders.

Note 44 : DISCLOSURE PURSUANT TO IND AS - 7 "STATEMENT OF CASH FLOWS"- CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES:

	Non- current borrowings (Including current maturities) (Refer Note 17 & 22)	Current borrowings (Refer Note 20)	Interest accrued on borrowings (Refer Note 22)	Total
Balance as at April 1, 2019	**11,449.95**	**22,717.55**	**4,028.05**	**38,195.54**
(a) Changes from financing cash flow	(2,195.65)	7,158.87	(1,808.52)	**3,154.70**
(b) Other changes				
(i) Reclassification within categories	6,152.24	(4,945.46)	(1,206.78)	**-**
(ii) Interest charge to statement of profit and loss	-	-	3,161.25	**3,161.25**
(iii) Reclassification with other financial liabilities	-	2,592.12	-	**2,592.12**
(iv) One time settlement				
Gain on one time settlement with banks of borrowing and financial institutions	(2,832.26)	(1,633.07)	(4,174.00)	**(8,639.32)**
Balance as at March 31, 2020	**12,574.28**	**25,890.01**	**-**	**38,464.29**
(a) Changes from financing cash flow	(95.00)	2,724.06	(1,342.42)	**1,286.64**
(b) Other changes				
(i) Reclassification within categories	2,904.60	35.43	(2,940.03)	**-**
(ii) Interest charges to statement of profit and loss	-	-	2,788.69	**2,788.69**
(iii) Reclassification with other financial liabilities	-	-	2,830.46	**2,830.46**
Balance as at March 31, 2021	**15,383.88**	**28,649.50**	**1,336.70**	**45,370.08**

Summary of significant accounting policies and other explanatory information to standalone financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 45 : CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board of Directors of the Company has constituted a Corporate Social Responsibility (CSR) Committee pursuant to Section 135 of the Companies Act, 2013 and have also formulate a CSR Policy in this regard. The Company has incurred average net loss for immediately preceding three financial years and hence the Company is not required to spend any amount towards CSR activities for the year ended March 31, 2021 and March 31, 2020.

Dissolution of CSR Committee with effect from February 13, 2021

As per Companies (Amendment) Act, 2020, where the amount to be spent by a company does not exceed fifty lakh rupees, the requirement for constitution of the Corporate Social Responsibility Committee is not applicable and the functions of such Committee provided under section 139 shall, in such cases, be discharged by the Board of Directors of such company.

As the Company is incurring losses and it is not required to spend any amount towards CSR activities as of now, the Board decided to dissolve the CSR Committee w.e.f. February 13, 2021 and the functions of Committee will be discharged by Board of Directors of the Company.

Note 46 :

The Tanzania branch has a contract with Rural Energy Agency (REA) for supply and installation of medium and low voltage lines, distribution transformers and connections to un-electrified rural areas in Dodoma Region (Bahi, Kongwa and Chemba districts) on a Turnkey basis for Lot 1 and supply and installation of medium and low voltage lines, distribution transformers and connections to un-electrified rural areas in Dodoma Region (Chamwino, Kondoa and Mpwapwa districts) on Turnkey basis for Lot 2. The Tanzania branch is expecting to complete the works by September 2021. The contract allows for a further period of 12 months after completion for handing over the project where after, the retention payment terms will be released once the completion certificate is issued and the contract will expire. This condition indicates that a material uncertainty exists, that may cast significant doubt on the Tanzania branch's ability to continue as a going concern.

Note 47 :

The Covid-19 pandemic has brought economies, businesses and lives around the world to a standstill, and India is no exception. The ongoing second wave of pandemic will have its own impact, but the Company is confident of encashing on the forthcoming opportunities, once the economies, businesses and lives are back to normal. Considering the unprecedented and ever evolving situation, the Company has made assessment of its liquidity position, including recoverability of assets at balance sheet date. On the basis of the current assessment and estimates, the Company does not see risk of recoverability of its assets and accordingly no material adjustment is required in these standalone financial statements. However, given the uncertainties associated with nature, condition and duration of Covid-19 pandemic, the impact may be different from that as estimated as at the date of approval of these standalone financial statements and the management will continue to closely monitor the changes to future economic conditions.

Note 48 :

Figures for the previous year have been regrouped/reclassified to confirm to the figures of the current year.

Note 49 : POST-REPORTING DATE EVENTS

Subsequent to year ended March 31, 2021, the Company has entered into full cash one time settlement (OTS) with ICICI Bank Limited for a total settlement consideration of Rs. 425 lakhs and all the settlement consideration has been paid.

Note 50 : AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended March 31, 2021 (including comparatives) were approved by the board of directors on July 21, 2021.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Sd/-
Manish Agrawal
Partner
Membership No. 507000

Place : Gurugram
Date : July 21, 2021

For and on behalf of the Board of Directors

Sd/-
Amit Mittal
Managing Director
(DIN 00058944)

Sd/-
Rajesh Jain
Whole Time Director and CEO
(DIN 07015027)

Sd/-
Rajiv Chaturvedi
Chief Financial Officer

Sd/-
Atul Kumar Agarwal
Company Secretary
M. No. : FCS - 6453

Independent Auditor's Report

To the Members of A2Z Infra Engineering Limited

Report on the Audit of the Consolidated Financial Statements

Disclaimer of Opinion

1. We were engaged to audit the accompanying consolidated financial statements of A2Z Infra Engineering Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associates, as listed in Annexure 1, 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.

2. We do not express an opinion on the accompanying consolidated financial statements of the Group and its associate companies. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

Basis for Disclaimer of Opinion

3. a As stated in Note 52 to the accompanying consolidated financial statements, the Holding Company has incurred a net loss after tax of Rs. 8,314.22 lakhs during the year ended 31 March 2021, and as of that date, the Holding Company's accumulated losses amount to Rs. 80,722.77 lakhs, which have resulted in partial erosion of its net worth, and the current liabilities exceed current assets by Rs. 13,366.79 lakhs. Also, certain lenders have filed applications with the National Company Law Tribunal (NCLT), Debt Recovery Tribunal (DRT) and other courts for recovery of their dues as detailed in Note 51 and 52. The Holding Company has also delayed in repayment of borrowings, payment of statutory dues and dues payable to other lenders including delays with respect to dues payable under one time settlement agreements as further detailed in Note 50 and 51. As confirmed by the management, the Holding Company has been in discussions with the lenders regarding restructuring of these borrowings, the resolution for which is yet to be finalised. Further, the expected realisation of the amounts outstanding from certain customers, within the next 12 months, with whom the Holding Company is in discussions is uncertain in the absence of any confirmations from such customers and potential impact of COVID-19. Such events and conditions, together with the uncertainty arising on account of COVID-19 pandemic and its possible impact on management's assumptions, as further described in Note 56, and other matters as set forth in the Note 52, cast significant doubt on the Holding Company's ability to continue as a going concern. In the absence of sufficient appropriate audit evidence to support the management's assessment with respect to restructuring of borrowings and availability of funds, we are unable to comment on the ability of the Holding Company to continue as a going concern. Further, the component auditor of the Holding Company's Tanzania Branch as detailed in Note 55 has also reported a material uncertainty related to going concern section in their auditor's report on the financial statements of the branch for the year ended 31 March 2021. Our audit report on the consolidated financial statements for the year ended 31 March 2020 also included a disclaimer of opinion in respect of this matter.

3. b. As stated in Note 50 and 51 to the accompanying consolidated financial statements, the Holding Company has borrowings from certain banks which have been classified as non-performing assets ('NPA borrowings') and those from certain other banks/ asset reconstruction company (together referred to as 'the Lenders'). The Holding Company had entered into settlement agreements ("Settlement Agreements") with some of these Lenders for the aforesaid loans. As described in the said note, the Holding Company has delayed payments in respect of the instalments due to these Lenders pursuant to the relevant loan agreements and Settlement Agreements. In respect of the aforementioned NPA borrowings and delayed payments under the Settlement Agreements, the Holding Company has not recognised interest for the year ended 31 March 2021 aggregating to Rs. 3,384.95 lakhs (accumulated interest as at 31 March 2021 being Rs. 5,971.40 lakhs) payable under the terms of the said agreements, as estimated by the management, on the basis of expected re-negotiation with the Lenders.

   Pending confirmations/ reconciliations from the Lenders and in the absence of sufficient appropriate evidence to substantiate management's assessment, we are unable to comment on the adjustments, if any, that may be required to the carrying values of the aforesaid borrowings and dues (including interest) payable to the Lenders in accordance with the terms of loan agreements and Settlement Agreements, and the consequential impact of such adjustments on the accompanying consolidated financial statements. Our audit report on the consolidated financial statements for the year ended 31 March 2020 also included a disclaimer of opinion in respect of this matter.

3. c. As stated in Note 6.2 to the accompanying consolidated financial statements, the Holding Company's non-current investment (net of impairment) in its associate Company namely Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ("GWML") and its other current financial assets (net of impairment) and its current financial assets-loan which include amounts dues from such associate company as on 31 March 2021, aggregate to Rs. 21,978.26 lakhs, Rs. 728.37 lakhs and Rs. 435.80 lakhs, respectively. The consolidated net

worth of the aforesaid associate company as on that date has been fully eroded on account of losses incurred. Further, the associate company is facing liquidity constraints due to which it may not be able to meet the projections as per the approved business plans. Based upon the valuation report of an independent valuer as at 31 March 2021, arbitration awarded in favor of GWML and other factors described in the aforementioned note, management has considered such balances as fully recoverable. However, in the absence of sufficient and appropriate audit evidence to support the management's assessment as above, we are unable to comment upon adjustments, if any, that may be required to the carrying value of these balances, and the consequential impact on the accompanying consolidated financial statement. Our audit report on the consolidated financial statements for the year ended 31 March 2020 also included a disclaimer of opinion in respect of this matter.

3. d. As stated in the note 21.3 of the accompanying consolidated financial statements, there have been consistent delays in filing of Goods and Services Tax ('GST') returns of the Holding Company under various GSTINs held by the Holding Company across various states. Further, such returns indicate certain cross-charge billings between different locations of the Holding Company for which we have not been provided adequate supporting evidences. As further explained in the note, there have also been delays in reporting of certain revenue transactions in the aforesaid returns filed by the Holding Company beyond the timeline under the applicable GST laws.

   In the absence of sufficient and appropriate audit evidence to substantiate the basis for the adjustments made in the GST returns and considering penalties or fines that may be levied on account of aforesaid delays, we are unable to comment on the adjustments, if any, that may be required to the accompanying consolidated financial statements, including to the carrying values of GST payable included in Statutory dues payable under other current liabilities and GST recoverable included in Balances with Government authorities under other current assets.

Emphasis of Matters

4. We draw attention to:

   a. Note 3.1 to the accompanying consolidated financial statements, which describes the uncertainties relating to the outcome of the pending various litigations in respect of the three cogeneration power plants of the Company, for which the Company has filled petitions and appeals at various forums. The final outcome of these matters is presently unascertainable. Further, the said note also describes the significant estimates and assumptions, used by the management for determining recoverable amount of such cogeneration power plants classified under property, plant and equipment and capital work-in-progress aggregating to Rs. 2,273.91 lakhs and Rs. 4,374.29 lakhs, respectively, as at 31 March 2021, with respect to the impairment assessment in accordance with the requirements of Ind AS 36, 'Impairment of Assets'. Basis such valuation, the management believes that no further adjustment is required to the carrying value of the aforesaid cogeneration power plants.

   b. Note 42.2 to the accompanying consolidated financial statements, which describes the uncertainty relating to the outcome of litigation pertaining to income-tax matters pursuant to orders received by the Holding Company against which management and the assessing authorities have filed appeals with relevant Income-tax Authorities. The final outcome of these matters is presently unascertainable.

   c. Note 21.1 to the accompanying consolidated financial statements, which describes the uncertainty relating to utilization/ recovery of input tax credit and levy of interest on service tax. Based on the terms of the contract with the customers/vendors and independent legal opinion, management believes that these amounts are recoverable from the customer including interest thereon and that the Holding Company will be able to avail the input tax credit for aforementioned matter.

   d. Note 23.2 to the accompanying consolidated financial statements, which describes the uncertainties relating to the outcome of arbitration proceedings between the Company and its sub-contractor filed under section 17 of the Arbitration and Conciliation Act, 1996 before the Arbitral Tribunal.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

5. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, changes in equity and cash flows of the Group and its associates in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The respective Board of Directors/management of the companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates and for 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its associates are responsible for assessing the ability of the Group and of its associates 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 Group or to cease operations, or has no realistic alternative but to do so.

7. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associates.

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

8. Our responsibility is to conduct an audit of the accompanying consolidated financial statements in accordance with Standards on Auditing specified under section 143(10) of the Act, and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Other Matter

9. We did not audit the financial statements of twelve subsidiaries, whose financial statements reflect total assets of Rs. 47,222.55 lakhs and net assets of Rs. 9,938.67 lakhs as at 31 March 2021, total revenues of Rs. 25,832.99 lakhs and net cash inflows amounting to Rs. 466.01 lakhs for the year ended on that date, as considered in the consolidated financial statements. We also did not audit the financial statements of four branches included in the standalone audited financial statements of Holding Company, whose financial statements reflects total assets and net assets of Rs. 9,327.31 lakhs and Rs. 479.20 lakhs respectively as at 31 March 2021, total revenues of Rs. 5,583.08 lakhs, total net loss after tax of Rs. 361.75 lakhs, total comprehensive loss of Rs. 361.75 lakhs, and net cash outflows of Rs. 46.73 lakhs for the year ended on that date, as considered in the standalone audited financial statements of the Holding Company.The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of Rs. 413.31 lakhs for the year ended 31 March 2021, as considered in the consolidated financial statements, in respect of eighteen associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, are based solely on the reports of the other auditors.

   Further, of these subsidiaries/ associates/ branches, three branches are located outside India, whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries, and which have been audited by branch auditors under generally accepted auditing standards specified in Annexure 2, as applicable in their respective countries. The Holding Company's management has converted the financial statements of such branches from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. This report, in so far as it relates to the balances and affairs of these branches, is based on the audit report of branch auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Report on Other Legal and Regulatory Requirements

10. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 9 above, on separate financial statements of the subsidiaries and associates, we report that a subsidiary company covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that Holding company, eleven subsidiary companies and eighteen associate companies, have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of the Holding company and such subsidiary and associate companies.

11. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and associates, we report, to the extent applicable, that:

    a) as described in the Basis for Disclaimer of Opinion section, we sought but were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b) due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section, we are unable to state whether proper books of account as required by law have been kept by the Holding Company so far as it appears from our examination of those books and the reports of the other auditors. Proper returns adequate for the purposes of our audit have been received from the branches not visited by us;

    c) the reports on the accounts of the branch offices of the Holding Company audited under section 143(8) of the Act by the branch auditors have been sent to us and have been properly dealt with by us in preparing this report;

d) the consolidated financial statements dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us;

e) due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section, we are unable to state whether the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act;

f) the matters described in Paragraph 3 and 4 in the Basis for Disclaimer of Opinion / Emphasis of Matter section, in our opinion, may have an adverse effect on the functioning of the Holding Company;

g) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies covered under the Act, none of the directors of the Group companies and its associate companies covered under the Act, are disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act;

h) the reservations relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion section, read with paragraph 11(b) above;

i) we were also engaged to audit the internal financial controls with reference to consolidated financial statements of the Holding Company as on 31 March 2021 in conjunction with our audit of the consolidated financial statements of the Holding Company, its subsidiary companies and associate companies for the year ended on that date and our report dated 21 July 2021 as per Annexure A expressed disclaimer of opinion; and

j) 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associates:

i. due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section, we are unable to state whether the consolidated financial statements disclose fully the impact of pending litigations on the consolidated financial position of the Group and its associates as at 31 March 2021;

ii. due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section, we are unable to state whether the Group and its associates has made adequate provision as at 31 March 2021, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and associate companies covered under the Act during the year ended 31 March 2021; and

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
Manish Agrawal
Partner
Membership No.: 507000
UDIN: 21507000AAAACT6805

Place: Gurugram
Date: 21 July 2021

Annexure 1

List of entities included in the Consolidated Financial Statements

S. No.	Name	Relation
1	A2Z Infraservices Limited	Subsidiary
2	A2Z Powercom Limited	Subsidiary
3	Rishikesh Waste Management Limited (formerly known as A2Z Powertech Limited)	Subsidiary
4	Mansi Bijlee & Rice Mills Limited	Subsidiary
5	Magic Genie Services Limited	Subsidiary
6	Chavan Rishi International Limited	Subsidiary
7	A2Z Maintenance & Engineering Services Limited and Satya Builders (Association of person)	Subsidiary
8	A2Z Infraservices Lanka Private Limited	Subsidiary

S. No.	Name	Relation
9	Ecogreen Envirotech Solutions Limited	Subsidiary
10	A2Z Waste Management (Aligarh) Limited	Subsidiary with effect from 16 July 2019
11	A2Z Waste Management (Ludhiana) Limited	Subsidiary with effect from 16 July 2019
12	Magic Genie Smartech Solutions Limited	Subsidiary with effect from 16 July 2019
13	Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited)	Associate
14	A2Z Waste Management (Nainital) Private Limited	Associate
15	A2Z Waste Management (Moradabad) Limited	Associate
16	A2Z Waste Management (Meerut) Limited	Associate
17	A2Z Waste Management (Varanasi) Limited	Associate
18	A2Z Waste Management (Jaunpur) Limited	Associate
19	A2Z Waste Management (Badaun) Limited	Associate
20	A2Z Waste Management (Sambhal) Limited	Associate
21	A2Z Waste Management (Mirzapur) Limited	Associate
22	A2Z Waste Management (Balia) Limited	Associate
23	A2Z Waste Management (Fatehpur) Limited	Associate
24	A2Z Waste Management (Ranchi) Limited	Associate
25	A2Z Waste Management (Dhanbad) Private Limited	Associate
26	Shree Balaji Pottery Private Limited	Associate
27	Shree Hari Om Utensils Private Limited	Associate
28	A2Z Waste Management (Jaipur) Limited	Associate
29	A2Z Waste Management (Ahmedabad) Limited	Associate
30	Earth Environment Management Services Private Limited	Associate

Annexure 2

S. No.	Name	Country of Operations	Name of auditing standard
1	A2Z Infra Engineering Limited (Tanzania Branch)	Tanzania	International Standards Auditing
2	A2Z Infra Engineering Limited (Nepal Branch)	Nepal	Nepal Standards Auditing
3	A2Z Infra Engineering Limited (Uganda Branch)	Uganda	International Standards Auditing

Annexure A to the Independent Auditor's Report of even date to the members of A2Z Infra Engineering Limited on the consolidated financial statements for the year ended 31 March 2021

Annexure A

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. We were engaged to audit the internal financial controls with reference to consolidated financial statements of A2Z Infra Engineering Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its associates as at 31 March 2021 in conjunction with our audit of the consolidated financial statements of the Group and its associates as at and for the year ended on that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and its associate companies, which are companies covered under the Act, are 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 (the 'Guidance Note') 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 the Company's business, including adherence to the 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies and its associate companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI.

4. Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls with reference to consolidated financial statements of the Group and its associates.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

5. A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements include 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 consolidated 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 consolidated financial statements.

Disclaimer of Opinion

6. Because of the matters described below, according to the information and explanations given to us, and based on our audit and consideration of the report of the other auditor on internal financial controls with reference to financial statements of subsidiaries and associates, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Holding company's internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2021:

   The Holding Company's internal financial controls with reference to financial statements with respect to (a) financial statements closure process towards assessing the Holding Company's ability to continue as going concern were not operating effectively, which could lead to potential material misstatements in the carrying value and classification of assets and liabilities; (b) accrual of interest expenditure in accordance with Ind AS 23 'Borrowing Costs' and reconciliation of outstanding borrowings with lenders, were not operating effectively, which has resulted in a material misstatement in the amount of finance costs and other financial liabilities; (c) estimating the fair value of its investment in an associate company GWML, including dues recoverable from such associate company in accordance with Ind AS 109 'Financial Instruments', were not operating effectively, which could lead to potential material misstatements in the carrying values of investments, other current financial assets, current financial assets – loans; and (d) recording adjustments in the Goods and Services Tax ('GST') returns, and timely filing of such GST returns, were not operating effectively, which could lead to potential material misstatements in the carrying values of GST payable included in statutory dues payable under other current liabilities, and GST recoverable included in balances with government authorities under other current assets, and could also result in an inappropriate assessment of the accuracy and completeness of penal provisions, and the consequential impact resulting from the aforesaid findings on the earnings, reserves and related disclosures in the accompanying consolidated financial statements.

7. We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group and its associates as at and for the year ended 31 March 2021, and the disclaimer has affected our opinion on the consolidated financial statements of the Group and its associates and we have issued a disclaimer of opinion on such consolidated financial statements.

Other Matter

8. We did not audit the internal financial controls with reference to financial statements in so far as it relates to 12 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of Rs. 47,222.55 lakhs and net assets of Rs. 9,938.67 lakhs as at 31 March 2021, total revenues of Rs. 25,832.99 lakhs and cash flows (net) amounting to Rs. 466.01 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of Rs. 413.31 lakhs for the year ended 31 March 2021, in respect of 18 associate companies, which are companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies and associate companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the

adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements for the Holding Company, its subsidiary companies and its associate companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies and associate companies is based solely on the reports of the auditors of such companies.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
Manish Agrawal
Partner
Membership No.: 507000
UDIN: 21507000AAAACT6805

Place: Gurugram
Date: 21 July 2021

Consolidated Balance Sheet as at March 31, 2021

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

	Note	As at March 31, 2021	As at March 31, 2020
ASSETS:			
Non-current assets:			
Property, plant and equipment	3	6,966.05	7,818.80
Right to use asset	3	91.40	125.51
Capital work-in-progress	3	9,037.65	9,033.16
Investment property	4	-	-
Goodwill	5	4,291.23	4,291.23
Other Intangible assets	5	9.75	14.26
Intangible assets under development	5	73.42	73.42
Investments accounted for using the equity method	6	21,972.33	21,293.63
Financial assets:			
Loans	7	226.56	227.50
Other financial assets	8	1,419.16	1,831.40
Deferred tax assets (net)	9	3,084.22	3,186.14
Non-current tax assets (net)	10	5,805.15	6,953.71
Other non-current assets	11	726.28	612.75
Total non-current assets		53,703.20	55,461.51
Current assets:			
Inventories	12	707.75	590.58
Financial assets:			
Trade receivables	13	90,274.18	91,713.74
Cash and cash equivalents	14	1,391.55	1,038.43
Other bank balances	15	116.83	116.83
Loans	7	9,043.80	8,592.31
Other financial assets	8	19,760.30	23,039.48
Other current assets	11	9,195.07	15,775.92
Assets held for sale	40	3,043.80	3,041.48
Total current assets		133,533.28	143,908.77
Total assets		187,236.48	199,370.28
EQUITY AND LIABILITIES:			
Equity:			
Equity share capital	16	17,611.99	17,611.99
Other equity		16,167.06	23,666.51
Equity attributable to equity holders of the Company		**33,779.05**	**41,278.50**
Non-controlling interests		(664.11)	(488.95)
Total equity		33,114.94	40,789.55
Liabilities:			
Non-current liabilities:			
Financial liabilities:			
Borrowings	17	128.27	358.38
Lease liability	18	30.11	64.96
Other financial liabilities	19	6.70	12.08
Provisions	20	2,476.01	1,884.12
Deferred tax liabilities (net)	9	38.25	40.31
Other non-current liabilities	21	3,045.97	3,072.53
Total non-current liabilities		5,725.31	5,432.38
Current liabilities:			
Financial liabilities:			
Borrowings	22	36,057.75	33,836.34
Lease liability	18	55.92	56.94
Trade payables	23		
Total outstanding dues of micro and small enterprises		938.26	75.54
Total outstanding dues of creditors other than micro and small enterprises		59,888.66	67,066.25
Other financial liabilities	19	25,701.80	22,874.44
Other current liabilities	21	25,610.92	29,072.31
Provisions	20	141.22	97.64
Current tax liabilities (net)	24	1.70	68.89
Total current liabilities		148,396.23	153,148.35
Total liabilities		154,121.54	158,580.73
Total equity and liabilities		187,236.48	199,370.28
Summary of significant accounting policies	2		

The summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.

This is the consolidated balance sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Sd/-
Manish Agrawal
Partner
Membership No. 507000

Place : Gurugram
Date : July 21, 2021

For and on behalf of the Board of Directors

Sd/-
Amit Mittal
Managing Director
(DIN 00058944)

Sd/-
Rajesh Jain
Whole Time Director and CEO
(DIN 07015027)

Sd/-
Rajiv Chaturvedi
Chief Financial Officer

Sd/-
Atul Kumar Agarwal
Company Secretary
M. No. : FCS - 6453

Consolidated Statement of Profit and Loss for the Year ended March 31, 2021

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

	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
Income:			
Revenue from operations	25	41,490.79	69,984.30
Other income	26	2,558.58	2,819.83
Total income		**44,049.37**	**72,804.13**
Expenses:			
Cost of materials consumed	27	23,653.37	42,705.99
Change in inventories of finished goods,stock-in-trade and work-in-progress	28	(112.33)	(162.65)
Employee benefits expenses	29	12,317.49	21,592.94
Finance costs	30	5,982.25	6,034.47
Depreciation and amortisation expenses	31	918.98	1,370.47
Other expenses	32	8,602.06	8,746.35
Total expenses		**51,361.82**	**80,287.57**
Loss before exceptional items, share of loss of investments accounted for using equity method and tax		**(7,312.45)**	**(7,483.44)**
Less: Share of loss of investment accounted for using equity method		(413.31)	(135.27)
Loss before exceptional items and tax		**(7,725.76)**	**(7,618.71)**
Exceptional items - loss	43	-	(16,108.68)
Loss before tax		**(7,725.76)**	**(23,727.39)**
Tax expense	33		
Current tax		300.32	347.12
Deferred tax charge (net)		83.42	3,739.87
		383.74	**4,086.99**
Loss for the year		**(8,109.50)**	**(27,814.38)**
Other comprehensive income:			
Items that will not be reclassified to profit and loss			
a) Remeasurement of defined benefit obligations		321.95	193.20
b) Income tax relating to items that will not be reclassified to profit or loss		(16.44)	(42.21)
Total other comprehensive income for the year, net of tax		**305.51**	**150.99**
Total comprehensive income for the year		**(7,803.99)**	**(27,663.39)**
Loss is attributable to:			
Equity holders of the Company		(8,120.74)	(27,695.95)
Non-controlling interests		11.24	(118.43)
Other comprehensive income is attributable to:			
Equity holders of the Company		268.38	145.05
Non-controlling interests		37.13	5.94
Total comprehensive income is attributable to:			
Equity holders of the Company		(7,852.36)	(27,550.90)
Non-controlling interests		48.37	(112.49)
Loss per equity share (INR) :	34		
(Nominal value of shares INR 10)			
Basic		(4.61)	(15.73)
Diluted		(4.61)	(15.73)
Summary of significant accounting policies	2		

The summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.

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

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Sd/-
Manish Agrawal
Partner
Membership No. 507000

Place : Gurugram
Date : July 21, 2021

For and on behalf of the Board of Directors

Sd/-
Amit Mittal
Managing Director
(DIN 00058944)

Sd/-
Rajesh Jain
Whole Time Director and CEO
(DIN 07015027)

Sd/-
Rajiv Chaturvedi
Chief Financial Officer

Sd/-
Atul Kumar Agarwal
Company Secretary
M. No. : FCS - 6453

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

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

	Note	Number of shares	Amount
A. Equity share capital:			
Issued, subscribed and fully paid up			
Equity shares of INR 10 each			
Balance as at April 1, 2019	16	**176,119,858**	**17,611.99**
Changes during the year		**-**	**-**
Balance as at March 31, 2020	16	**176,119,858**	**17,611.99**
Changes during the year		**-**	**-**
Balance as at March 31, 2021	16	**176,119,858**	**17,611.99**

B. Other equity:

	Attributable to equity holders of the Company								
		Reserves and Surplus*							
	Equity component of compound financial instruments	Securities premium account	Capital reserve	General reserve	Employee stock option plan reserve	Retained earnings	Total other equity	Non-controlling interests	Total
Balance as at April 1, 2019	**465.54**	**89,586.56**	**14.57**	**640.14**	**608.70**	**(40,375.54)**	**50,939.97**	**126.27**	**51,066.24**
(Loss) for the year	-	-	-	-	-	(27,695.95)	**(27,695.95)**	(118.43)	**(27,814.38)**
Other comprehensive income (net of tax)	-	-	-	-	-	145.05	**145.05**	5.94	**150.99**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**(27,550.90)**	**(27,550.90)**	**(112.49)**	**(27,663.39)**
Transfer from Employee stock option plan reserve on lapse	-	-	-	-	(55.81)	55.81	**-**	-	**-**
Adjustment on account of acquisition of subsidiary (Refer Note 44 i)	-	-	-	-	-	-	**-**	(502.73)	**(502.73)**
Transactions with owners in their capacity as owners:									
Employee stock option plan (ESOP) expense for the year (Refer Note 29.2)	-	-	-	-	277.44	-	**277.44**	-	**277.44**
Balance as at March 31, 2020	**465.54**	**89,586.56**	**14.57**	**640.14**	**830.33**	**(67,870.63)**	**23,666.51**	**(488.95)**	**23,177.56**
(Loss) for the period	-	-	-	-	-	(8,120.74)	**(8,120.74)**	11.24	**(8,109.50)**
Other comprehensive income (net of tax)	-	-	-	-	-	268.38	**268.38**	37.13	**305.51**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**(7,852.36)**	**(7,852.36)**	**48.37**	**(7,803.99)**
Transfer from Employee stock option plan reserve on lapse	-	-	-	-	(158.99)	158.99	**-**	-	**-**
Adjustment on account of acquisition of subsidiary (Refer Note 44 i)	-	-	-	-	-	223.53	**223.53**	(223.53)	**-**
Transactions with owners in their capacity as owners:									
Employee stock option plan (ESOP) expense for the year (Refer Note 29.2)	-	-	-	-	129.38	-	**129.38**	-	**129.38**
Balance as at March 31, 2021	**465.54**	**89,586.56**	**14.57**	**640.14**	**800.72**	**(75,340.47)**	**16,167.06**	**(664.11)**	**15,502.95**

* Refer Note 2(j) for the nature and purpose of reserves.

The summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.

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

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Sd/-
Manish Agrawal
Partner
Membership No. 507000

Place : Gurugram
Date : July 21, 2021

For and on behalf of the Board of Directors

Sd/-
Amit Mittal
Managing Director
(DIN 00058944)

Sd/-
Rajesh Jain
Whole Time Director and CEO
(DIN 07015027)

Sd/-
Rajiv Chaturvedi
Chief Financial Officer

Sd/-
Atul Kumar Agarwal
Company Secretary
M. No. : FCS - 6453

Consolidated Cash Flow Statement for the year ended March 31, 2021

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

		For the year ended March 31, 2021	For the year ended March 31, 2020
A	**Cash flows from operating activities:**		
	Net Loss before tax (after exceptional items)	**(7,725.76)**	**(23,727.39)**
	Adjustments :		
	Exceptional items- Loss	-	16,108.68
	Share of associates	413.31	135.27
	Depreciation and amortisation expense	918.98	1,370.47
	Interest expense	5,700.01	5,481.76
	Interest income	(1,933.73)	(2,020.70)
	Loss on sale of property, plant and equipment (net)	34.40	7.54
	Provision for contract revenue in excess of billing	231.58	165.35
	Gain on modification of lease contract	(0.03)	(0.15)
	Provision for bad and doubtful debts, loans, advances and other receivables (net)	5,008.19	4,209.45
	Advances written off	35.94	-
	Provision for warranty	721.17	716.58
	Provisions/liabilities written back	(470.76)	(33.58)
	Inventory Return off	-	108.02
	Remeasurement of defined benefit obligations	321.95	193.20
	Recognition of share based payments at fair value	129.38	277.44
	Subsidy amortised	(60.15)	(45.36)
	Rental income	(32.70)	(74.03)
	Operating profit before working capital changes	**3,291.78**	**2,872.55**
	Net changes in working capital:		
	Change in inventories	(117.17)	145.34
	Change in trade receivables	(540.71)	(3,454.07)
	Change in loans	(445.24)	441.24
	Change in other financial assets	1,960.16	(2,775.41)
	Change in other assets	4,638.17	(2,106.98)
	Change in trade payables	(6,251.80)	3,417.91
	Change in other financial liabilities	(167.27)	(413.43)
	Change in other liabilities	(3,708.25)	894.63
	Change in provisions	(137.51)	(611.22)
	Net changes in working capital	**(4,769.62)**	**(4,461.99)**
	Cash used in operations	**(1,477.84)**	**(1,589.44)**
	Current taxes paid (net of refunds)	781.05	(1,026.51)
	Net cash used in operating activities (A)	**(696.79)**	**(2,615.95)**

Consolidated Cash Flow Statement for the year ended March 31, 2021

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

		For the year ended March 31, 2021	For the year ended March 31, 2020
B	**Cash flows from investing activities:**		
	Acquisition of property, plant and equipment (including capital work in progress)	(361.37)	(612.32)
	Purchase for intangible asset	(0.60)	-
	Proceeds from sale of property, plant and equipment	193.33	33.45
	Outflow due to acquisition/loss of control	-	(666.72)
	Fixed deposits matured - (net)	401.85	654.61
	Rental income	32.70	74.03
	Interest received	841.72	1,189.53
	Net cash flow from investing activities (B)	**1,107.63**	**672.58**
C	**Cash flows from financing activities:**		
	Proceeds from long term borrowings	-	493.78
	Repayment of long term borrowings	(116.87)	(3,701.38)
	Proceeds from short term borrowings (net)	2,185.98	7,095.16
	Principal payment of lease liabilities	(61.19)	(46.59)
	Interest payment of lease liabilities	(12.53)	(11.50)
	Interest paid	(2,053.11)	(2,135.54)
	Net cash (used in) / flow from financing activities (C)	**(57.72)**	**1,693.93**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**353.12**	**(249.44)**
	Cash and cash equivalents at the beginning of the year	1,038.43	1,287.87
	Cash and cash equivalents at the end of the year	**1,391.55**	**1,038.43**

	As at March 31, 2021	**As at March 31, 2020**
Reconciliation of cash and cash equivalents as per the cash flow statement (Refer Note 14)		
Cash and cash equivalents as per above comprises of the following :		
a. Cash in hand	6.32	27.30
b. Balances with banks		
- in current account	1,383.23	1,009.13
- in fixed deposit account (less than 3 month maturity)	2.00	2.00
	1,391.55	**1,038.43**

Note: The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'. All figures in brackets are outflows.

The summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.

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

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Sd/-
Manish Agrawal
Partner
Membership No. 507000

Place : Gurugram
Date : July 21, 2021

For and on behalf of the Board of Directors

Sd/-
Amit Mittal
Managing Director
(DIN 00058944)

Sd/-
Rajesh Jain
Whole Time Director and CEO
(DIN 07015027)

Sd/-
Rajiv Chaturvedi
Chief Financial Officer

Sd/-
Atul Kumar Agarwal
Company Secretary
M. No. : FCS - 6453

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

1 : CORPORATE INFORMATION

A2Z Infra Engineering Limited ('A2Z or the Holding Company') was incorporated at National Capital Territory of Delhi and Haryana on January 7, 2002 for providing maintenance and engineering services. The Holding Company commenced its business with the facility management services and entered into engineering business during the year 2005-06. The Holding Company has also entered into collaboration with sugar mills for setting up 3 Cogeneration (Cogen) power plants on Built, Own, Operate and Transfer (BOOT) basis for a period of 15 years The consolidated financial statements comprise the financial statements of the Holding Company, its subsidiaries and associates collectively hereinafter referred to as the 'Group'. The Group is also setting up one biomass based power plant at Kanpur in the state of Uttar Pradesh.

The Group's main business primarily include:

i) Engineering services mainly includes supply, erection and maintenance of electrical transmission lines including laying and maintenance of Optic Fiber Cable (OFC) and allied services to power distribution companies;

ii) Municipal solid waste management which primarily includes door to door collection, intermediate transportation and processing of waste to compost, vermin compost, plastic recyclable and eco bricks;

iii) Facility management services; and

iv) Technology based facility management services.

These consolidated financial statements for the year ended March 31, 2021 were authorized and approved for issue by the Board of Directors on July 21, 2021. The revisions to the consolidated financial statements are permitted by the Board of Directors of the Holding Company after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

2 : SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

2.1 Statement of compliance

These financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies act, 2013 ("The Act") read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2016 issued by Ministry of Corporate Affairs ('MCA'). All other relevant provisions of the Act, as amended, are also complied with in these financial statements. The Group has prepared these Consolidated Financial Statements which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended March 31, 2021, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements").

The Consolidated financial statements have been prepared on going concern basis using a historical cost convention, except certain financial assets and financial liabilities which are measured at fair value as explained in relevant accounting policies.

The Consolidated financial statements are presented in INR which is assessed to be the functional currency of the Group in accordance with Ind AS. All values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

The Group has uniformly applied the accounting policies during the period presented.

2.2 Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these Consolidated Financial Statements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Any revision to accounting estimates and assumptions are recognised prospectively i.e. recognised in the period in which the estimate is revised and future periods affected.

In particular, information about significant judgements and areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are discussed below:

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements are as follows:

- **Recognition of deferred tax assets -** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized.

- **Evaluation of indicators for impairment of assets –** The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- **Evaluation of whether an arrangement contains a lease –** The Group has entered into certain arrangement for municipal solid waste management. In such contracts, it was evaluated whether the arrangement contains a lease based on whether an item of property, plant and equipment is specifically identifiable and whether the arrangement contains a right to use such asset.
- **Classification of leases –** The Group enters into leasing arrangements for various premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.
- **Provisions**

  At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.
- **Contingencies**

  In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Group. A tax provision is recognised when the Group has a present obligation as a result of a past event; it is probable that the Group will be required to settle that obligation. Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

  When considering the classification of a legal or tax cases as probable, possible or remote there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific tax law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to inform their decision.

  Although there can be no assurance regarding the final outcome of the legal proceedings, the Group does not expect them to have a materially adverse impact on the Group's financial position or profitability.
- **Going concern**

  The management has made an assessment of the Group's ability to continue as going concern and is satisfied that the Group has resources to continue in business for the foreseeable future. Further, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as going concern, read with note 52.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

- **Recoverability of advances/ receivables –** At each balance sheet date, based on discussions with the respective counter-parties and internal assessment of their credit worthiness, the management assesses the recoverability and expected credit loss of outstanding receivables and advances. Such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factor.
- **Classification of assets and liabilities into current and non-current –** The management classifies the assets and liabilities into current and non-current categories based on management's expectation of the timing of realisation of the assets or timing of contractual settlement of liabilities.
- **Warranty provision –** The management makes estimate of costs that would be incurred with respect to warranties given on products. The provision requires use of several estimates based on past data and expectations of future.
- **Impairment of non-financial assets –** The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- I**mpairment of financial assets –** The Group estimates the recoverable amount of trade receivables and other financial assets where collection of the full amount is expected to be no longer probable. For individually significant amounts, this estimation is performed on an individual basis considering the length of time past due, financial condition of the counter-party, impending legal disputes, if any and other relevant factors.

- **Useful lives of depreciable/ amortisable assets (Property plant and equipment and intangible) –** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software and other plant and equipment.
- **Revenue recognition –** The Group uses the Input method (percentage completion method) in accounting for its revenue from construction services. The use of percentage-of-completion method requires the Group to estimate costs expended to date as a proportion of the total costs to be expended. Costs expended have been used to measure progress towards completion as there is a direct relationship between input and output.
- **Contract estimates –** The Group, being a part of construction industry, prepares budgets in respect of each project to compute project profitability. The two major components of contract estimate are 'claims arising during construction period' (described below) and 'budgeted costs to complete the contract'. While estimating these components various assumptions are considered by the management such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) consumption norms will remain same (iii) Assets will operate at the same level of productivity as determined (iv) Wastage will not exceed the normal % as determined etc. (v) Estimates for contingencies (vi) There will be no change in design and the geological factors will be same as communicated and (vii) price escalations etc. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- **Recoverability of claims –** The Group has claims in respect of cost over-run arising due to client caused delays, suspension of projects, deviation in design and change in scope of work etc., which are at various stages of negotiation/discussion with the clients or under arbitration. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims.
- **Defined benefit obligation (DBO) –** Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- **Fair value measurements –** Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available.

2.3 Significant accounting policies

a) Principles of consolidation

<u>**Subsidiary**</u>

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries as at 31 March 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedures:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group, unless the accounting standard specifies otherwise.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method of accounting. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which the investee ceases to be an equity accounted investee.

Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

In case of joint operations, the Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

On the other hand, interests in joint ventures are accounted for using the equity method.

b) Revenue recognition

The Group recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of good or service to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Transaction price is the amount of consideration to which the Group expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit & loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Significant judgments are used in:

- Determining the revenue to be recognised in case of performance obligation satisfied over a period of time. Revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.
- Determining the estimated losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

i. Revenue from engineering services

Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Impairment loss (termed as provision for foreseeable losses) is recognised in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the group expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfil such remaining performance obligations). In addition, the Group recognises impairment loss (termed as provision for expected credit loss in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

Contract revenue earned in excess of billing has been reflected under “Other financial assets” and billing in excess of contract revenue has been reflected under “Other current liabilities” in the Balance Sheet. As the outcome of the contracts cannot be measured reliably during the early stages of the project, contract revenue is recognised only to the extent of costs incurred in the statement of profit and loss unless the actual cost reaches a minimum threshold of 10% of total estimated cost of the project.

Liquidated damages/ penalties, interest, warranties and contingencies are provided for, based on management’s assessment of the estimated liability, as per contractual terms and/or acceptance.

ii. Revenue from operation and facility maintenance services

Revenue from maintenance contracts and renting of equipment’s are recognised over the period of the contract as and when services are rendered in accordance with the terms of the respective contract.

iii. Income from municipal and solid waste management

Revenue from municipal and solid waste management are recognised over the period of the contract as and when services are rendered in accordance with the terms of the respective contract.

iv. Income from professional and data processing services

Income from professional and data processing services is recognized as and when the customer receives the benefit of the group’s performance and the Group has an enforceable right to payment for services transferred.

v. Revenue from operation of plant

Revenue from operation of plant is recognised on transfer of significant risks and rewards of ownership to the buyer, which is when delivered, and measured on an accrual basis based on the rates in accordance with the provisions of the Power Purchase Agreements (PPAs) entered into by the Company with the procurer’s of power. Claims for delayed payment charges and other claims are accounted by the Company on accrual basis in accordance with the provisions of the PPAs only when it is reasonable to expect ultimate collection. Excise Duty is not applicable on generation and sale of power. Sales exclude sales tax and value added tax, where applicable.

vi. Revenue from sale of goods

Revenue is recognised when the control of the same is transferred to the customer and it is probable that the Group will collect the consideration to which it is entitled for the exchanged goods. Performance obligations in respect of contracts for sale of goods is considered as satisfied at a point in time when the control of the same is transferred to the customer and where there is an alternative use of the asset or the Group does not have either explicit or implicit right of payment for performance completed till date. In case where there is no alternative use of the asset and the

Group has either explicit or implicit right of payment considering legal precedents, performance obligation is considered as satisfied over a period of time and revenue is recognized over time. The Group collects goods and service tax (GST) (as applicable) on behalf of the government and, therefore, these are not economic benefits flowing to the Group.

vii. Export incentive

Income from export incentives such as duty drawback is recognized on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

viii. Interest

Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through other comprehensive income. Interest receivable on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty towards its realisation.

ix. Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.

x. Others

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

c) Foreign currencies and operations

Initial recognition

The Group's financial statements are presented in INR, which is also the Parent Company's functional currency. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items of the Group, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of exchange difference

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Group's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

Translation of foreign operations

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than the INR are translated into INR upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into INR at the closing rate at the reporting date. Income and expenses have been translated into INR at the average rate over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are reclassified to profit or loss and are recognised as part of the gain or loss on disposal.

d) Property, plant and equipment (PPE)

i. Initial recognition

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Cost comprises the purchase price and any attributable / allocable cost of bringing the asset to its working condition for its intended use. The cost also includes direct cost and other related incidental expenses.

When significant components of property and equipment are required to be replaced at intervals, recognition is made for such replacement of components as individual assets with specific useful life and depreciation as if these components are initially recognized as separate asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in profit or loss as incurred.

ii. Subsequent measurement

Depreciation is provided from the date the assets are ready to be put to use, on straight line method as per the useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for leasehold land which is amortised over the lease term on straight line basis.

Particulars	Useful life (Straight line method)
Building	10-60 years
Office equipment	5 years
Plant and equipment	8-25 years
Computers	3-6 years
Furniture and fixtures	8-10 years
Vehicles	8-10 years
Leasehold land	Over the lease term on straight line basis.

Depreciation method, useful life and residual value are reviewed periodically.

iii. De-recognition

Property, plant and equipment are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within 'other income' or 'other expenses' respectively.

e) Investment properties

Recognition and initial measurement

Investment properties are held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Though the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual valuation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Subsequent measurement (depreciation and useful lives)

The Group based on technical assessment made by it, depreciates building component of investment property on a straight line basis over a period of 60 years from the date of original purchase.

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

De-recognition

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

f) Intangible assets

Intangible asset include Computer software which is stated at cost less accumulated amortisation. This software is amortised on a straight line basis over the estimated useful life of five to six years, as determined by the management.

g) Leases

i. Where the Group is lessee – Right of use assets and lease liabilities

For any new contracts entered into on or after 1 April 2019, the Group considers whether a contract is, or contains a lease (the transition approach has been explained and disclosed in notes). A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

ii. Where the Group is lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease, except when the lease rentals, increase are in line with general inflation index. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

h) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Initial measurement, recognition and derecognition

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (1) the Group has transferred substantially all the risks and rewards of the asset, or (2) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

ii. Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Debt instruments at Amortised cost
- Debt instruments at Fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at Fair value through profit or loss (FVTPL)
- Equity instruments measured at Fair value through other comprehensive income (FVTOCI)
- Equity instruments measured at Fair value through profit or loss (FVTPL)

❑ **Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

1. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
2. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

   After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

❑ **Debt instruments at fair value through other comprehensive income**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

1. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
2. The asset's contractual cash flows represent SPPI.

   Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

❑ **Debt instruments at fair value through profit or loss**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

❑ **Equity instruments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

iii. Classification and subsequent measurement of financial liabilities

All financial liabilities are recognised initially at its fair value adjusted by directly attributable transaction costs.

The measurement of financial liabilities depends on their classification, as described below:

❑ **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

The Group has not designated any financial liability as at fair value through profit and loss.

- **Financial liabilities measured at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

iv. Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost.

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

c) Loan commitments which are not measured as at FVTPL

d) Financial guarantee contracts which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables; and the application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

i) Equity shares

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

j) Reserves and Surplus

Nature and purpose of reserves;

i. General reserve

General reserves can be used for the purpose and as per guidelines in the Companies Act, 2013.

ii. Securities premium reserve

Securities premium is used to record the premium on issue of shares or debentures. The reserve will be utilised in accordance with the provisions of the Act.

iii. Employee stock option plan reserves

The Group has four type of Option scheme under which options to subscribe for the Group's share have been granted to certain employees. The Employee Stock Option Plan Reserves is used to recognise the value of equity settled share based payments provided to employees. Refer to note 29.2 for further details of these plans.

iv. Capital reserves

It represents the gains of capital nature which mainly includes the excess of value of net assets acquired over

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

consideration paid by the subsidiary Company for business combination in earlier years.

v. Equity component of compound financial instrument

The Group had issued Zero Coupon Debentures(ZCD) having coupon rate of 0.01% . This being compound financial instrument and accordingly represents equity component of ZCDs on split of compound financial instrument.

k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

l) Government grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

m) Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income ('OCI') or directly in equity.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current income-tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax assets or liability arising during tax holiday period is not recognised to the extent it reverses out within the tax holiday period. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

n) Fair value measurement

The Group measures financial instruments at fair value on initial recognition

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

o) Business combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises of

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity,

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

p) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal / external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit (CGU) is estimated. If such recoverable amount of the asset or CGU to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Consolidated Statement of Profit and Loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Consolidated Statement of Profit and Loss. An asset is deemed impairable when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.

q) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a first-in-first-out basis and includes all applicable overheads in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

r) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished form those of the rest of the Group and which represents a separate major line of business or geographical area of operations and

– Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or

– Is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

s) Provisions, contingent liabilities and contingent assets

Provisions are measured at the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

A provision is recognised when:

- The Group has a present obligation as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

The Group does not recognise contingent liabilities but it is disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

t) Employee benefits

i. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, performance incentives, etc. are recognised at actual amounts due in the period in which the employee renders the related service.

ii. Post-employment benefits

1. **Defined contribution plans:** The Group makes payments made to defined contribution plans such as provident fund and employees' state insurance. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2. **Defined benefit plans:** The liability is accounted for on the basis of actuarial valuation as per Ind AS 19 'Employee Benefits'. Liability recognized in the Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation.

   The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

   Actuarial gain / loss pertaining to gratuity, post separation benefits are accounted for as OCI. All remaining components of costs are accounted for in Statement of Profit and Loss.

3. **Other long-term employee benefits:** Other long-term employee benefits are recognised as an expense in the Statement of Profit and Loss as and when they accrue. The Group determines the liability using the Projected Unit Credit Method, with actuarial valuations carried out as at the balance sheet date. Actuarial gains and losses in respect of such benefits are charged to the Statement of Profit and Loss.

u) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred. Also, the effective interest rate (EIR) amortization is included in finance costs.

v) Earnings per share

Basic earnings per share is calculated by dividing the net profit / (loss) for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit / (loss) for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

w) Segment reporting

The Group's operating businesses are organized and managed separately according to the nature of services, with each segment representing a strategic business unit that offers different services to different markets. The Group has four operating/reportable segments, i.e., engineering services, Power generation projects, Facility Management Services, Municipal Solid Waste Management, and others represents trading of goods and renting of equipment's.

The operating segments are managed separately as each involves different regulations, marketing approaches and other resources. These operating segments are monitored by the Group's chief operating decision maker and strategic decisions are made on the basis of segment operating results. All inter-segment transfers are carried out at arm's length prices based on prices charged to unrelated customers in standalone sales of identical goods or services.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

For management purposes, the Group uses the same measurement policies as those used in its financial statements. In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment.

No asymmetrical allocations have been applied between segments.

x) Share based payments

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium.

y) Current/non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

z) Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

2.4 Recent accounting pronouncements

a) On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of the consolidated financial statements.

  The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

b) On 18 June 2021, MCA through a notification has notified Companies (Indian Accounting Standards) Amendment Rules, 2021.

The notification has made amendments to various Ind AS. Some of the key amendments are:

Ind AS 116 – COVID-19-Related Rent Concessions

The economic challenges presented by the COVID-19 pandemic have persisted longer than anticipated, and therefore the practical expedient relating to rent concessions arising as a consequence of COVID-19 has been modified. Accordingly, lessees are now exempted from assessing whether a COVID-19-related rent concession is a lease modification, if the reduction in lease payments affects only payments originally due on or before 30 June 2022. Earlier the practical expedient was allowed only for lease payments originally due on or before 30 June 2021. A lessee should apply the amendments for annual reporting periods beginning on or after 1 April 2021.

Interest Rate Benchmark Reform – Phase 2

This amendment relates to ‘Interest Rate Benchmark Reform — Phase 2 (Amendments to Ind AS 104, Ind AS 107, Ind AS 109 and Ind AS 116)’ which addresses issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. Some of the key amendments arising from the interest rate benchmark are:

Ind AS 109: New guidance has been included on changes in the basis for determining the contractual cashflows as a result of interest rate benchmark reform. An entity should apply the amendments for annual reporting periods beginning on or after April 1, 2021. Ind AS 107: Additional disclosures related to nature and extent of risks to which the entity is exposed from financial instruments subject to interest rate benchmark reform and how the entity manages these risks. An entity should apply the amendments when it applies amendments to Ind AS 109, Ind AS 104 or Ind AS 116.

Amendments to Ind AS consequential to Conceptual Framework under Ind AS

The amendments relating to Ind AS 102, Share-based Payment; Ind AS 103, Business Combinations; Ind AS 106, Exploration for and Evaluation of Mineral Resources; Ind AS 114, Regulatory Deferral Accounts; Ind AS 1, Presentation of Financial Statements; Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors; Ind AS 34, Interim Financial Reporting; Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets; Ind AS 38, Intangible Assets, are consequential due to changes in the Conceptual Framework under Ind AS, made in August 2020. The revised Conceptual Framework introduced some new concepts and clarifications along with revision in definitions and changes in recognition criteria of assets and liabilities under Ind AS.

The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

Note 3 : PROPERTY, PLANT AND EQUIPMENT, RIGHT TO USE ASSETS AND CAPITAL WORK IN PROGRESS

	Freehold land	Leasehold improvement	Computers	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Tools and equipment	Office equip-ment	Total	Right to use of Assets (Refer Note 54)	Capital work in progress
Gross carrying amount:												
Balance as at April 1, 2019	**654.68**	**73.47**	**911.92**	**4,036.61**	**16,147.58**	**426.77**	**1,753.76**	**14.80**	**708.61**	**24,728.20**	**-**	**26,866.70**
Additions	-	-	3.73	-	65.16	1.73	198.96	-	5.23	**274.81**	183.23	278.88
Aquired through business combination(Refer note 44 ii)	-	-	1.24	1,527.29	1,296.52	5.29	1,111.00	260.60	28.77	**4,230.71**	-	3,792.99
Disposal/adjustments	-	-	1.99	-	216.59	2.90	49.11	-	0.93	**271.52**	13.48	-
Assets held for sale (Refer Note 40)	(19.58)	-	-	(275.83)	(18.88)	(108.72)	-	-	(9.03)	**(432.04)**	-	-
Balance as at March 31, 2020	**635.10**	**73.47**	**914.90**	**5,288.07**	**17,273.79**	**322.17**	**3,014.61**	**275.40**	**732.65**	**28,530.16**	**169.75**	**30,938.57**
Additions	-	-	8.84	-	41.41	0.79	175.71	-	2.67	**229.42**	25.82	4.64
Disposal/adjustments	-	-	-	37.38	665.56	-	93.76	-	1.00	**797.70**	1.10	0.15
Assets held for sale (Refer Note 40)	-	-	-	-	-	-	-	-	-	**-**	-	-
Balance as at March 31, 2021	**635.10**	**73.47**	**923.74**	**5,250.69**	**16,649.64**	**322.96**	**3,096.56**	**275.40**	**734.32**	**27,961.88**	**194.47**	**30,943.06**
Accumulated depreciation, amortisation and impairment:												
Balance as at April 1, 2019	**-**	**73.47**	**909.86**	**1,444.04**	**7,278.69**	**367.03**	**1,674.64**	**10.69**	**672.20**	**12,430.62**	**-**	**12,631.21**
Depreciation/amortisation	-	-	2.67	240.38	981.40	17.02	56.73	3.33	7.23	**1,308.76**	46.14	-
Aquired through business combination(Refer Note 44 i)	-	-	1.12	331.21	574.97	4.54	942.65	252.08	27.81	**2,134.38**	-	
Impairment (Refer Note 3.1)	-	-	-	1,834.51	3,375.77	-	4.02	-	-	**5,214.30**		9,274.20
Disposal/adjustments	-	-	1.99	-	176.56	2.90	48.24	-	0.84	**230.53**	1.90	-
Assets held for sale (Refer Note 40)	-	-	-	(39.45)	(10.04)	(87.65)	-	-	(9.03)	**(146.17)**	-	-
Balance as at March 31, 2020	**-**	**73.47**	**911.66**	**3,810.69**	**12,024.23**	**298.04**	**2,629.80**	**266.10**	**697.37**	**20,711.36**	**44.24**	**21,905.41**
Depreciation/amortisation	-	-	3.50	70.54	683.05	5.92	83.77	0.94	6.72	**854.44**	59.43	-
Disposal/adjustments	-	-	-	8.57	484.18	-	76.22	-	1.00	**569.97**	0.60	-
Balance as at March 31, 2021	**-**	**73.47**	**915.16**	**3,872.66**	**12,223.10**	**303.96**	**2,637.35**	**267.04**	**703.09**	**20,995.83**	**103.07**	**21,905.41**
Net carrying amount:												
Balance as at March 31, 2021	**635.10**	**-**	**8.58**	**1,378.03**	**4,426.54**	**19.00**	**459.21**	**8.36**	**31.23**	**6,966.05**	**91.40**	**9,037.65**
Balance as at March 31, 2020	**635.10**	**-**	**3.24**	**1,477.38**	**5,249.56**	**24.13**	**384.81**	**9.30**	**35.28**	**7,818.80**	**125.51**	**9,033.16**

Note 3.1: Power plant litigation and Impairment

In respect of the on-going arbitration proceedings with the sugar mills for certain disputes in respect of cogeneration power plants, the Holding Company had earlier filed petition under section 11 of the Arbitration and Conciliation Act, 1996 in the High Court of Punjab and Haryana for appointment of an independent Arbitrator, which is still pending in the High Court, though the High Court was of the prima-facie view that "there appears to be force in the submissions and the issue requires scrutiny".

Further during the current year, the Holding Company had also challenged the mandate of the arbitrator under section 14 of the Arbitration and Conciliation Act, 1996 at District & Sessions Court, Chandigarh and thereafter, the Additional Registrar had passed the arbitral awards in all the three arbitration proceedings against the Holding Company. The arbitral awards consists of claims in the nature of various amounts such as guarantee return, repair and maintenance of boiler, electricity purchased for operating plant etc amounting to INR 7,234.73 lakhs and interest thereon as per the management estimates.The Holding Company has also challenged aforementioned arbitral awards under section 34 of the Arbitration and Conciliation Act, 1996 which is pending at District & Sessions Court, Chandigarh. Based on their assessment and upon consideration of advice from the independent legal consultant, the management believes that the Holding Company has reasonable chances of succeeding before the District & Sessions Court, Chandigarh and the High Court of Punjab and Haryana. Pending the final decision on the matter, no further adjustment has been made in the consolidated financial statements.

During the previous years, the management of the Holding Company decided to shift these power plants to other locations. Accordingly, the Holding Company had filed a writ petition in the Hon'ble High court of Punjab and Haryana for relocation of such power plants adjacent to RDF based facilities. In the current year, the High court had dismissed the petition with direction to the Holding Company that they should follow up with the Chief Secretary, State of Punjab regarding the said mater. The Holding Company has submitted its representation before the Chief Secretary, State of Punjab several times but no response has been received till date.

The management of the Holding Company has performed an impairment assessment of three cogeneration power plants set up in collaboration with certain sugar mills on Build, Own, Operate and Transfer (BOOT) using Depreciated Replacement Cost (DRC) Method under Cost Approach. As at March 31, 2021, such plants have a power generation capacity of 15 MW each.

Accordingly, the management of Holding Company has recorded an impairment of INR 29,536.28 lakhs (INR 29,536.28 lakhs for the year ended March 31, 2020) in carrying value of these assets as at March 31, 2021. The management believes that the recoverable amount of these power plants are reasonable and no further material adjustments to the carrying value of these plants are necessary.

Out of the aforementioned impairment as at March 31, 2021 INR 22,413.72 lakhs (INR 9,782.51 lakhs for the year ended March 31, 2020) pertain to, two power plants, which were yet to be capitalised and INR 7,122.56 lakhs (INR 5,214.30 lakhs for the year ended March 31, 2020) are for power plant which has already been capitalised.

The recoverable amount of cogeneration power plants classified under property, plant and equipment and capital work-in-progress aggregates to INR 2,273.91 lakhs and INR 4,374.29 lakhs respectively as at March 31, 2021 (March 31, 2020: INR 2,533.87 lakhs and 4,374.29 lakhs respectively). The recoverable amount of all three cogeneration power plants is based on Depreciated Replacement Cost (DRC) Method under Cost Approach and determined at the level of the Cash Generating Unit (CGU). The auditors have expressed an emphasis of matter on the same.

Note 3.2: Contractual commitments

The Group does not have any outstanding contractual commitments to purchase any items of property, plant and equipment (including capital work in progress).

Note 3.3: Property, plant and equipment are pledged as collateral for borrowings from banks and financial institutions (Refer Note 17 and Note 22).

Note 3.4: Capital work in progress

Assets under construction comprises of expenditure for the power plant in the course of construction. The amount of expenditure recognised in carrying amount of capital work in progress are as under.

	As at March 31, 2021	As at March 31, 2020
Buildings under construction	1,302.02	1,302.02
Power plant equipment's under erection	19,760.94	19,756.43
Borrowing costs capitalised	5,589.42	5,364.37
Other expenses (directly attributable to construction/erection of assets)		
Employee benefit expense	1,099.23	1,099.27
Depreciation	491.36	491.36
Other directly attributable expenses (including trial/test run expenses)	3,208.40	3,433.43
Less:- Impairment (Refer Note 3.1)	(22,413.72)	(22,413.72)
Total	**9,037.65**	**9,033.16**

Note 4 : INVESTMENT PROPERTY

	Freehold land	Buildings	Plant and Equipment	Furniture and fixtures	Office equipment	Total
Gross carrying amount:						
Balance as at April 1, 2019	**15.01**	**211.58**	**14.49**	**83.39**	**6.92**	**331.39**
Additions	-	-	-	-	2.09	**2.09**
Reclassified as asset held for sale (Refer Note 40)	(15.01)	(211.58)	(14.49)	(83.39)	(9.01)	**(333.48)**
Balance as at March 31, 2020	**-**	**-**	**-**	**-**	**-**	**-**
Additions	-	-	-	-	-	**-**
Balance as at March 31, 2021	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation and impairment:						
Balance as at April 1, 2019	**-**	**27.64**	**6.93**	**60.18**	**6.92**	**101.67**
Depreciation	-	2.62	0.77	7.05	0.30	**10.75**
Reclassified as asset held for sale (Refer Note 40)	-	(30.26)	(7.70)	(67.24)	(7.22)	**(112.42)**
Balance as at March 31, 2020	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation	-	-	-	-	-	**-**
Balance as at March 31, 2021	**-**	**-**	**-**	**-**	**-**	**-**
Net carrying amount:						
Balance as at March 31, 2021	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at March 31, 2020	**-**	**-**	**-**	**-**	**-**	**-**

Note:

(i) Fair Value of Investment Property as on March 31, 2021 : INR Nil (March 31, 2020 : INR Nil), except investment property classified as assets held for sale.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

(ii) Amount recognized in statement of profit and loss for investment properties

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rental income (Refer Note 26)	-	74.03
Less: direct operating expenses that generated rental income	-	-
Less: direct operating expenses that did not generate rental income	-	27.53
Profit from leasing of investment properties before depreciation	**-**	**46.50**
Less: depreciation expense	-	10.75
Profit from leasing of investment properties after depreciation	**-**	**35.75**

(iii) Fair value hierarchy and valuation technique

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognized professional qualification and recent experience in the location and category of the property being valued. The subsidiary company obtains independent valuations for its investment properties annually and fair value measurement has been categorised as Level 3.

Note 5 : OTHER INTANGIBLE ASSETS

	Computer Software	Intangibles assets under development*	Goodwill (Refer Note 5.3)
Gross carrying amount:			
Balance as at April 1, 2019	**824.27**	**73.42**	**4,291.23**
Additions	-	-	-
Disposal/adjustments	(30.60)	-	-
Balance as at March 31, 2020	**793.67**	**73.42**	**4,291.23**
Additions	0.60	-	-
Disposal/adjustments	-	-	-
Balance as at March 31, 2021	**794.27**	**73.42**	**4,291.23**
Amortisation and impairment:			
Balance as at April 1, 2019	**805.19**	-	**-**
Amortisation	4.82	-	**-**
Disposal/adjustments	(30.60)	-	**-**
Balance as at March 31, 2020	**779.41**	**-**	**-**
Amortisation	5.11	-	**-**
Disposal/adjustments	-	-	**-**
Balance as at March 31, 2021	**784.52**	**-**	**-**
Net carrying amount:			
Balance as at March 31, 2021	**9.75**	**73.42**	**4,291.23**
Balance as at March 31, 2020	**14.26**	**73.42**	**4,291.23**

* Intangible assets under development includes software under implementation.

Note 5.1: The Group does not have any outstanding contractual commitments to purchase any items of intangible assets.

Note 5.2: All amortisation is included in depreciation and amortisation expenses.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 5.3: Impairment testing of goodwill:

Goodwill acquired through business combinations has been allocated to the four cash generating units (CGU) below, which are also operating and reportable segments, for impairment testing:

(i) Facility management services (FMS)

(ii) Power generation projects (PGP)

(iii) Municipal solid waste management (MSW)

(iv) Others

Carrying amount of goodwill allocated to each CGUs are as under;

	As at March 31, 2021	As at March 31, 2020
(i) Facility management services (FMS)	3,578.10	3,578.10
(ii) Power generation projects (PGP)	0.12	0.12
(iii) Others	713.01	713.01
	4,291.23	**4,291.23**

The Group performed its annual impairment test for years ended March 31, 2021 and March 31, 2020. The Group considers the relationship between recoverable value which is calculated based on future discounted cash flows/net sale price, as applicable and its book value, among other factors, when reviewing for indicators of impairment. As at March 31, 2021 and March 31, 2020, the recoverable amount of the CGUs are higher then the book value of its equity, hence, impairment is not required. Detailed CGU wise evaluation of impairment testing has been explained as under;

Facility management services (FMS)

The recoverable amount of this segment was determined based on value-in-use calculations, covering a detailed five-year forecast, followed by an extrapolation of expected cash flows for the remaining useful lives using a declining growth rate determined by the management. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

The discount rate is a post-tax measure estimated based on the weighted-average cost of capital.

The cash flow projections include specific estimates for five years and a terminal growth rate thereafter.

Growth rates: The growth rates are based on industry growth forecasts. Management determines the budgeted growth rates based on past performance and its expectations of market development. The weighted average growth rates used were consistent with industry reports ranging from 8 % to 10 %.

Discount rates: Management estimates discount rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC) of around 12.76% (March 31, 2020: 11.16%).

Management's key assumptions include stable profit margins, based on past experience in this market. The Group's management believes that this is the best available input for forecasting this mature market. Cash flow projections reflect stable profit margins achieved immediately before the budget period. No expected efficiency improvements have been taken into account and prices and wages reflect publicly available forecasts of inflation for the industry.

Others (trading of goods, renting of land/building, professional services)

The recoverable amount of this segment is based on fair value less costs to sell, estimated using valuation techniques. For the purpose of valuation, cost approach has been used to determine the value of subject land/buildings. Value in land and building is created by utility of the land and building and capacity to satisfy the needs and wants.

The value of land represents the value in exchange where the valuation of land and development reflects the value in exchange and the additional return for development of the land on account of holding cost, construction execution risk and operating risk for running and maintaining the property. The contributions to the valuation of land parcels are derived from general uniqueness of the land, age of the construction, location of the land, relatively limited supply, heritage value of the property and specific utility of a given site.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

	As at March 31, 2021	As at March 31, 2020
Note 6 **: INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD**		
Carrying amount		
I. Investments in equity instruments	13,217.10	13,630.41
II. Investments in preference shares (Debt portion)	8,729.81	7,640.97
III. Investments in debentures (Debt portion)	25.42	22.25
Total	**21,972.33**	**21,293.63**
Note 6.1 Details of investments:		
I. Investment in equity instruments [Valued at cost]:		
Associate companies [Unquoted]:		
a. In fully paid-up equity shares :		
9,693,987 (March 31, 2020: 9,693,987) equity shares of INR 10 each in Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	969.40	969.40
10,000 (March 31, 2020: 10,000) equity shares of INR 10 each in A2Z Waste Management (Jaipur) Limited	1.00	1.00
24,000 (March 31, 2020: 24,000) equity shares of INR 10 each in A2Z Waste Management (Nainital) Private Limited	2.40	2.40
	972.80	**972.80**
b. Investment in preference shares (Equity portion)		
171,200,000 (March 31, 2020: 171,200,000) fully paid-up, 0.01%, Non participative cumulative redeemable preference share of INR 10 each in Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	13,197.61	13,197.61
	13,197.61	**13,197.61**
c. Investment in debentures (Equity portion)		
1,475,000 (March 31, 2020: 1,475,000) fully paid-up, Zero Coupon debenture of INR 10 each in Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	1,461.04	1,461.04
	1,461.04	**1,461.04**
d. Investment in Associate, other than in shares (Refer Note 6.1.1)	41.75	41.75
	41.75	**41.75**
Less: Share of loss from associate accounted through equity method	(1,523.69)	(1,110.38)
Less: Provision for impairment in value of non-current investments		
A2Z Waste Management (Nainital) Private Limited	(2.40)	(2.40)
Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	(929.01)	(929.01)
A2Z Waste Management (Jaipur) Limited	(1.00)	(1.00)
	13,217.10	**13,630.41**
II. Investment in preference shares (Debt portion) [Valued at amortised cost]:		
Subsidiary companies [Unquoted]:		
171,200,000 (March 31, 2020: 171,200,000) fully paid-up, 0.01%, Non participative cumulative redeemable preference share of INR 10 each in Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	8,729.81	7,640.97
	8,729.81	**7,640.97**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2021	As at March 31, 2020
III. Investment in debentures (Debt portion) [Valued at amortised cost]:		
1,475,000 (March 31, 2020: 1,475,000) fully paid-up, Zero Coupon debenture of INR 10 each in Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	25.42	22.25
	25.42	**22.25**
Aggregate amount of unquoted investments (I+II+III)	**21,972.33**	**21,293.63**
Aggregate amount of impairment in value of investment	**(932.41)**	**(932.41)**

Note 6.1.1 Investment in associates, other than in shares, represents employee stock option exercised by employees of associates. This amount pertains to employee stock option granted to employees of the Group which were earlier subsidiaries and now have become associates of the Group.

Note 6.2 The Holding Company, as at March 31, 2021, has non-current investments (net of impairment) amounting to INR 21,978.26 lakhs (March 31, 2020 : INR 20,889.42 lakhs), other current financial assets (net of impairment) amounting to INR 728.37 lakhs (March 31, 2020 : INR 418.24 lakhs) and current financial assets-loan amounting to INR 435.80 lakhs (March 31, 2020 : INR 399.73 lakhs) in its associate company Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited) ('GWML') which has holding in various SPVs under its fold (hereinafter Greeneffect Waste Management Limited together with its subsidiaries is referred to as Greeneffect Waste Management Group). While Greeneffect Waste Management Group has incurred losses during its initial years and consolidated net-worth as at March 31, 2021 has been completely eroded, the underlying projects are expected to achieve adequate profitability on substantial completion. Based on internal assessment and valuation report from an independent valuer, the recoverable amount from the underlying investments/assets is higher than the net worth of Greeneffect Waste Management Group. There are assumptions and estimates used in such future projections such as discount rate, long term growth rate, arbitration claims etc. which management believes are appropriate. Therefore, the management believes that the realisable amount from the aforementioned associate company and its subsidiaries is higher than the carrying value of the non-current investments, other current financial assets and current financial assets-loans due to which these are considered as good and recoverable. The auditors have expressed disclaimer of opinion on the same.

Note 6.3 The management has committed to provide continued operational and financial support to its associates for meeting their working capital and other financial requirements and based upon approved future projections of the associates, believes that no impairment exist in excess of the provision already created and accordingly, no further adjustment is considered necessary in respect of carrying value of investments.

Note 6.4 The Group does not have any quoted investments.

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-Current	Current	Non-Current
Note 7 **: LOANS**				
[Unsecured considered good, unless otherwise stated]				
Security deposits				
Considered good	794.89	226.56	884.94	227.50
Credit impaired	169.48	50.30	173.77	50.30
Less: Provision for impairment	(169.48)	(50.30)	(173.77)	(50.30)
	794.89	**226.56**	**884.94**	**227.50**
Loan to employees	0.83	-	3.50	-
Loans to associate companies (Refer Note 7.1 and Note 7.2)	8,244.16	-	7,703.87	-
Interest accrued but not due from others	3.92	-	-	-
Total	**9,043.80**	**226.56**	**8,592.31**	**227.50**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

Note 7.1 : Disclosure pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of loans and advances to in nature of loans:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount out-standing**	Maximum amount outstanding during the year	Amount out-standing**	Maximum amount outstanding during the year
Associates:				
Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	7,563.17	7,610.86	7,023.56	7,759.66
A2Z Waste Management (Ludhiana) Limited (Refer Note 46#)	-	-	-	688.38
A2Z Waste Management (Dhanbad) Private Limited	230.56	230.56	230.56	230.56
A2Z Waste Management (Ranchi) Limited	350.48	350.48	350.48	350.48
Magic genie Smartech Solutions Limited	-	-	-	14.23
A2Z Waste Management (Varanasi) Limited	82.66	82.66	82.07	82.07
A2Z Waste Management (Merrut) Limited	8.92	8.92	8.92	9.30
Shree Balaji Pottery Private Limited	0.24	0.24	0.22	0.22
Shree Hari Om Utensils Private Limited	1.01	1.01	0.99	0.99
A2Z Waste Management (Jaunpur) Limited	0.49	0.49	0.44	0.44
A2Z Waste Management (Mordabad) Limited	6.64	6.64	6.64	6.64
	8,244.16	**8,291.86**	**7,703.87**	**9,142.97**

** Net of impairment written off

Note 7.2 : Disclosure pursuant to section 186(4) of the Companies Act 2013:

Nature of the transactions (loans given/investment made/ guarantee given/security provided) #	As at March 31, 2021	As at March 31, 2020
(A) Loan and advances:		
Associates:		
Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	7,563.17	7,023.56
A2Z Waste Management (Dhanbad) Private Limited	230.56	230.56
A2Z Waste Management (Ranchi) Limited	350.48	350.48
A2Z Waste Management (Varanasi) Limited	82.66	82.07
A2Z Waste Management (Merrut) Limited	8.92	8.92
Shree Balaji Pottery Private Limited	0.24	0.22
Shree Hari Om Utensils Private Limited	1.01	0.99
A2Z Waste Management (Jaunpur) Limited	0.49	0.44
A2Z Waste Management (Mordabad) Limited	6.64	6.64
Total	**8,244.16**	**7,703.87**
(B) Guarantees:*		
Associates:		
Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	25,025.00	25,025.00
A2Z Waste Management (Merrut) Limited	1,100.00	1,100.00
A2Z Waste Management (Moradabad) Limited	480.00	480.00
A2Z Waste Management (Varanasi) Limited	2,000.00	2,000.00
	28,605.00	**28,605.00**

All transactions are in ordinary course of business

* Also Refer Note 42(a)

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-Current	Current	Non-Current
***Note 8* : OTHER FINANCIAL ASSETS**				
[Unsecured, considered good unless otherwise stated]				
Advance recoverable in cash	201.21	-	110.87	-
Deferred purchase consideration against sale of investment				
Considered doubtful	-	146.00	-	146.00
Less: Provisions for doubtful assets	-	(146.00)	-	(146.00)
	-	**-**	**-**	**-**
Earnest money deposit				
Considered good	848.20	-	892.58	-
Considered doubtful	226.88	-	226.88	-
Less: Provisions for doubtful assets	(226.88)	-	(226.88)	-
	848.20	**-**	**892.58**	**-**
Other assets				
Considered good	4,237.08	444.85	7,260.73	455.24
Considered doubtful	467.15	99.00	320.73	99.00
Less: Provisions for doubtful assets	(467.15)	(99.00)	(320.73)	(99.00)
	4,237.08	**444.85**	**7,260.73**	**455.24**
Contract revenue in excess of billings (Refer Note 8.1)				
Considered good	13,058.90	-	13,947.33	-
Considered doubtful assets	602.27	-	370.69	-
Less: Provisions for doubtful assets	(602.27)	-	(370.69)	-
	13,058.90	**-**	**13,947.33**	**-**
Amount recoverable from associates				
Considered good	1,266.57	-	688.50	-
Considered doubtful	877.12	-	877.12	-
Less: Provisions for doubtful assets	(877.12)	-	(877.12)	-
	1,266.57	**-**	**688.50**	**-**
Subsidy receivable (Refer Note 21.2)	135.37	-	135.37	-
Interest accrued on fixed deposits	12.97	0.14	4.10	0.14
Bank deposits with more than 12 months maturity**	-	974.17	-	1,376.02
Total	**19,760.30**	**1,419.16**	**23,039.48**	**1,831.40**
*Includes amount due from a director of the Company- Mr Amit Mittal (Refer Note 36.3)	-	-	34.93	-
#Includes amount due from a director of the Company- Mr Rajesh Jain (Refer Note 36.4)	-	-	16.50	-
$Includes amount due from a director of the Company- Mr Ashok Kumar Saini (Refer Note 36.4)	-	-	10.50	-

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

Note 8.1: Contract revenue in excess of billings, pertain to revenue recognized by the Holding Company during earlier years, representing amounts billable to, and receivable from the customers towards work done on certain EPC contracts under execution by the Holding Company in accordance with the terms implicit in the contract. The delay in billing these amounts is on account of conclusion of reconciliations with the customers, pending joint measurement/survey of the work done till date and non-achievement of milestones as per the contractual terms. Management is in discussion with the customers and expects to bill these amounts at the earliest, and believes that whilst it may take some time to recover the amounts owing to completion of certain administrative and contractual matters, the current carrying value is representative of the amount considered realisable.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2019	Credit /(Charge) to statement of profit and loss and other comprehensive income	As at March 31, 2020	Credit /(Charge) to statement of profit and loss and other comprehensive income	As at March 31, 2021
Note 9 **: DEFERRED TAX**					
a) **Deferred tax assets (net)**					
Deferred tax liabilities/ (assets)					
Property, plant and equipment and other intangible assets- depreciation and amortisation	553.09	(1,383.19)	(830.10)	891.45	61.35
	553.09	**(1,383.19)**	**(830.10)**	**891.45**	**61.35**
Deferred tax assets					
Unabsorbed losses and depreciation	18.81	0.64	19.45	(5.03)	14.42
Provision for doubtful advances and others*	3,430.76	(2,588.75)	842.01	(469.38)	372.63
Provision for doubtful debts and unbilled receivables	1,629.46	(1,621.38)	8.08	-	8.08
Other provisions for expense allowance on payment basis under income tax act (net)	2,418.64	(932.14)	1,486.50	1,263.94	2,750.44
	7,497.67	**(5,141.63)**	**2,356.04**	**789.53**	**3,145.57**
Total	**6,944.58**	**(3,758.44)**	**3,186.14**	**(101.92)**	**3,084.22**
* Includes deferred tax charged to other comprehensive income INR 16.44 lakhs (March 31, 2020 : INR 42.21 lakhs)					
b) **Deferred tax liabilities (net)**					
Deferred tax liabilities					
Property, plant and equipment and other intangible assets- depreciation and amortisation	56.54	0.60	57.14	(2.06)	55.08
	56.54	**0.60**	**57.14**	**(2.06)**	**55.08**
Deferred tax assets					
Unabsorbed losses and depreciation	24.15	(7.32)	16.83	-	16.83
MAT credit entitlement	15.72	(15.72)	-	-	
	39.87	**(23.04)**	**16.83**	**-**	**16.83**
Total	**16.67**	**(23.64)**	**40.31**	**(2.06)**	**38.25**

Note 9.1 : The Group has not recognised deferred tax asset in respect of losses and unabsorbed depreciation of INR 74,663.45 lakhs and INR 39,944.40 lakhs, respectively (March 31, 2020: INR 84,075.48 lakhs and INR 41,547.89 lakhs respectively) as there is no reasonable certainty supported by convincing evidences of their recoverability in the near future. (Refer Note 33.1).

	As at March 31, 2021	As at March 31, 2020
Note 10 **: NON-CURRENT TAX ASSETS (NET)**		
Advance tax (net of provision)	5,805.15	6,953.71
Total	**5,805.15**	**6,953.71**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-Current	Current	Non-Current
Note 11 **: OTHER ASSETS**				
[Unsecured, considered good unless otherwise stated]				
Capital advances				
Considered good	-	675.12	-	549.26
Considered doubtful	-	12.81	-	13.93
Less: Provision for doubtful advances	-	(12.81)	-	(13.93)
	-	**675.12**	**-**	**549.26**
Other advances				
Considered good	2,423.12	-	2,914.68	-
Considered doubtful	1,374.05	-	1,583.28	-
Less: Provision for doubtful advances	(1,374.05)	-	(1,583.28)	-
	2,423.12	**-**	**2,914.68**	**-**
Prepaid expenses	54.22	0.48	150.58	12.81
Balances with government authorities				
Considered good	6,717.73	50.68	12,710.66	50.68
Considered doubtful	1,591.98	-	-	-
Less: Provision for doubtful balances	(1,591.98)	-	-	-
Total	**9,195.07**	**726.28**	**15,775.92**	**612.75**

	As at March 31, 2021	As at March 31, 2020
Note 12 **: INVENTORIES**		
[Valued at lower of cost or net realisable value]		
Project stores and spares	12.01	7.17
Finished goods	695.74	583.41
Total	**707.75**	**590.58**

Note 12.1 : Inventories are pledged as collateral for borrowings from banks (Refer Note 17 & Note 22)

	As at March 31, 2021	As at March 31, 2020
Note 13 **: TRADE RECEIVABLES**		
Trade receivables - (Unsecured):		
From other than related parties		
Considered good	89,416.56	90,744.91
Credit impaired	7,393.32	5,379.47
	96,809.88	**96,124.38**
From related parties		
Considered good	857.61	968.83
Credit impaired	31.36	64.93
	888.97	**1,033.76**
Less: Loss allowance (Refer Note 13.4)	(7,424.67)	(5,444.40)
Total	**90,274.18**	**91,713.74**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 13.1 : Trade receivables include retention money of INR 46,465.64 lakhs (March 31, 2020 INR 46,123.11 lakhs) which are due on completion of erection / contracts / final acceptance by the customers. The management is confident of recovering these amounts upon erection / contract completion.

Note 13.2 : The Holding Company has engaged major / principal sub-contractors for executing certain projects wherein cash flows under these projects are earmarked for payments to these sub-contractors. Accordingly, cash-flows arising out of realization from debtors amounting to INR 64,247.61 lakhs (March 31, 2020 INR 63,958.70 lakhs) are charged to contractors/ respective banks who have provided the required non fund limits for these projects. Further, out of remaining INR 17,676.21 lakhs (March 31, 2020 INR 17,878.69 lakhs) an amount of INR 12,198.10 lakhs (March 31, 2020 INR 13,131.38 lakhs) are on account of retention receivable which are pending for more than 3 years as the projects are not closed by departments.

Note 13.3 : 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. The doubtful trade receivables are mostly due from customers in the business-to-business market that are experiencing financial difficulties.

Note 13.4 : The movements in the loss allowance is presented below:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance as at the beginning of the year	5,444.40	6,523.27
Changes in loss allowance:-		
Add: Provided during the year	1,980.27	3,130.90
Add: Acquisition of subsidiary	-	2.95
Less: Write-off /(Reversal)	-	4,212.72
Balance as at the end of the year	**7,424.67**	**5,444.40**

	As at March 31, 2021	As at March 31, 2020
Note 14 **: CASH AND CASH EQUIVALENTS**		
Balances with banks in current account (Refer Note 14.1)	1,385.23	1,011.13
Cash in hand	6.32	27.30
Total	**1,391.55**	**1,038.43**
Note 14.1 Balances with banks include:		
i Balance in current account	1,383.23	1,009.13
ii Balances with Banks in deposits account having original maturity of less than three months	2.00	2.00
	1,385.23	**1,011.13**

	As at March 31, 2021	As at March 31, 2020
Note 15 **: OTHER BANK BALANCES**		
Fixed deposit with bank having original maturity of more than three months less than a year [^]	116.83	116.83
Total	**116.83**	**116.83**

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

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	Number of Shares	Amount
Note 16 **: EQUITY SHARE CAPITAL**		
(i) Authorised share capital		
Equity shares of INR 10 each		
Balance as at April 1, 2019	**240,000,000**	**24,000.00**
Changes in equity share capital	-	-
Balance as at March 31, 2020	**240,000,000**	**24,000.00**
Changes in equity share capital	-	-
Balance as at March 31, 2021	**240,000,000**	**24,000.00**
(ii) Issued, subscribed and fully paid up		
Equity Shares of INR 10 each fully paid up		
Balance as at April 1, 2019	**176,119,858**	**17,611.99**
Issue of equity share capital	-	-
Balance as at March 31, 2020	**176,119,858**	**17,611.99**
Issue of equity share capital	-	-
Balance as at March 31, 2021	**176,119,858**	**17,611.99**

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

	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	176,119,858	17,611.99	176,119,858	17,611.99
Balance as at the end of the year	**176,119,858**	**17,611.99**	**176,119,858**	**17,611.99**

(iv) Rights, preferences and restrictions attached to equity shares:

Terms/rights attached to equity shares

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 and March 31, 2020.

(vi) No equity shares of INR 10.00 each bought back pursuant to Section 68, 69 and 70 of the Companies Act, 2013 for the period of 5 years immediately preceding March 31, 2021 and March 31, 2020.

(vii) Shares reserved for issue under options

Information relating to Employee option plan, including details of options issues, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 29.2.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

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

Equity shares of INR 10 each fully paid up	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	Holding	Number of shares held	Holding
Amit Mittal	27,350,601	15.53%	27,350,601	15.53%
Mestric Consultants Private Limited	22,200,000	12.61%	22,200,000	12.61%
Edelweiss Asset Reconstruction Company Limited as representative of EARC Trust SC299	6,432,161	3.65%	11,432,161	6.49%
	55,982,762	**31.79%**	**60,982,762**	**34.63%**

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Note 17 **: NON-CURRENT BORROWINGS***				
Carried at amortised cost - secured				
Term loans				
From banks (Refer Note 17.2 and Refer Note 17.9)	11,118.36	39.83	8,281.65	95.58
From financial institution (Refer Note 17.3 and Refer Note 17.9)	3,805.00	-	3,776.35	-
Working capital term loans				
From banks (Refer Note 17.4 and Refer Note 17.9)	354.30	-	226.50	127.80
Funded interest term loans				
From banks (Refer Note 17.5, 17.6 and 17.9)	1,128.90	-	1,128.90	-
Vehicle loans				
From banks (Refer Note 17.7 and Refer Note 17.9)	13.11	9.36	-	27.57
From financial institution (Refer Note 17.7 and Refer Note 17.9)	17.52	31.92	-	66.21
Carried at amortised cost - Unsecured				
Debt portion of debentures (Refer Note 17.8)	-	47.16	-	41.22
	16,437.19	**128.27**	**13,413.40**	**358.38**
Less: Amount disclosed under other financial liabilities as 'Current maturities of long-term borrowings' (Refer Note 19)	16,437.19	-	13,413.40	-
Total	**-**	**128.27**	**-**	**358.38**

* Refer Note 50 and 51

Note 17.1: Restructuring of borrowings under Corporate Debt Restructuring Scheme (CDR Scheme):

The Corporate Debt Restructuring (CDR) proposal to re-structure the debt obligations, including interest, additional funding and other terms (hereafter referred to as "the CDR Scheme") of the Holding Company, having January 01, 2013 as the "cut-off date", was approved by the CDR Cell vide its Letter of Approval (LOA) dated December 28, 2013 as further modified dated February 03, 2014. From the "cut-off date" the interest on the restructured debts has been recomputed and provided at the effective interest rates as per the CDR Scheme.

Details of terms of repayment for the non-current borrowings (including current maturities) and security provided in respect of secured non-current borrowings:

Note 17.2: Term loans from banks:

1) Term loans from banks amounting to INR 169.48 lakhs (March 31, 2020 INR 169.48 lakhs) having interest rate of 10.15% - 10.75% per annum during the year are repayable in 28 quarterly instalments, first installment was due in March 2016. The above loan is secured against:

   (i) First charge ranking pari passu on present and future fixed assets of the Power projects situated at Fazilka, Nakodar and Morinda in the state of Punjab.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

(ii) Second charge ranking pari passu on present and future current assets of the Power projects situated at Fazilka, Nakodar and Morinda in the state of Punjab.

(iii) Second charge ranking pari passu on both present and future current assets, as well as fixed assets of Company other than assets exclusively financed to other lenders.

(iv) Second Pari passu charge on the landed property first charged to DBS and Standard Chartered Bank (SCB) given for Term Loan.

2) Term loans from banks amounting to INR 488.65 lakhs (March 31, 2020 INR 488.65 lakhs) having interest rate from 10.15% - 10.75% per annum during the year are repayable in 21 quarterly instalments, first installment was due in March 2016.The above loan is secured against:

(i) First charge ranking pari passu on both present and future current assets as well as fixed assets of the Company other than assets exclusively charged to other lenders.

(ii) Second charge ranking pari passu on both present and future current assets of the power projects situated at Fazilka, Nakodar and Morinda in the state of Punjab.

(iii) Second Pari passu charge on the landed property first charged to DBS and SCB given for Term Loan.

3) Term loans from bank amounting to INR 9,437.56 lakhs (March 31, 2020 INR 6,656.60 lakhs), pertains to settlement consideration payable to the bank pursuant to One Time Settlement Agreement (OTS) of cash credit facilities. For Standard Chartered Bank, it is repayable in 12 instalments and the first installment shall be due in July 2018, carrying Nil interest rate till September 30, 2019 and 13% per annum thereafter and for DBS, it is repayable in 9 instalments and the first installment shall be due in July 2019. The above loan is secured against shares of A2Z Infraservices Limited (subsidiary company) and immovable property lying in subsidiary company. (Refer Note: 43.1).

The above mentioned loans of Standard Chartered Bank are secured against:-

i) Equity shares of A2Z Infraservices Limited.

ii) First charge by the way of equitable/registered mortgage over following two immovable properties in unit No. 701, 7th Floor, Medicity support area, next to Medanta, Sector 38, Gurgaon Haryana and unit No. 801, 8th Floor, Medicity Support Area, Next to Medanta, Sector 38, Gurugram, Haryana.

The above mentioned loans of DBS Bank are secured against:-

i) Equity shares of A2Z Infraservices Limited.

ii) First charge on the property at B-38, Sector-32, Gurugram of Chavan Rishi International Limited.

iii) Corporate guarantee of Chavan Rishi International Limited.

4) Term loan outstanding of INR 1,062.50 lakhs (March 31, 2020 INR 1,062.50 lakhs), in case of A2Z Infraservices Limited, from Yes Bank Limited is secured by first pari-passu charge on all the Fixed assets of A2Z Infraservices Limited (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 Holding Company. The loan is repayable in 48 equal monthly instalment after a moratorium of 12 months from the date of first disbursement shall be due from July 2015. The loan carries an interest rate of 1.05% (“spread”) over and above 6 Months MCLR.

Note 17.3: Term loans from financial institution:

Term loan from bank amounting to INR 3,805.00 lakhs (March 31, 2020 INR 3,776.35 lakhs) is secured against first pari passu charge on both present and future current assets as well as fixed assets of the biomass based power projects situated at Fazilka, Nakodar and Morinda in the state of Punjab. During the year ended March 31, 2017, the bank had transferred/assigned its fund based outstanding amount recoverable in favour of Edelweiss Assets Reconstruction Company Limited.

The above loan is secured against

(i) First pari passu charge on both present and future current assets as well as fixed assets of the biomass based power projects situated at Fazilka, Nakodar and Morinda in the state of Punjab.

(ii) Second pari-passu charge on fixed assets and current assets on EPC business.

(iii) Second pari-passu charge on exclusive property with DBS and SCB Bank given for the term Loan.

Pursuant to a One Time Settlement (OTS) agreement entered with the bank, the loan has been settled during financial year 2018-19. The same is repayable in 9 quaterly instalments and the 1st installment was due in March 2019.(Refer Note 43.1)

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 17.4 : Working Capital Term Loan :

Working capital term loans from bank amounting to INR 354.30 lakhs (March 31, 2020 INR 354.30 lakhs) having an interest rate of 10.15% - 10.75% per annum as per CDR Scheme are repayable in 29 quarterly instalments. First instalment was due in March 2015.

The above loan is secured against:

(i) First pari passu charge on both present and future fixed assets as well as current assets of the Company or Borrower other than assets exclusively charged to other lenders.

(ii) Second pari passu charge on both present and future current assets as well as fixed assets of the Power projects situated at Fazilka, Nakodar and Morinda in the state of Punjab.

(iii) Second pari-passu charge on exclusive property with DBS and SCB Bank given for the term Loan.

Note 17.5 : Funded Interest Term Loan -1 (EPC) :

Funded interest term loans from bank amounting to INR 817.66 lakhs (March 31, 2020 INR 817.66 lakhs) having an interest rate of 10.15% - 10.75% per annum as per CDR Scheme are repayable in 25 quarterly instalments. First instalment was due in March 2015.

The above loan is secured against:

(i) First charge by way of mortgage ranking pari passu on both present and future fixed assets as well as current assets of the Company other than assets exclusively charged to other lenders.

(ii) Second charge ranking pari passu on both present and future current assets as well as fixed assets of the Power projects situated at Fazilka, Nakodar and Morinda in the state of Punjab.

(iii) Second Pari passu charge on the landed property first charged to DBS and SCB given for Term Loan.

Note 17.6 : Funded Interest Term Loan -2 (EPC) :

Funded interest term loans from bank amounting to INR 311.24 lakhs (March 31, 2020 INR 311.24 lakhs) having an interest rate of 10.15% - 10.75% per annum as per CDR Scheme are repayable in single instalment, which was due in March 2021.

The above loan is secured against:

(i) First charge pari passu on both present and future current asset as well as fixed assets of the EPC business other than assets exclusively charged to lenders.

(ii) Second charge pari passu on both current assets and fixed assets of the 3 biomass power plant projects situated at Fazilka, Nakodar and Morinda in the state of Punjab.

(iii) Second charge pari passu on land property first charged to DBS and SCB given for term loan.

Note 17.7: Vehicle loans:

1. Vehicle loan outstanding of INR 22.47 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 respecitve 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 49.44 lakhs (March 31, 2020 INR 66.21 lakhs), in case of Ecogreen Envirotech Solutions Limited, from Kogta Financial (India) Lmited is secured by charge on all the respecitve vehicle. The loan is repayable in 48 and 35 equal monthly instalment and carries an interest rate of 17.81% p.a.

Note 17.8 Debt portion of debentures

1. Zero coupon debentures issued by A2Z Powertech Limited (subsidiary company) of INR 470.00 lakhs (March 31, 2020 INR 470.00 lakhs) issued to A2Z Greenwaste Management Limited on April 1, 2016 till October 1, 2056. This being compound financial instrument, the same has been discounted and debt portion amounting INR 9.73 lakhs (March 31, 2020 INR 7.09 lakhs) is shown as borrowing in the consolidated financial statement.
2. Zero coupon debentures issued by A2Z Waste Management (Aligarh) Limited (subsidiary company) of INR 630.00 lakhs (March 31, 2020 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 amounting INR 37.43 lakhs (March 31, 2020 INR 34.13 lakhs) is shown as borrowing in the consolidated financial statement.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 17.9: The Group has defaulted in repayment of principal and interest in respect of loans from banks and financial institutions as mentioned below:

	As at March 31, 2021	As at March 31, 2020
Banks:		
- Principal		
0-3 Months	3,092.37	700.00
3-6 Months	-	1,015.14
6-12 Months	567.86	1,798.81
> 12 Months	5,075.16	2,261.20
- Interest		
0-3 Months	298.65	30.71
3-6 Months	49.57	363.86
6-12 Months	616.71	193.27
> 12 Months	773.27	56.86

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Note 18 : LEASE LIABILITY				
Lease liability (Refer Note 54)	55.92	30.11	56.94	64.96
	55.92	**30.11**	**56.94**	**64.96**

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Note 19 : OTHER FINANCIAL LIABILITIES				
Current maturities of long term debt (Refer note 17, Note 19.1, Note 50 and Note 51)	16,437.19	-	13,413.40	-
Derivative liability (Refer Note 37)	-	-	2,762.56	-
Interest accrued (Refer Note 50)	5,349.51	-	2,622.21	-
Book overdrafts	0.72	-	200.63	-
Security deposits received	3,093.80	6.70	3,130.50	12.08
Payable against purchase of property, plant and equipment: dues of creditors other than micro and small enterprises	143.80	-	143.08	-
Payable to others	676.78	-	602.06	-
Total	**25,701.80**	**6.70**	**22,874.44**	**12.08**

Note 19.1 : Includes provision of INR 2,762.56 lakhs (March 31 2020 INR Nil) pertaining to amount payable on account of pre-emptive options agreement entered with lender for One Time Settlement of its dues.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
***Note 20* : PROVISIONS**				
Provision for employee benefits				
Provision for gratuity (Refer Note 20 ii)	15.47	671.61	28.70	790.90
Provision for compensated absences	15.20	-	20.18	-
Others				
Provision for warranty (Refer Note 20 i)	110.55	1,804.40	48.76	1,093.22
Total	**141.22**	**2,476.01**	**97.64**	**1,884.12**

Movements in provisions:

i) Movement in provision for warranty during the financial year are as follows:	Warranty
As at April 1, 2019	**929.19**
Charged/ (credited) to profit /loss	
Additional provision recognized	716.58
Unwinding of discount	52.88
Amount reversed during the year	(556.67)
As at March 31, 2020	**1,141.98**
Charged/ (credited) to profit /loss	
Additional provision recognized	721.17
Unwinding of the discounting	51.81
Amount reversed during the year	(0.01)
As at March 31, 2021	**1,914.95**

i) A provision is recognised for expected warranty claims, based on past experience, for expected cost of meeting obligations of rectification/replacement. It is expected that most of these costs will be incurred in the next 2 years and all would have been incurred within 3 years after the reporting date. The Group accounts for the provision for warranty on the basis of the information available with the management duly taking into account the current and past technical estimates / trends. These estimates are established using historical information on the nature and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

ii) 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. The gratuity plan is governed by the Payment of Gratuity Act, 1972. 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 [Short 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 or losses are recognized in Statement of Profit and Loss.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

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)

	As at March 31, 2021	As at March 31, 2020
Present value of obligation	706.26	894.06
Fair value of plan assets	19.18	(74.46)
Net liability	**687.08**	**819.60**

Expenses recognised during the year

	For the year ended March 31, 2021	For the year ended March 31, 2020
In statement of profit and loss	239.48	276.07
In other comprehensive income	(321.95)	(193.20)
Total expenses recognized during the year	**(82.47)**	**82.87**

Defined benefit obligation

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

	For the year ended March 31, 2021	For the year ended March 31, 2020
Present value of obligation as at the beginning	**894.06**	**913.81**
Current service cost	184.72	161.28
Past service cost	-	50.34
Interest expense	59.74	72.23
Re-measurement or actuarial (gain) / loss arising from:		
- change in demographic assumptions	-	(0.55)
- change in financial assumptions	(0.14)	105.93
- experience adjustments	(321.83)	(298.81)
Adjustment on account of acquisition/disposal of subsidiary	-	27.18
Benefits paid	(110.29)	(137.35)
Present value of obligation as at the year end	**706.26**	**894.06**

Bifurcation of net liability

	As at March 31, 2021	As at March 31, 2020
Current liability	15.47	28.70
Non-current liability	671.61	790.90
Net liability	**687.08**	**819.60**

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

	For the year ended March 31, 2021	For the year ended March 31, 2020
Fair value of plan assets as at the beginning	**74.46**	**70.27**
Interest income	4.98	5.42
Employer's contribution	50.04	136.11
Benefits paid	(110.28)	(137.35)
Return on plan assets (excluding amount recognised in net interest expense)	(0.02)	0.01
Fair value of plan assets as at the year end	**19.18**	**74.46**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

Expenses recognised in the profit and loss statement

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	184.72	161.28
Past service cost	-	50.34
Net interest cost / (income) on the net defined benefit liability / (asset)	54.76	66.81
Adjustment on account of acquisition of subsidiary	-	(2.36)
Expenses recognised in the statement of profit and loss	**239.48**	**276.07**

Other comprehensive income

	For the year ended March 31, 2021	For the year ended March 31, 2020
Actuarial (gains) / losses		
- change in demographic assumptions	-	(0.55)
- change in financial assumptions	(0.14)	105.93
- experience variance (i.e. Actual experience vs assumptions)	(321.83)	(298.81)
Return on plan assets (excluding amount recognised in net interest expense)	0.02	(0.01)
Share of other comprehensive income- associate	-	0.24
Components of defined benefit costs recognised in other comprehensive income	**(321.95)**	**(193.20)**

Financial assumptions

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

	As at March 31, 2021	As at March 31, 2020
Discount rate (per annum)	6.40-6.85%	6.55-7.70%
Salary growth rate (per annum)	5.00%	5.00%

Demographic assumptions

	As at March 31, 2021	As at March 31, 2020
Mortality Rate (% of IALM 06-08)	100.00%	100.00%
Normal Retirement age	60 Years	60 Years
Withdrawal rates, based on service years: (per annum)		
4 and below years	2-20%	2-20%
Above 4 years	2-10%	2-10%

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:

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2021	As at March 31, 2020
Defined benefit obligation (Base)	706.26	894.06

	As at March 31, 2021		As at March 31, 2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	812.09	617.93	1,027.47	784.83
(% change compared to base due to sensitivity)	14.98%	(12.51%)	14.92%	(12.22%)
Salary Growth Rate (- / + 1%)	616.28	812.31	783.01	1,027.45
(% change compared to base due to sensitivity)	(12.74%)	15.02%	(12.42%)	14.92%
Attrition Rate (- / + 50%)	726.29	683.49	911.86	873.07
(% change compared to base due to sensitivity)	2.84%	(3.22%)	1.99%	(2.35%)
Mortality Rate (- / + 10%)	704.87	705.91	893.41	894.70
(% change compared to base due to sensitivity)	(0.20%)	(0.05%)	(0.07%)	0.07%

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 from the prior period.

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

	As at March 31, 2021	As at March 31, 2020
Within the next 12 months [next annual reporting period]	29.80	43.02
Between 2 and 5 years	144.09	179.28
Between 5 and 10 years	223.68	300.97
Beyond 10 years	1,787.26	2,234.55
Total expected payments	**2,184.83**	**2,757.82**

The average duration of the defined benefit plan obligation at the end of reporting period is 6-20 years (March 31, 2020 7-20 years).

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Note 21 **: OTHER LIABILITIES**				
Advance purchase consideration against sale of property, plant and equipment	21.00	-	21.00	-
Advances from customers	3,878.38	-	4,021.59	-
Billing in excess of contract revenue	5,117.86	-	3,764.47	-
Statutory dues payable (Refer Note 21.1 and 21.3)	14,326.86	-	19,905.22	-
Other payables				
Subsidy (Refer Note 21.2)	-	2,724.52	-	2,784.67
Lease equalisation reserve	-	321.45	-	287.86
Others	2,266.82	-	1,360.03	-
Total	**25,610.92**	**3,045.97**	**29,072.31**	**3,072.53**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

Note 21.1: In financial year 2016-17, the Holding Company based on the legal advice filed an application for advance ruling with the Advance Ruling Authorities ('the Authority') regarding applicability of service tax in respect of one of the projects undertaken by them. During the year ended March 31, 2018, the Holding Company has received response to its application wherein the Authority has opined that entire project is covered within the ambit of the service tax. Accordingly, the Holding Company has recognized the service tax liability and based on the contractual terms which stipulates that any taxes shall be borne by the customer, has also recognized amount recoverable from customer of an equivalent amount. Further, the management believes that the interest, if any, on the delayed deposit of the aforementioned service tax liability is currently unascertainable and shall be reimbursed by the customer. The Holding Company has made submissions with the customer in this regard. Additionally, based on the independent legal advice, the Holding Company believes that the input tax credit in respect of the aforementioned project shall be adjustable against the liability considering the entire project has now been clarified to be covered under the service tax ambit. Accordingly, no further adjustments to the books of account are considered necessary. The auditors have expressed an emphasis of matter on the same.

Note 21.2: Government grants are related to setup of Collection, Transportation and Processing of Municipal and Solid waste at various locations in India. There are no unfulfilled conditions or other contingencies attached to these grants. The group did not benefit directly from any other forms of government assistance.

Note 21.3: The Holding Company has recorded certain adjustments in the Goods and Services Tax ('GST') returns for the FY 2018-19 to 2020-21 relating to cross charge billings related to services rendered/ cost incurred from one state to other states within the purview of different GSTIN registrations, as per the advice of independent GST consultant to comply with the requirements of the GST laws.

Further, the Holding Company had issued certain invoices to their customers which were accepted by such customers in subsequent periods. Therefore, the Holding Company had disclosed such invoices in their GST returns filed during the FY 17-18 to 20-21 in the subsequent periods in which such invoices were accepted by such customers.

However, in our view, the above-mentioned adjustments in GST returns do not impact the financial statements of the Holding Company for the respective years.

The Holding Company was not able to file the aforementioned GST returns within the due date due to on-going Covid -19 and liquidity crunch. However, the management accrued for interest provision on delayed filling of GST returns in the books of accounts. Accordingly, the management believes that there will be no further impact on the consolidated financial statements. The auditors have expressed disclaimer of opinion on the same.

	As at March 31, 2021	As at March 31, 2020
Note 22 **: CURRENT BORROWINGS***		
Carried at amortised cost		
Secured borrowings from banks (Refer Note 22.1 and 22.5)		
Working capital loans	1,849.33	-
Cash credit facilities	27,543.90	27,037.82
Term loans	2,685.27	2,685.36
Secured borrowings from financial institution (Refer Note 22.2 and 22.5)	2,592.13	2,592.13
Secured borrowings from related party (Refer Note 22.3)	-	61.94
Unsecured borrowings (Refer Note 22.4)		
From related parties	1,339.72	1,261.03
From others	47.40	198.06
Total	**36,057.75**	**33,836.34**

* Refer Note 50 and 51

Note 22.1: Working capital loans from banks and other secured loans

1. a) The working capital loans of INR 1,849.33 lakhs (March 31, 2020 INR Nil) and cash credit facilities of INR 24,208.04 lakhs (March 31, 2020 INR 23,297.88 lakhs) from banks are secured against whole of the assets (both current as well as fixed) of the Company, namely stock of raw material, stock in process, semi-finished and finished goods, stores and spares (consumable stores and spares), bills receivables and book debts and all other movables and fixed assets (except fixed assets exclusively financed by other lenders) both present and future stored or to be stored at the Company's godown,

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

premises and division at O-116, First Floor Shopping mall, Arjun Marg, DLF City Phase - I, Gurugram or wherever else the same may be by way of first pari - passu charge amongst the consortium members. The charge is also additionally secured by first charge over Company's immovable properties i.e.

I) Plot No. G-1030 A having 1500 sq. mtr. area situated at Industrial Area, Bhiwadi Phase-III, Bhiwadi, Rajasthan in the name of Shree Balaji Pottery Private Limited;

II) Plot No. G-1030 having 1500 sq. mtr. area situated at Industrial Area, Bhiwadi Phase-III, Bhiwadi, Rajasthan in the name of Shree Hari Om Utensils Private Limited;

III) Office space on 7th Floor of a B+G+7 storied commercial building on east side of LA-VIDA Mall at CK-3,4, 48, 49 Salt Lake City, Sector-II, Kolkata

IV) Mortgage of following properties :

(a) Land measuring 17 Bigha-1 Biswa, situated at village Morinda, Tehsil Chamkur Sahib, District Roop Nagar, Punjab;

(b) Land measuring about 5.309 Hectare situated at village Palsora, District Indore;

(c) Land with Boundary wall, Gate No. 70, Vill Sherpur Madho urf Ghania Khera, Near India Brick Kiln, Pargana & Tehsil Bilari, District Moradabad admeasuring about 1.465 Hectare or 3.62 acre; and

(d) Land with Boundary wall, at Gate No. 184, 188, 189, Vill Sherpur Madho urf Ghaniakhera, Near India Brick Kiln, Pargana & Tehsil Bilari, District Moradabad admeasuring about 2.391 Hectare or 5.91 acre;

V) Additionally, the following properties in the name of personal guarantor's have also been secured by way of first charge:

(a) Flat, 401, Block A-3, Unitech Apartment, Unitech World, Gurgaon

(b) Flat, A-126, Type Chancellor on 12th Floor in Regency Park I along with PA-114, DLF City Gurgaon

(c) Flat, 1706 located at valley view Apartments, Gurgaon

(d) Flat, 1606 located at valley view Apartments, Gurgaon

(e) O-116, Shopping Mall, DLF Phase -1, Arjun Marg, Gurgaon

Further secured by Corporate Guarantees of Shree Hariom Utensils Private Limited and Balaji Pottery Private Limited. The rate of interest vary from 10.15% - 13.25% per annum and these loans are repayable on demand.

b) Second charge on pari-passu basis over all rights, titles, interest, benefits, claims and demands in respect of projects and insurance contracts and over all movable and immoveable properties, accounts, plant and machinery, all other tangible moveable assets both present and future, project book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature in respect of project.

2. Cash credit facility from banks amounting to INR 3,335.86 lakhs (March 31, 2020: INR 3,739.24 lakhs), in case of A2Z Infraservices Limited, are secured by first pari passu charge on the current assets of subsidiary company including book debts and other receivable and fixed assets of the subsidiary 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.

3. Term loan from Yes Bank amounting to INR 2,685.27 lakhs (March 31, 2020 INR 2,685.36 lakhs), in case of Mansi Bijlee & Rice Mills Limited, is repayable in 4 structured Instalments starting after a moratorium period of 14 Months from the date of disbursement. The loan carries an interest rate of 1.05% (“spread”) over and above 6 Months MCLR.

The above loan is secured against:

(i) Exclusive charge on all current and movable fixed assets (both present and future) of the Borrower to remain valid during entire tenor of Yes bank facilities.

(ii) Exclusive charge over all cash flows (both present and future) of the Borrower to remain valid during entire tenor of Yes bank facilities.

(iii) Unconditional & Irrevocable Personal Guarantee of Mr. Amit Mittal (Managing Director) of the Company to remain valid during the entire tenor of Yes bank facilities.

The subsidiary company has defaulted in repayment of loan and hence, the same is reclassified as current borrowing.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 22.2: Other borrowing

1. Term loans from financial institution amounting to INR 2,592.13 lakhs (March 31, 2020 2,592.13 lakhs), pertains to settlement consideration payable to the bank pursuant to One Time Settlement Agreement (OTS) of facilities taken from bank. For SICOM, it is repayable within 30 days from the date of communication of the shortfall amount i.e. September 18, 2019 along with 19% interest rate per annum with monthly rests from the said date till the date of actual payment. The above loan is secured by first charge by way of Hypothetication and escrow in favour of SICOM of the entire retention money receivables of the Holding Company both present and future.

Note 22.3: The loan amounting to INR Nil lakhs (March 31, 2020 INR 61.94 lakhs) is repayable within twelve months from the date of disbursement having an interest rate of 14.00% p.a. The above loan is secured against charge on immovable property of the A2Z Infraservices limited.

Note 22.4: The unsecured borrowing from others and related parties is repayable on demand and having an interest rate of 10.75% - 24.00 % per annum.

Note 22.5: The Group has defaulted in repayment of principal and interest in respect of loans from banks and financial institutions as mentioned below:

	As at March 31, 2021	As at March 31, 2020
Banks:		
- Principal		
0-3 Months	-	1,271.00
3-6 Months	-	6,419.71
6-12 Months	829.73	-
> 12 Months	10,349.82	2,500.00
- Interest		
0-3 Months	803.24	896.96
3-6 Months	529.47	395.66
6-12 Months	1,738.82	207.69
> 12 Months	2,263.75	478.93
Financial institutions:		
- Principal		
0-3 Months	450.00	400.00
3-6 Months	450.00	400.00
6-12 Months	800.00	3,192.13
> 12 Months	4,697.13	800.00
- Interest		
0-3 Months	154.70	164.29
3-6 Months	401.33	223.16
6-12 Months	781.15	125.16
> 12 Months	1,022.65	172.93

	As at March 31, 2021	As at March 31, 2020
***Note 23* : TRADE PAYABLES**		
Total outstanding dues of micro and small enterprises (Refer Note 23.1 and 23.2)	938.26	75.54
Total outstanding dues of creditors other than micro and small enterprises (Refer Note 23.2)	59,888.66	67,066.25
Total	**60,826.92**	**67,141.79**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

Note 23.1 Disclosures under Micro, Small and Medium Enterprises Act, 2006 *

The micro and small enterprises have been identified by the Group from the available information. According to such identification, the disclosures in respect to Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is as follows:

	As at March 31, 2021	As at March 31, 2020
Details of dues to micro and small enterprises as per MSMED 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	810.17	45.34
- interest amount	97.89	14.46
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.	-	-
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.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	128.09	30.20
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	-	-

* The information has been given in respect of such vendors to the extent they could be identify as “Micro, Small & Medium Enterprises” on the basis of information available with the Group.

Note 23.2 During the year ended March 31, 2021, the Holding Company has terminated its agreement with a sub-vendor in respect of BSNL Package G with effect from December 12, 2020 as the Holding Company noticed repeated slippages by the sub-vendor in achieving the targets and multifarious breaches under the work and service orders.

Subsequent to year end, the sub-vendor filed an arbitration claim application under section 17 of the Arbitration and Conciliation Act, 1996 before the Arbitral Tribunal against termination of the contract. Final counter claim before the arbitration tribunal will be filed the Holding Company in due course before its due date. Further, Holding Company has assigned an independent technical consultant appointed on behalf of all the lenders of the Holding Company to assess the liability/ recoverability basis the work done by the sub-vendor and slippages noted thereon.

Based on their assessment and upon consideration of advice from the independent legal consultant, the management believes that the Holding Company has reasonable chances of succeeding before the Arbitral Tribunal and does not foresee any material liability. Pending the final decision on the matter, no further adjustment has been made in the consolidated financial statements. The auditors have expressed an emphasis of matter on the same.

	As at March 31, 2021	As at March 31, 2020
Note 24 **: CURRENT TAX LIABILITIES**		
Current tax liabilities (net of advance tax)	1.70	68.89
	1.70	**68.89**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 25* : REVENUE FROM OPERATIONS		
Operating revenues		
Sale/rendering of services		
Revenue from engineering services	18,683.08	37,590.07
Revenue from facility management services	13,186.12	23,019.40
Revenue from collection and transportation of municipal solid waste	9,282.46	8,192.80
Revenue from sale of power	29.12	241.00
Revenue from operation and maintenance services	36.36	450.67
Revenue from professional services	8.44	302.34
Sale of products		
Compost sale	39.93	0.04
Miscellaneous sale	139.98	161.82
Other operating revenues:		
Sale of traded goods	85.30	26.16
Total	**41,490.79**	**69,984.30**

***Refer Note 45**

	For the year ended March 31, 2021	For the year ended March 31, 2020
***Note 26* : OTHER INCOME**		
Interest income		
on fixed deposits	84.30	190.84
on income tax refund	125.57	0.98
on loan given to associates	1,672.29	1,588.14
on others	51.57	240.74
Other non-operating income		
Rental income	32.70	74.03
Foreign exchange fluctuation (net)	-	34.86
Subsidy amortised	60.15	45.36
Provisions/liabilities written back	470.76	33.58
Bad debt recovered	-	9.52
Miscellaneous	61.24	601.78
Total	**2,558.58**	**2,819.83**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 27 **: COST OF MATERIALS CONSUMED**		
Opening inventory - project	7.17	25.88
Opening inventory - raw material	6,904.16	394.13
Add: Acquisition of subsidiary	-	3.17
Add: Raw material purchased	3,200.41	16,169.51
Add: Material purchased for execution of projects	271.90	254.56
Less: Recovery from contractors	-	3.10
Less: Inventory written off	-	108.02
Less: Closing inventory - project	12.01	7.17
Material consumed	**10,371.63**	**16,728.96**
Freight and cartage	185.56	302.55
Sub contractor / erection expenses	7,042.57	19,337.48
Labour charges	112.86	26.62
Fabrication expenses	0.06	20.79
Site expenditure	1,010.88	1,200.58
Deduction and demurrage	48.46	-
Technical consultancy for projects	1,208.99	1,368.70
Power plant running expenses	-	583.54
Consumables / stores and spares	1.85	12.04
Other direct cost	3,670.51	3,124.73
Total	**23,653.37**	**42,705.99**

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 28 **: CHANGE IN INVENTORIES**		
Opening inventory of finished goods	583.41	-
Add: On account of acquisition of subsidiaries	-	420.76
Less: Closing inventory of finished goods	695.74	583.41
Decrease in inventory	**(112.33)**	**(162.65)**

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 29 **: EMPLOYEE BENEFITS EXPENSE**		
Salaries and bonus including directors' remuneration	10,979.64	18,987.21
Contribution to provident and other funds (Refer Note 29.1)	932.39	1,989.10
Gratuity (Refer Note 20 ii)	239.48	276.07
Compensated absences benefits	(4.98)	(1.08)
Share-based payments (Refer Note 29.2)	129.38	277.44
Staff welfare expenses	41.58	64.20
Total	**12,317.49**	**21,592.94**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 29.1 : 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 basic 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 932.39 lakhs (March 31, 2020 INR 1,989.10 lakhs)

Note 29.2 : Share-based employee remuneration

(a) A2Z Stock Option Plan 2010

During the year ended March 31, 2010, the Company had formulated Employee Stock Option Scheme referred as 'A2Z Stock Option Plan 2010 ('the plan')' for all eligible employees/ directors of the Company except an employee who is promoter or belongs to the promoter company of the Company and its subsidiaries in pursuance of the special resolution duly approved by the shareholders on March 30, 2010.

The plan shall be administered and supervised by the Nomination and Remuneration Committee under the powers delegated by Board. Each option shall entitle the option grantee to apply for and be transferred equity shares of the Company. On or from the time of the listing of the equity shares of the Company, the maximum number of options that can be granted to any employee in any year under the A2Z ESOP shall be less than 5% of the issued share capital of the Company (excluding any outstanding warrants or other securities convertible into equity shares) at the time of grant of options, subject to the overall ceiling of 2,865,056 number of options in the aggregate.

(b) A2Z Employees Stock Option Plan, 2013- Tranche II

The members of the Company vide special resolution at the Annual General Meeting held on September 28, 2013 had approved the A2Z Employees Stock Option Plan, 2013. The ESOP Compensation Committee in its meeting held on July 3, 2014 has granted 1,905,000 number of stock options convertible into equivalent number of equity shares of INR 10 each to the eligible employees / directors of the Company and its subsidiary companies at the exercise price of INR 19.95 each which is BSE closing market price on July 02, 2014 (i.e. previous trading day of the grant date). The entire granted stock options shall vest and will be exercisable 30% on the first anniversary, 30% on the second anniversary & 40% on the third anniversary of the grant date till completion of five years since then.

(c) A2Z Employees Stock Option Plan, 2014

The members of the Company vide special resolution at the Annual General Meeting held on September 27, 2014 had approved the A2Z Employees Stock Option Plan, 2014. The ESOP Compensation Committee in its meeting held on July 6, 2015 has granted 4,500,000 number of stock options convertible into equivalent number of equity shares of INR 10.00 each to the eligible employees / directors of the Company and its subsidiary companies at the exercise price of INR 15.50 each which is NSE closing market price on July 03, 2015 (i.e. previous trading day of the grant date). The entire granted stock options shall vest and will be exercisable 30% on the first anniversary, 30% on the second anniversary & 40% on the third anniversary of the grant date till completion of five years since then.

(d) A2Z Employees Stock Option Plan, 2013 & 2014 (Regrant)

The Nomination and remuneration Committee in its meeting held on August 17, 2017 has regranted 1,760,000 number of stock options (788,000 against stock option lapses under A2Z Employee Stock Options Plan, 2013 and 972,000 against stock options lapses under A2Z Employee Stock Options Plan, 2014) convertible into equivalent number of equity shares of INR 10.00 each to the eligible employees/directors of the Company and its subsidiary companies at the exercise price of INR 36.90 each which is NSE closing market price on August 16, 2017 (i.e. previous trading day of the grant date). The entire granted stock options shall vest and will be exercisable 30% on the first anniversary, 30% on the second anniversary and 40% on the third anniversary of the grant date till completion of five years since then.

(e) A2Z Employees Stock Option Plan, 2018 - Tranche I

The members of the Company vide special resolution at the Annual General Meeting held on September 29, 2018 had approved the A2Z Employees Stock Option Plan, 2018. The ESOP Compensation Committee in its meeting held on October 24, 2018 has granted 3,800,000 stock options convertible into equivalent number of equity shares of INR 10.00 each to the eligible employees/Directors of the Company and its subsidiary companies at the exercise price of INR 10.00 each . The entire granted stock options shall vest and will be exercisable 30% on the first anniversary, 30% on the second anniversary and 40% on the third anniversary of the grant date till completion of five years since then.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

(f) A2Z Employees Stock Option Plan, 2018 - Tranche II

The members of the Company vide special resolution at the Annual General Meeting held on September 29, 2018 had approved the A2Z Employees Stock Option Plan, 2018. The ESOP Compensation Committee in its meeting held on April 8, 2019 has granted 1,200,000 stock options convertible into equivalent number of equity shares of INR 10.00 each to the eligible employees/ Directors of the Company and its subsidiary companies at the exercise price of INR 10.00 each . The entire granted stock options shall vest and will be exercisable 50% on the first anniversary and 50% on the second anniversary of the grant date till completion of five years since then.

	ESOP 2010 plan (Number of shares)	Programme weighted average exercise price per share	ESOP 2013-II Plan (Number of shares)	Programme weighted average exercise price per share	ESOP 2014 Plan (Number of shares)	Programme weighted average exercise price per share
Outstanding as at April 1, 2019	**77,800**	**314.13**	**269,000**	**19.95**	**1,915,000**	**15.50**
Granted	**-**	**-**	**-**	**-**	**-**	**-**
Lapsed/Forfeited	41,950	314.13	-	-	160,000	15.50
Exercised	-	-	-	-	-	-
Outstanding as at March 31, 2020	**35,850**	**314.13**	**269,000**	**19.95**	**1,755,000**	**15.50**
Granted	-	-	-	-	-	-
Lapsed/Forfeited	35,850	314.13	1,500	19.95	320,000	15.50
Exercised	-	-	-	-	-	-
Outstanding as at March 31, 2021	**-**	**314.13**	**267,500**	**19.95**	**1,435,000**	**15.50**
Exercisable at March 31, 2020	35,850	314.13	269,000	19.95	1,755,000	15.50
Exercisable at March 31, 2021	-	-	267,500	19.95	1,435,000	15.50

	ESOP 2013 and 2014 (Regrant I) Plan (Number of shares)	Programme weighted average exercise price per share	ESOP 2018 plan (Number of shares)	Programme weighted average exercise price per share	ESOP 2018-II Plan (Number of shares)	Programme weighted average exercise price per share
Outstanding as at April 1, 2019	**1,270,000**	**36.90**	**3,800,000**	**10.00**	**-**	**-**
Granted	-	-	-	-	1,200,000	10.00
Lapsed/Forfeited	-	-	25,000	10.00	-	-
Exercised	-	-	-	-	-	-
Outstanding as at March 31, 2020	**1,270,000**	**36.90**	**3,775,000**	**10.00**	**1,200,000**	**10.00**
Granted	-	-	-	-	-	-
Lapsed/Forfeited	255,000	36.90	275,000	10.00	-	-
Exercised	-	-	-	-	-	-
Outstanding as at March 31, 2021	**1,015,000**	**36.90**	**3,500,000**	**10.00**	**1,200,000**	**10.00**
Exercisable at March 31, 2020	1,270,000	36.90	3,775,000	10.00	1,200,000	10.00
Exercisable at March 31, 2021	1,015,000	36.90	3,500,000	10.00	1,200,000	10.00

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

The following table lists the inputs to the models used for the plans as at March 31, 2021

	ESOP 2010 Plan	ESOP 2013-II Plan	ESOP 2014 Plan	ESOP 2013 & 2014 (Regrant-I) plan	ESOP 2018-I Plan	ESOP 2018-II Plan
Grant date	June 2, 2010	July 3, 2014	July 6, 2015	August 17, 2017	October 24, 2018	April 8, 2019
Vesting period ends	June 1, 2015	July 2, 2017	July 5, 2018	August 16, 2020	October 23, 2021	April 7, 2021
Share price at date of grant	INR 221.75	INR 14.52	INR 10.48	INR 39.40	INR 10.40	INR 18.75
Volatility	34.93%	67.05%	65.50%	50.14%	61.62%	58.73%
Option life	10 years	8 years	8 years	8 years	8 years	7 years
Dividend yield	2.25%	0%	0%	0%	0%	0%
Risk-free investment rate	7.45%	8.64%	8.19%	6.74%	7.38%	6.67%
Fair value at grant date	INR 58.23	INR 14.52	INR 11.15	INR 24.81	INR 6.09	INR 12.81
Exercise price at date of grant	INR 314.13	INR 19.95	INR 15.50	INR 36.90	INR 10.00	INR 10.00
Exercisable from	June 2, 2015	July 3, 2017	July 6, 2018	August 17, 2020	October 24, 2021	April 8, 2021
Exercisable till	June 1, 2020	July 2, 2022	July 5, 2023	August 16, 2025	October 23, 2026	April 7, 2026
Weighted average remaining contractual life (In Years)	-	1.25	1.87	3.48	4.66	4.52
Model used	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes

The following table lists the inputs to the models used for the plans as at March 31, 2020

	ESOP 2010 Plan	ESOP 2013-II Plan	ESOP 2014 Plan	ESOP 2013 & 2014 (Regrant-I) plan (Number of shares)	ESOP 2018-I Plan	ESOP 2018-II Plan
Grant date	June 2, 2010	July 3, 2014	July 6, 2015	August 17, 2017	October 24, 2018	April 8, 2019
Vesting period ends	June 1, 2015	July 2, 2017	July 5, 2018	August 16, 2020	October 23, 2021	April 7, 2021
Share price at date of grant	INR 221.75	INR 14.52	INR 10.48	INR 39.40	INR 10.40	INR 18.75
Volatility	34.93%	67.05%	65.50%	50.14%	61.62%	58.73%
Option life	10 years	8 years	8 years	8 years	8 years	7 years
Dividend yield	2.25%	0%	0%	0%	0%	0%
Risk-free investment rate	7.45%	8.64%	8.19%	6.74%	7.38%	6.67%
Fair value at grant date	INR 58.23	INR 14.52	INR 11.15	INR 24.81	INR 6.09	INR 12.81
Exercise price at date of grant	INR 314.13	INR 19.95	INR 15.50	INR 36.90	INR 10.00	INR 10.00
Exercisable from	June 2, 2015	July 3, 2017	July 6, 2018	August 17, 2020	October 24, 2021	April 8, 2021
Exercisable till	June 1, 2020	July 2, 2022	July 5, 2023	August 16, 2025	October 23, 2026	April 7, 2026
Weighted average remaining contractual life (In Years)	0.17	2.24	2.94	4.48	5.66	5.52
Model used	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
***Note 30* : FINANCE COSTS**		
Interest expense [*] [^]	5,700.01	5,481.76
Other borrowing costs		
Bank commission and charges	282.24	552.71
Total	**5,982.25**	**6,034.47**
[*] The break up of interest expense into major heads is given below:		
On term loans	122.48	299.58
On other bank loans	577.30	3,532.46
On loan from associates	179.50	185.26
On others	4,820.73	1,464.46
Total	**5,700.01**	**5,481.76**

[^] Refer Note 50

	For the year ended March 31, 2021	For the year ended March 31, 2020
***Note 31* : DEPRECIATION AND AMORTISATION EXPENSES**		
Depreciation of property, plant and equipment (Refer Note 3)	854.44	1,308.76
Depreciation of investment property (Refer Note 4)	-	10.75
Depreciation of right to use asset (Refer Note 3)	59.43	46.14
Amortisation of intangible assets (Refer Note 5)	5.11	4.82
Total	**918.98**	**1,370.47**

	For the year ended March 31, 2021	For the year ended March 31, 2020
***Note 32* : OTHER EXPENSES**		
Electricity	172.76	190.13
Rent (Refer Note 54)	143.43	190.96
Rates and taxes	64.65	66.04
Freight outward expenses	23.67	15.33
Insurance	45.66	154.99
Repair and maintenance		
- Building	4.56	13.17
- Plant and machinery	4.71	14.52
- Vehicles	43.03	28.41
- Others	19.97	82.24
Brokerage	-	1.54
Travelling expenses	606.82	669.52
Communication expenses	21.39	32.12
Printing and stationery	19.38	45.82
Legal and professional fees	598.91	757.25
Director sitting fees	12.75	16.00
Loss on disposal of property, plant and equipment	34.40	7.54
Provision for contract revenue in excess of billing	231.58	165.35
Provision for bad and doubtful debts	1,980.27	3,130.90

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 32 **: OTHER EXPENSES (contd...)**		
Provision for diminishing value in inventory	-	108.02
Fees and subscription / inspection charges	33.54	24.79
Business promotion expenses	43.01	44.04
Watch and ward expenses	15.80	21.51
Warranty expense	721.17	716.58
Hiring charges	188.92	-
Bad debts written off	-	0.04
Provision for bad and doubtful loans, advances and other receivables	3,027.92	1,088.03
Advances written off	35.94	-
Donation and Corporate social responsibility	62.31	-
Foreign exchange fluctuation (net)	47.47	-
Liquidated charges	224.63	793.97
Miscellaneous expenses	173.41	367.54
Total	**8,602.06**	**8,746.35**

	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 33 **: TAX EXPENSE**		
Current tax expense*	300.32	347.12
Deferred tax charge (Refer Note 9)	83.42	3,739.87
Tax expense	**383.74**	**4,086.99**

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

	For the year ended March 31, 2021	For the year ended March 31, 2020
Loss before tax	(7,725.76)	(23,727.39)
Corporate tax rate as per income tax act, 1961	25.17%	25.17%
Tax on accounting profit	**(1,944.57)**	**(5,972.18)**
i) Tax effect on non deductible expenses/ non-taxable income	469.85	(662.20)
ii) Tax effect on disposal/acquisition of subsidiary	-	(19.93)
iii) Tax effect on temporary timing differences on which deferred tax not created	1,113.48	2,332.24
iv) Tax effect on losses of current year on which no deferred tax is created	705.31	3,598.19
v) Effect of change/different tax rate	36.25	772.81
vi) Tax effect on temporary timing differences on which deferred tax was created, now reversed during the year	3.42	4,038.05
Tax expense	**383.74**	**4,086.99**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 33.1: a) Detail of unused tax losses for which no deferred tax is recognised in balance sheet:

	As at March 31, 2021			As at March 31, 2020		
	Base amount	Deferred tax	Expiry date (Assessment year)	Base amount	Deferred tax	Expiry date (Assessment year)
Tax losses						
Assessment Year 2013-14	-	-	March 31, 2022	2,786.38	701.33	March 31, 2022
Assessment Year 2014-15	14,054.10	3,537.42	March 31, 2023	14,054.10	3,537.42	March 31, 2023
Assessment Year 2015-16	15,585.85	3,922.96	March 31, 2024	15,585.85	3,922.96	March 31, 2024
Assessment Year 2016-17	83.06	20.91	March 31, 2025	83.06	20.91	March 31, 2025
Assessment Year 2017-18	11,503.79	2,895.50	March 31, 2026	11,525.22	2,900.90	March 31, 2026
Assessment Year 2018-19	3,708.32	933.38	March 31, 2027	3,708.32	933.38	March 31, 2027
Assessment Year 2019-20	21,947.36	5,524.15	March 31, 2028	23,371.01	5,882.48	March 31, 2028
Assessment Year 2020-21	6,281.82	1,581.13	March 31, 2029	12,961.54	3,262.42	March 31, 2029
Assessment Year 2021-22	1,499.15	377.34	March 31, 2030	-	-	-
	74,663.45	**18,792.79**		**84,075.48**	**21,161.80**	

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

	As at March 31, 2021			As at March 31, 2020		
	Base amount	Deferred tax	Expiry date (Assessment year)	Base amount	Deferred tax	Expiry date (Assessment year)
Unabsorbed depreciation	10,667.80	2,685.09	Not applicable	11,730.92	2,952.67	Not applicable
Impairment loss	22,413.72	5,641.53	Not applicable	22,413.72	5,641.53	Not applicable
Other temporary differences	6,862.88	1,727.39	Not applicable	7,403.25	1,863.40	Not applicable
	39,944.40	**10,054.01**		**41,547.89**	**10,457.60**	

*The Group had elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019 during the previous year. Accordingly, the Group has recognised provision for income-tax for the quarter and year ended March 31, 2021 and re-measured its deferred tax assets/liabilities basis the rate prescribed in the aforesaid section.

Note 34 : EARNINGS PER SHARE (EPS)

Both the basic and diluted earnings per share have been calculated using the Profit/(loss) attributable to equity holders of the parent as the numerator, i.e. no adjustments to profit/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:

	As at March 31, 2021	As at March 31, 2020
Weighted average number of shares used in basic earnings per share	176,119,858	176,119,858
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	**176,119,858**	**176,119,858**

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

(Loss)/Profit attributable to equity holders of the company	INR in lakhs	(8,120.74)	(27,695.95)
Weighted average number of equity shares outstanding during the year	Numbers	176,119,858	176,119,858
Nominal value of equity share	INR	10.00	10.00
Basic EPS	INR	(4.61)	(15.73)
Diluted EPS	INR	(4.61)	(15.73)

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

Note 35 : INTEREST IN JOINT VENTURES

The Group's interest and share in joint ventures in the jointly controlled operations as at March 31, 2021 and March 31, 2020 are as follows:

S. No.	Name of Joint Venture partner	Description of Interest	Nature of Project	Ownership Interest	Country of Incorporation
1	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from June 18, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Maharashtra State Electricity Transmission Company Limited for Design, Manufacture and Supply of all materials, execution of relevant civil works, erection, testing and commissioning of new 220KV Sub-station at Airoli, Sonkhar & Vasai and 132 KV Substation at Jam, Patur, Ghatanji, Wardha, Akola, Pandharkawda, Elichpur and Kundalwadi on turnkey basis.	See Note 35(a).1 below	*
2	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from December 12, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Construction of 220/132KV Grid Sub-Station at Bishnah (J&K).	See Note 35(a).1 below	*
3	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from December 31, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Construction of 220/132KV Grid Sub-Station at Budgam (Pkg A) & Mir Bazar (Pkg B)	See Note 35(a).1 below	*
4	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from June 14, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Bihar State Electricity Board for Turnkey Construction of 220/132/33 KV Grid station at Begusarai.	See Note 35(a).1 below	*
5	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from January 21, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of 220kv D/C Wagoora-Budgam Zainakot Transmission Line in Kashmir Valley.	See Note 35(a).1 below	*
6	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from February 15, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of Construction of 1x20 MVA, 132/33 KV Grid Sub-Station at Chandak, District Poonch (J&K).	See Note 35(a).1 below	*
7	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from February 15, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of Construction of 1x50 MVA, 132/33 KV Grid Sub-Station at Battal, Manwal, District Udhampur (J&K).	See Note 35(a).1 below	*
8	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from November 15, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package for Survey, Engineering, Design, Fabrication of Lattice Type Structures Galvanisation Supply of Structures, Laying of foundation, Protection Works, Erection of Towers, laying & stringing of ACSR PANTHER Conductor, Testing and Commissioning of Transmission lines from Badampora – Bandipora and from Lassipora – Sopian.	See Note 35(a).1 below	*
9	M/s Linkwell Telesystems Private Limited	Jointly Controlled Operations	Joint Venture Agreement effective from August 9, 2008.The principal activity of the Venture is to bid jointly and enter into contract with Madhya Pradesh Poorva Kshetra Vidyut Vitaran Co. Ltd. ('MPPKVVCL'), Jabalpur for design, manufacture, supply, install, commission, operate and maintain Remote Metering of LT Consumers above 10 BHP.	See Note 35(a).1 below	*
10	M/s Shyama Power (India) Private Limited	Jointly Controlled Operations	Joint Venture effective from August 22, 2008. The principal activity of the Venture is to submit a bid jointly and enter into contract with NHPC Ltd for the design manufacture, supply and erection, testing and commissioning of Equipment / Materials stipulated in the bidding documents for Rural Electrification works along with 66 KV Transmission Line each in Leh and Kargil District of Jammu & Kashmir.	See Note 35(a).1 below	*
11	M/s Cobra Instalaciones Y Servicios, S.A	Jointly Controlled Operations	Joint Venture agreement effective from December 12, 2008. The principal activity of the venture is to bid for tender and enter into contract with Maharashtra State Electricity Transmission Company Limited (MSETCL), Mumbai for Design, Manufacture and Supply of all materials execution of relevant civil works, erection, testing and commissioning for establishment of new 220 KV Sub-Station at Kudus, Talegaon, Jath, Patoda, Bhokardhan and 132 KV Sub-station at Badnapur on Turnkey basis.	See Note 35(a).1 below	*
12	M/s Karamtara Engineering Private Limited	Jointly Controlled Operations	Joint Venture agreement effective from July 10, 2009. The principal activity of the venture is to bid for tender and enter into contract with Power Grid Corporation of India Limited (PGCIL) for Design, Manufacture, Supply, Erection, Testing & Commissioning of Equipments/Materials for 765 KV S/C Meerut-Agra Transmission Line (Part-I) associated with 765 KV system for central part of Northern Grid.	See Note 35(a).1 below	*

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

S. No.	Name of Joint Venture partner	Description of Interest	Nature of Project	Ownership Interest	Country of Incorporation
13	M/S Richardson & Cruddas (1972) Limited	Jointly Controlled Operations	Joint Venture agreement effective from September 19, 2008. The principal activity of the venture is to bid for tender and enter into contract with Rajasthan Rajya Vidyut Prasaran Nigam Ltd. (RRVPNL), Jaipur for Design, Manufacture and Supply of materials for construction of 220KV/132KV transmission lines on turnkey basis.	See Note 35(a).1 below	*
14	M/S Satya Builders	Jointly Controlled Operations	Joint Venture agreement effective from September 17, 2010. The principal activity of the venture is survey, design, supply of all material & labour, T & P and laying of Branch – lateral, Main and Trunk sewer lines and appurtenants works under Mussoorie sewerage in different Zones of Mussoorie, Dehradun under Urban Infrastructure Development Scheme for Small & Medium Towns (UIDSSMT) Programme.	See Note 35(a).1 and Note 35(a).2 below	*
15	M/S Sudhir Power Projects Limited	Jointly Controlled Operations	Joint Venture agreement effective from May 8, 2013. The principal activity of the venture is procurement of plant, design, supply and installation of package - 21(B) - 132 KV substation Urlana with 2*40/50 MVA, 132/33 KV transformers, 66 KV substation Sector 20, Panchkula with 2*25/31.5 MVA, 66/11 KV transformers, 66 KV substation Laha with 1*12.5/16 MVA, 66/11 KV transformers of Haryana Vidyut Prasaran Nigam Limited.	See Note 35(a).1 below	*

*Country of Incorporation not applicable, as these are unincorporated Joint Ventures.

Note 35(a).1 : As per joint venture agreements, the scope and value of work of each partner has been clearly defined and accepted by the clients. The Holding Company's share in assets, liabilities, income and expenses are duly accounted for in the accounts of the Holding Company in accordance with such division of work and therefore does not require separate disclosure. However, joint venture partners are jointly and severally liable to clients for any claims in these projects.

Note 35(a).2 : The Holding Company holds 60% interest in an Association of Person (AOP), formed between A2Z Infra Engineering Limited and Satya Builders, a jointly controlled entity which is involved in waste water projects at Alwar and Chittorgarh, Rajasthan.

Note 36 : RELATED PARTY TRANSACTIONS

Disclosure of Related parties /related party transactions pursuant to Ind As 24 "Related Party Disclosures"

A Name of the related parties and nature of the related party relationship:

1 Associate Companies

a) Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)
b) A2Z Waste Management (Nainital) Private Limited

2 Subsidiaries of Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)

a) A2Z Waste Management (Merrut) Limited
b) A2Z Waste Management (Moradabad) Limited
c) A2Z Waste Management (Varanasi) Limited
d) A2Z Waste Management (Aligarh) Limited (till July 14, 2019)
e) A2Z Waste Management (Badaun) Limited
f) A2Z Waste Management (Balia) Limited
g) A2Z Waste Management (Fatehpur) Limited
h) A2Z Waste Management (Jaunpur) Limited
i) A2Z Waste Management (Mirzapur) Limited
j) A2Z Waste Management (Ranchi) Limited
k) A2Z Waste Management (Sambhal) Limited
l) A2Z Waste Management (Dhanbad) Private Limited
m) A2Z Waste Management (Ludhiana) Limited (till July 14, 2019)
n) A2Z Waste Management (Jaipur) Limited
o) A2Z Waste Management (Ahmedabad) Limited
p) A2Z Mayo SNT Waste Management (Nanded) Private Limited (Strike off w.e.f. December 02, 2019)
q) Earth Environment Management Services Private Limited
r) Shree Balaji Pottery Private Limited
s) Shree Hari Om Utensils Private Limited

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

3 **Subsidiaries of A2Z Waste Management (Ludhiana) Limited**
   a) Magic Genie Smartech Solutions Limited
   b) Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) (w.e.f. December 19, 2020)

4 **Joint Venture (unincorporated)**
   a) M/s UB Engineering Limited
   b) M/s Southern Petrochemical Industries Corporation Limited (SPIC - SMO)
   c) M/s Cobra Instalaciones Y Servicios, S.A.
   d) M/s Karamtara Engineering Private Limited
   e) M/s Richardson & Cruddas (1972) Limited
   f) M/s Satya Builders
   g) M/s Linkwell Telesystems Private Limited
   h) M/s Shyama Power (India) Private Limited
   i) M/s Sudhir Power Projects Limited
   j) Eco Save System Private Limited
   k) M/s Bhumika Transport

5 **Key Management Personnel ('KMP')**
   a) Mr. Amit Mittal (Managing Director)
   b) Mr. Rajesh Jain (Chief Executive Officer and Whole time director)
   c) Mrs. Dipali Mittal (Non-Executive Director)
   d) Mr. Surender Kumar Tuteja (Non- executive independent director)
   e) Dr. Ashok Kumar (Non- executive independent director till July 23, 2020)
   f) Ms. Atima Khanna (Non-executive independent director w.e.f. May 23, 2019)
   g) Mr. Ashok Kumar Saini (Non- executive director)
   h) Mr. Atul Kumar Agarwal (Company Secretary)
   i) Mr. Rajiv Chaturvedi (Chief Financial Officer)

6 **Relative of Key Management Personnel**
   a) Mrs. Sudha Mittal (Mother of Mr. Amit Mittal)

7 **Entity in which Director/Relative of the Director is Director**
   a) Fibzy Infrasolutions Private Limited
   b) Mestric Consultants Private Limited
   c) Devdhar Trading and Consultants Private Limited

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

B. Transactions with related parties during the year

The following transactions were carried out with the related parties in the ordinary course of business:

	For the year ended March 31, 2021				For the year ended March 31, 2020			
	Joint Ventures	Associate companies	Enterprise in control of Relatives of KMP	KMP / Relative of KMP	Joint Ventures	Associate companies	Enterprise in control of Relatives of KMP	KMP / Relative of KMP
Services rendered-								
- A2Z Waste Management (Ludhiana) Limited	-	-	-	-	-	2.55	-	-
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	34.38	-	-	-	36.02	-	-
Interest income								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	1,671.56	-	-	-	1,568.73	-	-
- A2Z Waste Management (Ludhiana) Limited	-	-	-	-	-	18.90	-	-
- Shree Hari Om Utensils Private Limited	-	0.02	-	-	-	0.01	-	-
- Shree Balaji Pottery Private Limited	-	0.02	-	-	-	0.01	-	-
- A2Z Waste Management (Jaunpur) Limited	-	0.03	-	-	-	0.03	-	-
- A2Z Waste Management (Varanasi) Limited	-	0.66	-	-	-	0.47	-	-
Interest expense								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	108.73	-	-	-	109.72	-	-
- A2Z Waste Management (Merrut) Limited	-	60.60	-	-	-	58.49	-	-
- A2Z Waste Management (Ranchi) Limited	-	3.81	-	-	-	2.66	-	-
- A2Z Waste Management (Ludhiana) Limited	-	-	-	-	-	3.63	-	-
- A2Z Waste Management (Nainital) Private Limited	-	3.23	-	-	-	3.90	-	-
- Mestric Consultants Private Limited	-	-	0.68	-	-	-	6.86	-
- A2Z Waste Management (Jaunpur) Limited	-	2.45	-	-	-	-	-	-
Liability written back								
- Cobra Instalaciones Y Servicios, S. A.	-	-	-	-	4.85	-	-	-
- Sudhir Power Projects Limited	-	-	-	-	629.17	-	-	-
Rent expense / equipment hiring charges								
- Dipali Mittal	-	-	-	10.76	-	-	-	10.54
- Sudha Mittal	-	-	-	5.28	-	-	-	5.28
Purchase of Goods or Services								
- Fibzy Infrasolutions Private Limited	-	-	32.05	-	-	-	122.03	-
- A2Z Waste Management (Ludhiana) Limited	-	-	-	-	-	44.62	-	-
Rent income								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	2.40	-	-	-	2.40	-	-

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

B. Transactions with related parties during the year

The following transactions were carried out with the related parties in the ordinary course of business:

	For the year ended March 31, 2021				For the year ended March 31, 2020			
	Joint Ventures	Associate companies	Enterprise in control of Relatives of KMP	KMP / Relative of KMP	Joint Ventures	Associate companies	Enterprise in control of Relatives of KMP	KMP / Relative of KMP
Fund transferred (includes expenses incurred on behalf of others)								
- A2Z Waste Management (Varanasi) Limited	-	-	-	-	-	72.77	-	-
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	310.13	-	-	-	479.64	-	-
- Rajesh Jain	-	-	-	7.81	-	-	-	-
Fund received (includes expenses incurred on behalf of the Company)								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	33.64	-	-	-	363.10	-	-
- A2Z Waste Management (Nainital) Private Limited	-	-	-	-	-	25.00	-	-
Share based payment expense								
- Rajesh Jain	-	-	-	61.91	-	-	-	170.53
- Ashok Kumar Saini	-	-	-	3.65	-	-	-	13.43
- Atul Kumar Agarwal	-	-	-	8.56	-	-	-	22.69
Provision created/write back of loans and advances								
- Karamtara Engineering Private Limited	84.27	-	-	-	-	-	-	-
Short term borrowings taken								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	639.22	-	-	-	645.57	-	-
- A2Z Waste Management (Merrut) Limited	-	-	-	-	-	59.33	-	-
- A2Z Waste Management (Nainital) Private Limited	-	-	-	-	-	11.80	-	-
- Amit Mittal	-	-	-	-	-	40.00	-	-
- SPIC-SMO	-	-	-	-	-	49.84	-	-
- A2Z Waste Management (Jaunpur) Limited	-	78.70	-	-	-	-	-	-
Write off of loans and advances								
- A2Z Waste Management (Nainital) Priavte Limited	-	-	-	-	-	11.80	-	-
Loan and advances given								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	40.13	-	-	-	11.40	-	-
- A2Z Waste Management (Ludhiana) Limited	-	-	-	-	-	145.56	-	-
- A2Z Waste Management (Jaunpur) Limited	-	0.09	-	-	-	0.40	-	-
Short term borrowings refunded								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	-	-	-	-	144.38	-	-
- Mestric Consultants Private Limited	-	-	61.94	-	-	-	126.06	-

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

B. Transactions with related parties during the year

The following transactions were carried out with the related parties in the ordinary course of business:

	For the year ended March 31, 2021				For the year ended March 31, 2020			
	Joint Ventures	Associate companies	Enterprise in control of Relatives of KMP	KMP / Relative of KMP	Joint Ventures	Associate companies	Enterprise in control of Relatives of KMP	KMP / Relative of KMP
Reversal of ESOP option to employees								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	-	-	-	-	2.27	-	-
- A2Z Waste Management (Merrut) Limited	-	-	-	-	-	8.92	-	-
- A2Z Waste Management (Ludhiana) Limited	-	-	-	-	-	2.26	-	-
- Shree Hari Om Utensils Private Limited	-	-	-	-	-	0.77	-	-
Short term borrowings taken								
- Mestric Consultants Private Limited	-	-	-	-	-	-	188.00	-
Amount written off								
- UB Engineering Limited	-	-	-	-	6,375.00	-	-	-
- SPIC-SMO	-	-	-	-	1,673.65	-	-	-
Loan and advances refunded								
- A2Z Waste Management (Ludhiana) Limited	-	-	-	-	-	10.00	-	-
Provision created/(reversed) for doubtful debts								
- UB Engineering Limited	-	-	-	-	(2,672.05)	-	-	-
- SPIC-SMO	(33.57)	-	-	-	(832.78)	-	-	-
Amount recovered								
- Rajesh Jain	-	-	-	16.50	-	-	-	0.50
- Ashok Kumar Saini	-	-	-	10.50	-	-	-	-
- Amit Mittal	-	-	-	34.93	-	-	-	0.08
Remuneration								
- Dipali Mittal	-	-	-	23.85	-	-	-	27.00
- Rajesh Jain	-	-	-	48.00	-	-	-	48.00
- Ashok Kumar Saini	-	-	-	12.84	-	-	-	0.75
- Amit Mittal	-	-	-	33.78	-	-	-	48.00
- Surender Kumar Tuteja	-	-	-	4.75	-	-	-	5.50
- Ashok Kumar	-	-	-	-	-	-	-	4.55
- Atul Kumar Agarwal	-	-	-	29.25	-	-	-	38.97
- Rajiv Chaturvedi	-	-	-	17.14	-	-	-	23.49
- Jivan Chandra Pant	-	-	-	-	-	-	-	0.90
- Atima Khanna	-	-	-	4.50	-	-	-	3.00

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

C. Balance outstanding at the end of the year

	Balance outstanding as at March 31, 2021				Balance outstanding as at March 31, 2020			
	Joint Ventures	Associate companies	Enterprise in control of Relatives of KMP	KMP / Relative of KMP	Joint Ventures	Associate companies	Enterprise in control of Relatives of KMP	KMP / Relative of KMP
Investment in equity shares (net of impairment)								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	40.39	-	-	-	40.39	-	-
Investment in preference shares/debentures (debt Portion)								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	8,755.23	-	-	-	7,663.22	-	-
Investment in preference shares/debentures (equity Portion)								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	14,658.65	-	-	-	14,658.65	-	-
Investment in shares(ESOP scheme)								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	10.45	-	-	-	10.45	-	-
- A2Z Waste Management (Merrut) Limited	-	19.19	-	-	-	19.19	-	-
- A2Z Waste Management (Balia) Limited	-	12.11	-	-	-	12.11	-	-
Non-current borrowing(debt portion of preference shares)								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	9.73	-	-	-	7.09	-	-
- A2Z Waste Management (Merrut) Limited	-	37.43	-	-	-	34.13	-	-
Other equity(equity portion of preference shares)								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	465.54	-	-	-	465.55	-	-
Current borrowings								
- A2Z Waste Management (Merrut) Limited	-	486.50	-	-	-	486.50	-	-
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	759.05	-	-	-	759.05	-	-
- A2Z Waste Management (Jaunpur) Limited	-	78.70	-	-	-	-	-	-
- Mestric Consultants Private Limited	-	-	-	-	-	-	61.94	-
- A2Z Waste Management (Nainital) Private Limited	-	11.80	-	-	-	11.80	-	-
- A2Z Waste Management (Ranchi) Limited	-	3.68	-	-	-	3.68	-	-

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

C. Balance outstanding at the end of the year

	Balance outstanding as at March 31, 2021				Balance outstanding as at March 31, 2020			
	Joint Ventures	Associate companies	Enterprise in control of Relatives of KMP	KMP / Relative of KMP	Joint Ventures	Associate companies	Enterprise in control of Relatives of KMP	KMP / Relative of KMP
Interest payable(other financial liabilities)								
- A2Z Waste Management (Merrut) Limited	-	13.25	-	-	-	5.57	-	-
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	867.11	-	-	-	723.42	-	-
- A2Z Waste Management (Balia) Limited	-	0.04	-	-	-	0.04	-	-
- A2Z Waste Management (Ranchi) Limited	-	2.21	-	-	-	1.75	-	-
- A2Z Waste Management (Moradabad) Limited	-	0.15	-	-	-	0.15	-	-
- A2Z Waste Management (Nainital) Private Limited	-	8.98	-	-	-	3.79	-	-
- Mestric Consultants Private Limited	-	-	-	-	-	-	6.86	-
- A2Z Waste Management (Jaunpur) Limited	-	2.20	-	-	-	-	-	-
Interest receivable (loans)								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	3,253.95	-	-	-	2,754.47	-	-
- Shree Balaji Pottery Private Limited	-	0.11	-	-	-	0.09	-	-
- Shree Hari Om Utensils Private Limited	-	0.11	-	-	-	0.09	-	-
- A2Z Waste Management (Jaunpur) Limited	-	-	-	-	-	0.04	-	-
- A2Z Waste Management (Moradabad) Limited	-	6.64	-	-	-	6.64	-	-
- A2Z Waste Management (Varanasi) Limited	-	5.18	-	-	-	4.58	-	-
- A2Z Waste Management (Ranchi) Limited	-	0.48	-	-	-	0.48	-	-
Trade receivable / other recoverable								
- UB Engineering Limited	400.00	-	-	-	400.00	-	-	-
- SPIC-SMO	47.94	-	-	-	200.00	-	-	-
- Karamtara Engineering Private Limited	-	-	-	-	84.27	-	-	-
- A2Z Waste Management (Varanasi) Limited	-	15.73	-	-	-	15.73	-	-
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	1,728.19	-	-	-	1,146.38	-	-
- A2Z Waste Management (Balia) Limited	-	9.02	-	-	-	9.02	-	-
- A2Z Waste Management (Mirzapur) Limited	-	4.33	-	-	-	4.33	-	-
- A2Z Waste Management (Fatehpur) Limited	-	2.12	-	-	-	2.12	-	-
- A2Z Waste Management (Badaun) Limited	-	1.57	-	-	-	1.57	-	-
- A2Z Waste Management (Sambhal) Limited	-	2.00	-	-	-	2.00	-	-
- A2Z Waste Management (Dhanbad) Private Limited	-	0.82	-	-	-	0.82	-	-
- A2Z Waste Management (Moradabad) Limited	-	0.74	-	-	-	0.74	-	-
- A2Z Waste Management (Jaunpur) Limited	-	(6.93)	-	-	-	(10.46)	-	-
- Rajesh Jain	-	-	-	-	-	-	-	16.50
- Amit Mittal	-	-	-	-	-	-	-	34.93
- Ashok Kumar Saini	-	-	-	-	-	-	-	10.50

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

C. Balance outstanding at the end of the year

	Balance outstanding as at March 31, 2021				Balance outstanding as at March 31, 2020			
	Joint Ventures	Associate companies	Enterprise in control of Relatives of KMP	KMP / Relative of KMP	Joint Ventures	Associate companies	Enterprise in control of Relatives of KMP	KMP / Relative of KMP
- Atul Kumar Agarwal	-	-	-	-	-	-	-	3.93
Security deposit received								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	1.20	-	-	-	1.20	-	-
Provision for doubtful debts								
- UB Engineering Limited	28.00	-	-	-	28.00	-	-	-
- SPIC-SMO	3.36	-	-	-	36.93	-	-	-
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	877.12	-	-	-	877.12	-	-
Remuneration payable (includes sitting fees)								
- Dipali Mittal	-	-	-	5.15	-	-	-	13.65
- Rajesh Jain	-	-	-	15.09	-	-	-	12.00
- Ashok Kumar Saini	-	-	-	2.19	-	-	-	1.13
- Amit Mittal	-	-	-	12.10	-	-	-	-
- Surender Kumar Tuteja	-	-	-	-	-	-	-	4.73
- Ashok Kumar	-	-	-	3.65	-	-	-	11.12
- Suresh Prasad Yadav	-	-	-	0.90	-	-	-	0.90
- Atul Kumar Agarwal	-	-	-	5.20	-	-	-	7.03
- Rajiv Chaturvedi	-	-	-	4.12	-	-	-	7.08
- Atima Khanna	-	-	-	1.00	-	-	-	-
- Jivan Chandra Pant	-	-	-	-	-	-	-	1.98
Short term loans and advances								
- A2Z Waste Management (Varanasi) Limited	-	77.48	-	-	-	77.48	-	-
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	4,309.23	-	-	-	4,269.09	-	-
- A2Z Waste Management (Dhanbad) Private Limited	-	230.56	-	-	-	230.56	-	-
- A2Z Waste Management (Ranchi) Limited	-	350.00	-	-	-	350.00	-	-
- A2Z Waste Management (Merrut) Limited	-	8.92	-	-	-	8.92	-	-
- Shree Balaji Pottery Private Limited	-	0.13	-	-	-	0.13	-	-
- Shree Hari Om Utensils Private Limited	-	0.90	-	-	-	0.90	-	-
- A2Z Waste Management (Jaunpur) Limited	-	0.49	-	-	-	0.40	-	-

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

C. Balance outstanding at the end of the year

	Balance outstanding as at March 31, 2021				Balance outstanding as at March 31, 2020			
	Joint Ventures	Associate companies	Enterprise in control of Relatives of KMP	KMP / Relative of KMP	Joint Ventures	Associate companies	Enterprise in control of Relatives of KMP	KMP / Relative of KMP
Trade payable/imprest payable								
- Eco Save Systems Private Limited	2.46	-	-	-	-	-	2.46	-
- Dipali Mittal	-	-	-	9.91	-	-	-	7.12
- Fibzy Infrasolutions Private Limited	-	-	68.54	-	-	-	55.76	-
- Sudha Mittal	-	-	-	11.58	-	-	-	9.50
- Rajesh Jain	-	-	-	0.05	-	-	-	7.38
- Bhumika Transport	-	-	-	-	-	-	0.04	-
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	243.92	-	-	-	198.11	-	-
- Atul Kumar Aggarwal	-	-	-	2.17	-	-	-	-
- Rajiv Chaturvedi	-	-	-	0.20	-	-	-	-
Other financial liablility								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	601.76	-	-	-	507.67	-	-
- A2Z Waste Management (Merrut) Limited	-	59.33	-	-	-	59.33	-	-
- A2Z Waste Management (Nainital) Private Limited	-	5.00	-	-	-	25.00	-	-
Guarantees given on behalf of associates								
- Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited)	-	25,025.00	-	-	-	25,025.00	-	-
- A2Z Waste Management (Merrut) Limited	-	1,100.00	-	-	-	1,100.00	-	-
- A2Z Waste Management (Moradabad) Limited	-	480.00	-	-	-	480.00	-	-
- A2Z Waste Management (Varanasi) Limited	-	2,000.00	-	-	-	2,000.00	-	-

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

Note 36.1: In the opinion of the management, the transactions reported herein are on arms' length basis.

Note 36.2: Details relating to persons referred to as key managerial personnel above:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Short term employee benefits	161.36	179.58
Defined contribution plan	-	-
Share-based payment transactions	74.11	206.65
Sitting fees	12.75	17.70
Total compensation paid/payable to key management personnel	**248.22**	**403.93**

* In the absence of employee wise details of the defined contribution/benefit plan, the amount considered is INR Nil (March 31, 2020: Nil)

Note 36.3: Due to unexpected change in the profitability of the Holding Company during the financial year 2012-13 and 2013-14, the managerial remuneration paid to the Managing Director exceeded the limits in terms of the provision of Section 198, 309, 310 read with schedule XIII of the erstwhile Companies Act, 1956. Subsequent to the approval by shareholders in the 13th Annual General Meeting of the Holding Company duly held on September 27, 2014, the Holding Company had made an application for the approval from the Central Government for the waiver of excess remuneration so paid. The Central Government has rejected the Holding Company's application for the waiver of the excess remuneration so, paid remuneration amounting to INR 189.48 Lakhs was held in trust by him and after that full excess remuneration has been recovered from the Managing Director within the time line as defined in the Companies Act, 2013. As on March 31, 2021 no amount was outstanding with him (March 31, 2020 INR 34.93 Lakhs).

Note 36.4: During the earlier years, the Holding Company paid excess remuneration to Mr. Rajesh Jain and Mr. Ashok Kumar Saini amounting to INR 16.50 lakhs and INR 10.50 Lakhs respectively from the date of re-appointment to the date of receipt of abatement letter from Central Government in accordance with amended provision of section 197 read with Schedule V of Companies Act 2013. Therefore the remuneration paid was held in trust by the said directors. After that full amount of the excess remuneration has been recovered from the said directors within the time line as defined in the Companies Act, 2013. As on March 31, 2021 no amount was outstanding with them (March 31, 2020 INR 16.50 Lakhs from Mr. Rajesh Jain) and (March 31, 2020 INR 10.50 Lakhs from Mr. Ashok Kumar Saini).

Note 37 : FAIR VALUE MEASUREMENT

(i) Fair value measurement of financial instruments

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 assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2021	Level 1	Level 2	Level 3	Total
Financial liabilities				
Derivative liability (Refer Note 19.1)	-	-	-	-
Total financial liabilities	-	-	-	-

As at March 31, 2020	Level 1	Level 2	Level 3	Total
Financial liabilities				
Derivative liability	-	-	2,762.56	**2,762.56**
Total financial liabilities	-	-	**2,762.56**	**2,762.56**

(iii) Fair value of instruments measured at amortised cost

The carrying values of financial instruments measured at amortised cost is considered to be a reasonable approximation of their fair values.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

(iv) Valuation process and technique used to determine fair value

The fair value of derivative liability is estimated using Black Scholes technique. The significant unobservable inputs used in the fair value measurements are as shown below:-

	As at March 31, 2021	As at March 31, 2020
Significant unobservable inputs		
Market price of equity share	-	3.15
Sensitivity		
The sensitivity of profit or loss and equity to changes in volatility		
Market Price– increase by 10%	-	23.74
Market Price– decrease by 10%	-	(23.74)

Note 38 : FINANCIAL RISK MANAGEMENT

(i) Financial instruments by category

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

	As at March 31, 2021		
	FVPL	FVOCI	Amortised cost
Financial assets			
Investment in Preference shares and debentures	-	-	8,755.23
Trade receivables	-	-	90,274.18
Loans	-	-	9,270.36
Cash and cash equivalents	-	-	1,391.55
Other bank balances	-	-	116.83
Other financial assets	-	-	21,179.46
Total	**-**	**-**	**130,987.61**
Financial liabilities			
Borrowings	-	-	52,623.21
Lease liability	-	-	86.03
Trade payables	-	-	60,826.92
Other financial liabilities	-	-	9,271.31
Total	**-**	**-**	**122,807.47**

	As at March 31, 2020		
	FVPL	FVOCI	Amortised cost
Financial assets			
Investment in Preference shares and debentures	-	-	7,663.22
Trade receivables	-	-	91,713.74
Loans	-	-	8,819.81
Cash and cash equivalents			1,038.43
Other bank balances			116.83
Other financial assets	-	-	24,870.88
Total	**-**	**-**	**134,222.91**
Financial liabilities			
Borrowings	-	-	47,608.12
Lease liability			121.90
Trade payables	-	-	67,141.79
Other financial liabilities	2,762.56	-	6,710.56
Total	**2,762.56**	**-**	**121,582.37**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

(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	6,690.65	16,344.35
More than 30 days but not more than 60 days	3,470.88	4,553.14
More than 60 days but not more than 90 days	1,737.23	788.18
More than 90 days	85,800.09	75,472.47
	97,698.85	**97,158.14**
Less: Provision for impairment	(7,424.67)	(5,444.40)
	90,274.18	**91,713.74**

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 specific 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 7%. 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.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2021	As at March 31, 2020
Balance as at the beginning of the year	**5,444.40**	**6,523.27**
Changes in provision		
Additional provision	1,980.27	3,130.90
Reversal of provision	-	(4,212.72)
Acquisition of subsidiary	-	2.95
Balance as at the end of the year	**7,424.67**	**5,444.40**

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
Non-derivative financial liabilities					
Borrowings (including estimated future interest)	52,506.60	66.02	27.70	1,100.00	**53,700.32**
Lease liability	64.61	35.39	3.89	0.52	**104.41**
Trade payables	60,826.92	-	-	-	**60,826.92**
Other financial liabilities	9,264.61	6.70	-	-	**9,271.31**
Total	**122,662.74**	**108.11**	**31.59**	**1,100.52**	**123,902.96**

As at March 31, 2020	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivative financial liabilities					
Borrowings (including estimated future interest)	47,984.26	231.98	62.53	1,156.80	**49,435.57**
Lease liability	42.19	69.96	18.88	2.09	**133.12**
Trade payables	67,141.79	-	-	-	**67,141.79**
Other financial liabilities	6,698.48	-	12.08	-	**6,710.56**
Derivative financial liabilities					
Other financial liabilities	2,722.71	39.85	-	-	**2,762.56**
Total	**124,589.43**	**341.79**	**93.49**	**1,158.89**	**126,183.60**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

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	39,551.08	34,583.04
Fixed rate borrowing	13,072.13	13,025.08
Total	**52,623.21**	**47,608.12**

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)	(295.96)	(258.78)
Interest rates – decrease by 100 basis points (100 bps)	295.96	258.78

* 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 (USD), Ugandan Shillings, Tanzania Shillings and Zambian 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:

	As at March 31, 2021			
	Currency	Amount in foreign currency	Exchange rate	Amount in INR
Trade receivables	USD	41.25	73.24	3,021.05
	NPR	1,131.73	0.62	702.85
	Tanzania Shillings	68,346.84	0.03	2,152.35
Cash and cash equivalents	USD	0.12	73.24	8.21
	Uganda Shillings	11.14	0.02	0.22
	NPR	260.65	0.62	161.88
	Tanzania Shillings	2,642.13	0.03	83.20
Other financial assets	USD	0.68	73.24	49.59
Trade payables	USD	6.85	73.24	501.96
	Uganda Shillings	132.65	0.02	2.62
	NPR	2,473.47	0.62	1,536.13
	Tanzania Shillings	77,453.02	0.03	2,439.11

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2020			
	Currency	**Amount in foreign currency**	**Exchange rate**	**Amount in INR**
Trade receivables	USD	47.99	75.10	3,604.28
	Tanzania Shillings	99,864.48	0.03	3,227.62
Cash and cash equivalents	USD	3.93	75.10	294.53
	Uganda Shillings	159.97	0.02	3.14
	Zambian Kwacha	0.01	4.21	0.02
	Tanzania Shillings	224.31	0.03	7.25
Other financial assets	USD	0.66	75.10	49.26
Trade payables	USD	12.05	75.10	905.04
	Uganda Shillings	385.01	0.02	7.56
	Zambian Kwacha	0.74	4.21	3.11
	Tanzania Shillings	135,211.79	0.03	4,370.05

Sensitivity*

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	As at March 31, 2021	**As at March 31, 2020**
USD sensitivity		
INR/USD- increase by 6.82% (for previous year - 6.82%)	131.51	155.30
INR/USD- decrease by 6.82%(for previous year - 6.82%)	(131.51)	(155.30)
UGX sensitivity		
INR/UGX- increase by 6.05% (for previous year - 6.05%)	(0.11)	(0.20)
INR/UGX- decrease by 6.05% (for previous year - 6.05%)	0.11	0.20
ZMW sensitivity		
INR/ZMW- increase by 12.26% (for previous year - 12.26%)	(126.08)	(0.28)
INR/ZMW- decrease by 12.26% (for previous year - 12.26%)	126.08	0.28
TZS sensitivity		
INR/TZS- increase by 6.41% (for previous year - 6.41%)	(79.29)	(54.45)
INR/TZS- decrease by 6.41% (for previous year - 6.41%)	79.29	54.45

* Holding all other variables constant

Note 39 : 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 less cash and cash equivalents, excluding discontinued operations.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at March 31, 2021	As at March 31, 2020
Borrowings	52,623.21	47,608.12
Less: cash and cash equivalents	(1,391.55)	(1,038.43)
Net debt	**51,231.66**	**46,569.69**
Equity attributable to equity holders of the company	33,779.05	41,278.50
Capital and net debt	**85,010.71**	**87,848.19**
Gearing ratio	**60.26%**	**53.01%**

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.

Note 40 : DISCLOSURE PURSUANT TO IND AS-105 "NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS"

1) The group has following group of assets recognised as held for sale as at March 31, 2021 and March 31, 2020.

Assets/Group of assets	Reportable segment
Building (Refer Note 40.ii)	Engineering services
Land and Building (Refer Note 40.iii)	Others

2) The management has decided to sell two floors at Medanta Medicity premises located at Sector 38, NH-8, Gurugram pursuant to which the advertisement for the sale of these mentioned flats was given on November 23, 2018. The property is carried at book value in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" being lower than the fair value less cost to sell. Expected date of sale of building held for sale is March 31, 2022.

3) During the previous year the Group had re-classified land/building held in one of the subsidiary company from property, plant and equipment and investment property to asset held for sale as the management of the Company intends to sell of this land/ building as per the approved plan of the Board of Directors.

4) The details of group of disposable assets classified as held for sale are as under:

	As at March 31, 2021	As at March 31, 2020
Non-current assets		
Property, plant and equipment	2,822.74	2,820.42
Investment property	221.06	221.06
	3,043.80	**3,041.48**

5) Assets held for sale are pledged as collateral for borrowings from banks (Refer Note 17 and Note 22).

Note 41 : SEGMENT REPORTING

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

(i) Engineering Service (ES)
(ii) Facility Management Services (FMS)
(iii) Municipal Solid Waste Management (MSW)
(iv) Power Generation Projects ('PGP')

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

(v) Others represents trading of goods, renting of equipments, manufacturing of electrical equipment and operation and maintenance services, etc.

	For the year ended March 31, 2021						
	Engineering Services	Facility Management Services	Municipal solid waste management	Power generation projects	Others	Elimination	Total
Revenue							
Segment revenue	18,686.34	13,186.00	9,461.80	-	156.65	-	**41,490.79**
Other income	491.59	31.96	67.95	-	36.86	-	**628.36**
Intersegment revenue	-	2,083.17	-	-	60.00	2,143.17	**-**
Total segment revenue	**19,177.93**	**15,301.13**	**9,529.75**	**-**	**253.51**	**2,143.17**	**42,119.15**
Cost							
Segment cost	(23,501.95)	(14,491.20)	(8,764.93)	(610.93)	(64.37)	(2,053.81)	**(45,379.57)**
Total segment cost	**(23,501.95)**	**(14,491.20)**	**(8,764.93)**	**(610.93)**	**(64.37)**	**(2,053.81)**	**(45,379.57)**
Segment operating (loss)/ profit	**(4,324.02)**	**809.93**	**764.82**	**(610.93)**	**189.14**	**89.36**	**(3,260.42)**
Total reportable segment operating (loss)							**(3,260.42)**
Interest income							1,930.23
Interest expense							(5,700.01)
Share of loss of associates and bank charges							(695.55)
Exceptional Item (Refer Note 43)							-
Loss before tax							**(7,725.76)**
Tax expense							
Current tax							300.32
Deferred tax (net)							83.42
Loss after tax							**(8,109.50)**
Reclassification of net actuarial gain on employee defined benefit obligations							305.51
Total comprehensive income for the year (comprising loss and other comprehensive income)							**(7,803.99)**

	As at March 31, 2021						
	Engineering Services	Facility Management Services	Municipal solid waste management	Power generation projects	Others	Elimination	Total
Assets							
Segment assets	106,800.31	13,655.38	13,940.29	8,351.22	8,665.75	15,175.83	**136,237.12**
Unallocable corporate assets	-	-	-	-	-	-	**50,999.36**
Total assets	**106,800.31**	**13,655.38**	**13,940.29**	**8,351.22**	**8,665.75**	**15,175.83**	**187,236.48**
Liabilities							
Segment liabilities	80,789.77	12,329.60	11,116.70	98.52	8,443.52	10,435.45	**102,342.66**
Unallocable corporate liabilities	-	-	-	-	-	-	**51,778.88**
Total liabilities	**80,789.77**	**12,329.60**	**11,116.70**	**98.52**	**8,443.52**	**10,435.45**	**154,121.54**
Capital expenditure	4.93	87.14	141.99	-	-	-	**234.06**
Depreciation and amortisation	460.86	195.08	93.91	-	169.13	-	**918.98**
Other non-cash expenditure							**6,448.21**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	For the year ended March 31, 2020						
	Engineering Services	Facility Management Services	Municipal solid waste management	Power generation projects	Others	Elimination	Total
Revenue							
Segment revenue	37,871.39	23,085.98	8,354.67	241.00	431.26	-	**69,984.30**
Other income	901.99	-	45.62	-	119.84	-	**1,067.45**
Intersegment revenue	-	23.80	11.00	-	60.00	94.80	**-**
Total segment revenue	**38,773.38**	**23,109.78**	**8,411.29**	**241.00**	**611.10**	**94.80**	**71,051.75**
Cost							
Segment cost	(41,601.48)	(22,509.90)	(7,946.34)	(1,603.50)	(686.68)	(94.80)	**(74,253.10)**
Total segment cost	**(41,601.48)**	**(22,509.90)**	**(7,946.34)**	**(1,603.50)**	**(686.68)**	**(94.80)**	**(74,253.10)**
Segment operating (loss) / profit	**(2,828.10)**	**599.88**	**464.95**	**(1,362.50)**	**(75.58)**	**-**	**(3,201.35)**
Total reportable segment operating loss							**(3,201.35)**
Interest income							1,752.38
Interest expense							(5,481.76)
Share of loss of associates							(687.98)
Exceptional Item (Refer Note 43)							(16,108.68)
Loss before tax							**(23,727.39)**
Tax expense							
Current tax							347.12
Deferred tax							3,739.87
Loss after tax							**(27,814.38)**
Reclassification of net actuarial gain on employee defined benefit obligations							150.99
Total comprehensive income for the year (comprising loss and other comprehensive income)							**(27,663.39)**

	As at March 31, 2020						
	Engineering Services	Facility Management Services	Municipal solid waste management	Power generation projects	Others	Elimination	Total
Assets							
Segment assets	1,13,097.06	16,350.78	13,019.41	8,831.85	5,694.05	11,850.51	**1,45,142.64**
Unallocable corporate assets	-	-	-	-	-	-	**54,227.64**
Total assets	**1,13,097.06**	**16,350.78**	**13,019.41**	**8,831.85**	**5,694.05**	**11,850.51**	**1,99,370.28**
Liabilities							
Segment liabilities	82,067.97	14,128.86	10,487.91	203.14	7,608.64	7,089.26	**1,07,407.26**
Unallocable corporate liabilities	-	-	-	-	-	-	**51,173.47**
Total liabilities	**82,067.97**	**14,128.86**	**10,487.91**	**203.14**	**7,608.64**	**7,089.26**	**1,58,580.73**
Capital expenditure	6.13	62.11	485.45	-	-	-	**553.69**
Depreciation and amortisation	1,009.79	193.65	50.20	-	116.83	-	**1,370.47**
Provision for impairment	-	-	-	14,488.51	-	-	**14,488.51**
Other non-cash expenditure	-	-	-	-	-	-	**5,670.04**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Unallocated operating income and expense mainly consist of exceptional items and tax expense. The unallocable assets includes tax receivable from Government authorities.

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.

The revenue from customers (having more than 10% of total revenue) during the year is INR 13,244.36 lakhs (March 31, 2020 INR 11,802.36 lakhs) arising from revenue from engineering services.

Note 42 : CONTINGENT LIABILITIES AND COMMITMENTS

a) The details of contingent liabilities are as follows:

	As at March 31, 2021	As at March 31, 2020
Corporate guarantees given to banks on account of facilities granted by said banks to associates and others$	30,406.83	30,406.83
Right to recompense (CDR Scheme)	10,032.81	8,949.61
Litigations under workmen compensation act (Refer Note 42.1)	43.76	43.76
Litigations with contractors and others (Refer Note 42.1)	158.46	309.87
Sales tax demand under dispute (Refer Note 42.1)	8,841.73	8,790.85
Income Tax demand under dispute (Refer Note 42.2)	2,848.92	2,848.92
	52,332.51	**51,349.84**

Note 42.1 : Based on discussions with the solicitors / favourable decisions in similar cases/legal opinions taken by the Holding Company, the management believes that the Holding Company has a good chance of success in above-mentioned cases and hence, no provision is considered necessary.

Note 42.2 : The Income tax authorities conducted a search and survey at certain premises of the Holding Company under section 132 and 133 of the Income Tax Act, 1961 in April 2012. During the year ended March 31, 2015, the Holding Company received the assessment orders for the assessment years 2009-10 to 2013-14 from the Deputy Commissioner of Income Tax (DCIT) demanding additional tax liability of INR 1,992.17 lakhs. During the year ended March 31, 2015 the Holding Company had filed appeals with Commissioner of Income Tax (CIT) (Appeals) challenging these orders against which the said authority had granted partial relief to the Holding Company. The Holding Company has further filed appeals with Income Tax Appellate Tribunal (ITAT) challenging the orders for these assessment years in respect of the matters where the CIT(A) has not accepted the Holding Company's contention. Additionally, the DCIT has also filed appeals with the ITAT against the matters where the relief has been given to the Holding Company.

Further, during the year ended March 31, 2018, the Holding Company had received penalty orders for the Assessment year 2009-10 to 2013-14 from DCIT and for the Assessment year 2008-09 from CIT demanding additional tax liability of INR 1,277.64 lakhs against which the CIT (Appeals) had not granted relief to the Holding Company.

During the year ended March 31, 2019, the Holding Company has received orders from CIT (Appeals) squashing the penalty orders aggregating INR 477.71 lakhs out of the aforementioned and upholding the rest. The Holding Company has filed appeals with the ITAT challenging the penalty orders for these assessment years in respect of the matters where the CIT(A) has not accepted the Holding Company's contention.

Based on their assessment and upon consideration of advice from the independent legal counsel, the management believes that the Holding Company has reasonable chances of succeeding before the ITAT and does not foresee any material liability. Pending the final decision on the matter, no further adjustment has been made in the consolidated financial statements.

Note 42.3 : Pursuant to recent judgement by the Hon'ble Supreme Court of India dated February 28, 2019, it was held that basic wages, for the purpose of provident fund, should include certain allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies and accordingly, the Group has not provided for any liability on account of this. The Group will continue to assess any further developments in this matter for the implications on the consolidated financial statements, if any.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

$ In addition to the aforementioned, during financial year March 31, 2018, the Holding Company executed an one time settlement (OTS) agreement with Standard Chartered Bank (SCB) (hereinafter "SCB OTS") after invocation of the corporate guarantees amounting INR 14,060.00 lakhs issued by the Holding Company in favour of SCB for various subsidiaries of Greeneffect Waste Management Limited (formerly known as A2Z Green Waste Management Limited). In terms of the said agreements, in case of any defaults with the terms of SCB OTS, SCB has the right to resinstate the aforementioned guarantees on the Holding Company.

b) Commitments outstanding:

(i) Estimated amount of contracts to be executed and not provided for:

	As at March 31, 2021	As at March 31, 2020
Other Commitments	58,915.93	66,602.55
	58,915.93	**66,602.55**

(ii) The management is committed to provide continued operational and financial support to its associate companies for meeting their working capital and other financing requirements.

Note 43 : EXCEPTIONAL ITEMS

	For the year ended March 31, 2021	For the year ended March 31, 2020
One time settlement with banks and financial institutions (Refer Note 43.1)	-	8,639.32
Liabilities written back	-	2,404.09
Exception gain (A)	**-**	**11,043.41**
Impact of fair valuation of derivative liability on subsequent measurement (Refer Note 43.2)	-	2,224.08
Contract revenue in excess of billing written off	-	1,326.90
Capital assets and inventories impaired/Written off	-	14,488.51
Goodwill written off (Refer Note 44)	-	639.48
Trade receivable written off	-	8,472.12
Provision for investment	-	1.00
Exceptional loss (B)	**-**	**27,152.09**
Net exceptional (loss)	**-**	**(16,108.68)**

Note 43.1: Gain on one time settlement agreements with banks and financial institutions for borrowings pertains to excess of outstanding loan liabilities against the settlement consideration paid/to be paid under the settlement agreement entered by the Holding company.

Note 43.2: Derivative liability pertains to fair valuation of liability arising out of the embedded put option as per the settlement agreement and options agreement entered with lenders.

Note 44 : ACQUISITION/ DISPOSAL OF SUBSIDIARY

(i) Acquisition of subsidiary in 2020-21

No acquisition has been made during the FY 2020-21

(ii) Acquisition of subsidiary in 2019-20

The 'A2Z Infraservices Limited' a subsidiary company has acquired A2Z Waste Management (Ludhiana) Group and A2Z Waste Management (Aligarh) Limited which were earlier associate company of A2Z Infra Engineering Limited. A2Z Infraservices has acquired 35,000 equity shares (i.e 70%) and 950,000 preference shares of A2Z Waste Management (Ludhiana) Limited (alongwith with its subsidiary company i.e. "Magic Genie Smartech Solutions Limited") and 40,000 equity shares (i.e 80%) and 6,450,000 preference shares of A2Z Waste Management (Aligarh) Limited. As a result, these two companies have become step subsidiaries of A2Z Infra Engineering Limited.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	As at July 14, 2019		
	A2Z Waste Management (Aligarh) Limited	**A2Z Waste Management (Ludhiana) Limited**	**Magic Genie Smartech Solutions Limited**
(a) Carrying amount of subsidiary's assets and liabilities acquired			
Assets			
Property, plant and equipment	1,809.69	284.71	1.94
Capital work-in-progress	1.85	3,791.14	-
Investments	-	7.55	-
Loans	4.92	8.22	-
Other financial assets	1.96	-	35.00
Non-current tax assets (net)	15.15	169.46	4.73
Other non-current assets	98.32	182.08	-
Total non-current assets	**1,931.89**	**4,443.16**	**41.67**
Inventories	423.93	-	-
Trade receivables	612.24	913.25	-
Cash and cash equivalents	2.71	63.26	10.04
Other bank balances	-	-	14.81
Loans	149.44	82.12	-
Other financial assets	142.50	77.54	38.69
Other current assets	11.62	160.64	-
Total current assets	**1,342.44**	**1,296.81**	**63.54**
Total assets	**3,274.33**	**5,739.97**	**105.21**
Liabilities			
Borrowings (debt portion excluding preference shares)	31.97	469.56	-
Long term provisions	13.45	13.89	2.18
Other non-current liabilities	860.87	1,933.18	-
Total non-current liabilities	**906.29**	**2,416.63**	**2.18**
Borrowings	769.14	226.99	34.10
Trade payables	307.46	1,129.90	40.81
Other financial liabilities	569.86	1,195.89	8.50
Short term provisions	1.40	3.14	0.37
Other current liabilities	190.13	75.32	16.50
Total current liabilities	**1,837.99**	**2,631.23**	**100.28**
Total liabilities	**2,744.28**	**5,047.87**	**102.46**
Total net assets acquired	**530.04**	**692.10**	**2.75**
(c) Net cash outflow on acquisition of subsidiary			
Consideration paid	650.00	100.00	5.00
Less: Preference shares investment by group before acquisition	-	1,612.10	-
Less: Minority stake on acquisition	-	(502.73)	-
Net Goodwill written off (Refer Note 43)	**(119.96)**	**(517.27)**	**(2.25)**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 45 : 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 and March 31, 2020:

Segment	For the year ended March 31,2021			For the year ended March 31,2020		
	Revenue as per Ind AS 115	Other Revenue	Total	Revenue as per Ind AS 115	Other Revenue	Total
Operating revenues:						
Sale/rendering of services						
Revenue from engineering services	18,683.08	-	18,683.08	37,590.07	-	37,590.07
Revenue from facility management services	13,186.12	-	13,186.12	23,019.40	-	23,019.40
Revenue from collection and transportation of municipal solid waste	9,282.46	-	9,282.46	8,192.80	-	8,192.80
Revenue from power generation projects	29.12	-	29.12	241.00	-	241.00
Revenue from operation and maintenance services	36.36	-	36.36	450.67	-	450.67
Revenue from professional services	8.44	-	8.44	302.34	-	302.34
Revenue from sale of products	179.91	-	179.91	161.86	-	161.86
Other operating revenues:						
Sale of traded goods and scrap sale	85.30	-	85.30	26.16	-	26.16
Total	**41,490.79**	**-**	**41,490.79**	**69,984.30**	**-**	**69,984.30**

(b) Out of the total revenue recognised under IND AS-115 during the year, INR 41,196.46 lakhs (Previous year : INR 69,555.28 lakhs) is recognised over a period of time and INR 294.33 lakhs (Previous year : INR 429.02 lakhs) is recognised at a point in time.

c) Movement in expected credit loss during the year:

Particulars	Provision on Trade receivables covered under Ind AS 115		Provision on Contract assets	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Opening balance as at April 1	**5,444.40**	**6,523.27**	**370.69**	**377.78**
Changes in allowance for expected credit loss:				
Provision/(reversal) of allowance for expected credit loss	1,980.27	3,130.90	231.58	165.35
Write off as bad debts	-	(4,212.72)	-	(172.44)
Acquisition of subsidiary	-	2.95	-	-
Closing balance as at March 31	**7,424.67**	**5,444.40**	**602.27**	**370.69**

(d) Contract balances:

(i) Movement in contract balances during the year:

Particulars	As at March 31, 2021				As at March 31, 2020			
	Trade Receivable	Contract assets	Contract liabilities	Net contract balances	Trade Receivable*	Contract assets*	Contract liabilities	Net contract balances
Opening balance as at April 1	91,713.74	13,947.33	4,021.59	9,925.74	98,317.68	16,275.93	7,402.46	8,873.47
Closing balance as at March 31	90,274.18	13,058.90	3,878.38	9,180.52	91,713.74	13,947.33	4,021.59	9,925.74
Net increase/(decrease)	**(1,439.56)**	**(888.43)**	**(143.21)**	**(745.22)**	**(6,603.94)**	**(2,328.60)**	**(3,380.87)**	**1,052.27**

*(Refer Note- 43)

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

(ii) Revenue recognised during the year from opening balance of contract liabilities amounts to INR 3,454.97 Lakhs (March 31, 2020: INR 3,959.07 lakhs).

(iii) Revenue recognised during the year from the performance obligation satisfied in previous year (arising out of contract modifications) amounts to INR Nil (March 31, 2020: Nil).

(e) Cost to obtain the contract :

(i) Amount of amortisation recognised in Profit and Loss during the year 2020-21: INR Nil (March 31, 2020: INR Nil).

(ii) Amount recognised as assets as at March 31, 2021: INR Nil (March 31, 2020: INR Nil).

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

Particulars	March 31, 2021	March 31, 2020
Opening contracted price of orders as at April 1*	**425,354.53**	**399,563.95**
Add:		
Fresh orders/change orders received (net)	18,794.55	39,745.49
Less:		
Orders completed during the year	15,335.31	13,954.92
Closing contracted price of orders as at March 31*	**428,813.77**	**425,354.52**
Total Revenue recognised during the year:	41,490.79	69,984.30
Less: Revenue out of orders completed during the year	7,561.39	9,281.79
Revenue out of orders under execution at the end of the year (I)	33,929.40	60,702.51
Revenue recognised upto previous year (from orders pending completion at the end of the year) (II)	66,701.86	275,856.85
Balance revenue to be recognised in future viz. Order book (III)	328,182.51	88,795.16
Closing contracted price of orders as at March 31* (I+II+III)	**428,813.77**	**425,354.52**

*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	As at March 31, 2021			As at March 31, 2020		
		Expected conversion in revenue			Expected conversion in revenue	
	Total	Upto 1 Year	More than 1 year	Total	Upto 1 Year	More than 1 year
Transaction price allocated to remaining performance obligation	3,28,182.51	3,22,632.02	5,550.50	88,795.16	83,244.66	5,550.50

(h) The Group has a process whereby periodically long term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under the law/accounting standards for the material foreseeable losses on such long term contracts has been made in the books of accounts.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 46 : GROUP INFORMATION

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

S. No.	Name	Principal activities	NIC Code	Country of incorporation	Status of Financial Statements as at March 31, 2021	Proportion of equity Interest as at March 31, 2021	Proportion of equity Interest as at March 31, 2020
I	**Subsidiary companies**						
1	A2Z Infraservices Limited	Combined facilities support activities	81100	India	Audited	93.83%	93.83%
2	A2Z Powercom Limited	Engineering Services	42202	India	Audited	100.00%	100.00%
3	Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) (till December 18, 2020)**	Manufacture, Fabricate, develop, and assemble electronic equipments of all description	26109	India	Audited	0.00%	100.00%
4	Mansi Bijlee & Rice Mills Limited	Electric Power Generation, transmission and distribution	35106	India	Audited	100.00%	100.00%
5	Magic Genie Services Limited	Facility Management Services Provider	36000	India	Audited	75.00%	75.00%
6	Chavan Rishi International Limited	Leasing Services	68100	India	Audited	100.00%	100.00%
7	A2Z Maintenance & Engineering Services Limited and Satya Builders (Association of person)	Water Waste Management	38110/38210	India	Audited	60.00%	60.00%
II	**Step down subsidiaries**						
	Subsidiaries of A2Z Infraservices Ltd.						
1	Ecogreen Envirotech Solutions Limited	Waste management processing facility	38110/38210	India	Audited	79.47%	79.47%
2	A2Z Infraservices Lanka Private Limited*	Combined facilities support activities	Incorporated	Srilanka	Audited	93.83%	93.83%
3	A2Z Waste Management (Ludhiana) Limited#	Waste management processing facility	38110/38210	India	Audited	65.68%	65.68%
4	A2Z Waste Management (Aligarh) Limited #	Waste management processing facility	38110/38210	India	Audited	75.06%	75.06%
5	Magic Genie Smartech Solutions Limited #	Installation of Sanitation Equipment	43221	India	Audited	65.68%	65.68%
6	Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) (w.e.f. December 19, 2020)**	Manufacture, Fabricate, develop, and assemble electronic equipments of all description	26109	India	Audited	65.68%	0.00%
I	**Associate Companies**						
1	Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited (Group))	India	38110/38210	India	Audited	42.61%	42.61%
2	A2Z Waste Management (Nainital) Private Limited	India	38110/38210	India	Audited	48.00%	48.00%

During the previous year, 'A2Z Infraservices Limited' a subsidiary company has acquired A2Z Waste Management (Ludhiana) Group and A2Z Waste Management (Aligarh) Limited which were earlier associate company of A2Z Infra Engineering Limited. A2Z Infraservices has acquired 35,000 equity shares (i.e 70%) and 950,000 preference shares of A2Z Waste Management (Ludhiana) Limited (alongwith with its subsidiary company i.e. "Magic Genie Smartech Solutions Limited") and 40,000 equity shares (i.e 80%) and 6,450,000 preference shares of A2Z Waste Management (Aligarh) Limited. As a result, these two companies have become step subsidiaries of A2Z Infra Engineering Limited.

* A2Z Infraservices Limited is initial shareholder by virtue of shares subscription arrangement with A2Z Infraservices Lanka Private Limited and has committed to make investment in the company.

** Holding Company has transferred its 100% stake held in Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) ("a Wholly Owned Subsidiary Company of the Holding Company") to A2Z Waste Management (Ludhiana) Ltd., an indirect subsidiary of the Holding Company. Henceforth, Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited) ceased to be the wholly owned subsidiary of the Holding Company and became an indirect subsidiary of the Holding Company.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

Note 47 :

(a) 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 for the year ended March 31, 2021:

	Net Assets i.e. total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	% of Consolidated profit /(Loss)	Amount	% of Consolidated Profit /(Loss)	Amount	% of Consolidated Profit / (Loss)	Amount
Parent:								
A2Z Infra Engineering Limited	84.30	27,916.64	102.52	(8,314.22)	34.82	106.38	105.17	(8,207.84)
Subsidiaries:								
Indian:								
1 A2Z Infraservices Limited	24.71	8,182.99	(5.89)	477.71	16.00	48.89	(6.75)	526.60
2 A2Z Powercom Limited	0.41	135.16	(0.32)	25.84	-	-	(0.33)	25.84
3 Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited)	(0.58)	(193.48)	0.05	(3.69)	-	-	0.05	(3.69)
4 Mansi Bijlee & Rice Mills Limited	2.85	943.60	(0.26)	20.99	-	-	(0.27)	20.99
5 Magic Genie Services Limited	(0.53)	(176.73)	0.19	(15.12)	-	-	0.19	(15.12)
6 Chavan Rishi International Limited	0.31	103.32	(0.34)	27.23	-	-	(0.35)	27.23
7 A2Z Waste Management (Aligarh) Limited	0.45	147.54	1.43	(116.37)	4.89	14.94	1.30	(101.43)
8 A2Z Maintenance & Engineering Services Limited and Satya Builders (Association of person)	(2.77)	(916.26)	0.78	(63.08)	-	-	0.81	(63.08)
9 Ecogreen Envirotech Solutions Limited	4.44	1,471.15	(6.06)	491.68	38.07	116.30	(7.79)	607.98
10 A2Z Waste Management (Ludhiana) Limited	0.46	152.05	1.97	(159.94)	5.95	18.17	1.82	(141.77)
11 Magic Genie Smartech Solutions Limited	(0.07)	(23.64)	0.23	(18.75)	0.27	0.82	0.23	(17.93)
Associates:								
1 Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Group)#	-	-	(5.10)	413.31	-	-	(5.30)	413.31
2. A2Z Waste Management (Nainital) Private Limited	-	-	-	-	-	-	-	-
Foriegn:								
1 A2Z Infraservices Lanka Private Limited**	-	-	-	-	-	-	-	-
Total non-controlling interest in all subsidiaries	**(2.01)**	**(664.11)**	**(0.14)**	**11.24**	**12.15**	**37.13**	**(0.62)**	**48.37**
Total eliminations and other consolidation adjustments	(11.97)	(3,963.29)	10.93	(886.33)	(12.15)	(37.12)	11.83	(923.45)
Total	**100.00**	**33,114.94**	**100.00**	**(8,109.50)**	**100.00**	**305.51**	**100.00**	**(7,803.99)**

** The Company incorporated on January 6, 2017. No such commercial activities commenced by the company.

Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited) ('GWML') which has holding in various SPVs under its fold (hereinafter Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited) together with its subsidiaries is referred to as Greeneffect Waste Management Group (Formerly known as A2Z Green Waste Management Group).

(b) 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 for the year ended March 31, 2020 :

	Net Assets i.e. total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	% of Consolidated profit /(Loss)	Amount	% of Consolidated Profit /(Loss)	Amount	% of Consolidated Profit / (Loss)	Amount
Parent:								
A2Z Infra Engineering Limited	88.25	35,995.10	104.58	(29,088.70)	20.58	31.07	105.04	(29,057.63)
Subsidiaries:								
Indian:								
1 A2Z Infraservices Limited	18.79	7,665.51	(1.33)	369.64	83.11	125.49	(1.79)	495.13
2 A2Z Powercom Limited	0.27	108.65	(0.03)	7.54	-	-	(0.03)	7.54
3 Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited)	(0.47)	(190.45)	0.01	(3.10)	-	-	0.01	(3.10)
4 Mansi Bijlee & Rice Mills Limited	2.26	922.61	(0.01)	2.82	-	-	(0.01)	2.82

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	Net Assets i.e. total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	% of Consolidated profit /(Loss)	Amount	% of Consolidated Profit /(Loss)	Amount	% of Consolidated Profit / (Loss)	Amount
5 Magic Genie Services Limited	(0.40)	(161.60)	(0.00)	0.63	0.51	0.77	(0.01)	1.40
6 Chavan Rishi International Limited	0.19	75.77	(0.01)	1.49	-	-	(0.01)	1.49
7 A2Z Maintenance & Engineering Services Limited and Satya Builders (Association of person)	0.61	248.94	(0.08)	21.29	(1.52)	(2.30)	(0.07)	18.99
8 A2Z Waste Management (Aligarh) Limited	(2.33)	(951.54)	0.88	(245.90)	-	-	0.89	(245.90)
9 Ecogreen Envirotech Solutions Limited	2.03	829.61	(1.27)	353.66	0.57	0.86	(1.28)	354.52
10 A2Z Waste Management (Ludhiana) Limited	0.72	294.10	1.26	(349.80)	(2.50)	(3.77)	1.28	(353.57)
11 Magic Genie Smartech Solutions Limited	(0.01)	(5.73)	0.01	(2.59)	(0.59)	(0.89)	0.01	(3.48)
Foreign:	-	-						
1 A2Z Infraservices Lanka Private Limited**	-	-	-	-	-	-	-	-
Associates:								
1 Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Group#)	-	-	0.49	(135.27)	(0.15)	(0.23)	0.49	(135.50)
2. A2Z Waste Management (Nainital) Private Limited	-	-	-	-	-	-	-	-
Total non-controlling interest in all subsidiaries	**(1.20)**	**(488.95)**	0.43	**(118.43)**	3.93	**5.94**	0.41	**(112.49)**
Total eliminations and other consolidation adjustments	(8.71)	(3,552.46)	(4.93)	1,372.34	(3.94)	(5.95)	(4.94)	1,366.39
Total	**100.00**	**40,789.55**	**100.00**	**(27,814.38)**	**100.00**	**150.99**	**100.00**	**(27,663.39)**

** The Company incorporated on January 6, 2017. No such commercial activities commenced by the Company.

Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited) ('GWML') which has holding in various SPVs under its fold (hereinafter Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited) together with its subsidiaries is referred to as Greeneffect Waste Management Group (Formerly known as A2Z Green Waste Management Group).

Note 48 : 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	**Ecogreen Envirotech Solutions Limited**		**A2Z Waste Management (Ludhiana) Limited**	
Principal place of business	India	India	India	India
Proportion of ownership interest held by non-controlling interests	20.53%	20.53%	34.32%	34.32%
Proportion of voting right held by non-controlling interests	20.53%	20.53%	34.32%	34.32%

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
i) Summarised balance sheet				
Current assets	4,815.44	3,902.03	1,279.19	1,610.47
Current liabilities	3,647.11	3,119.95	3,033.74	3,204.83
Net current assets	**1,168.33**	**782.08**	**(1,754.55)**	**(1,594.36)**
Non-current assets	432.86	301.70	4,820.92	4,721.27
Non-current liabilities	125.03	249.15	2,909.43	2,827.93
Net non-current assets	**307.83**	**52.55**	**1,911.49**	**1,893.34**
Net assets	**1,476.16**	**834.63**	**156.94**	**298.98**
Accumulated non-controlling interest	**272.03**	**147.23**	**(520.57)**	**(471.91)**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
ii) Summarised statement of profit and loss				
Profit / (Loss) for the year	491.69	353.67	(159.93)	(404.32)
Other comprehensive income for the year	116.30	0.86	18.17	(3.77)
Total comprehensive income	**607.99**	**354.53**	**(141.76)**	**(408.09)**
Gain/(loss) allocated to non-controlling interest	**124.80**	**72.77**	**(48.66)**	**(121.35)**

	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
iii) Summarised statement of cash flow				
Cash flow from operating activities	283.64	144.40	91.40	82.34
Cash (used in)/ flow investing activities	(38.90)	(194.06)	58.05	(345.86)
Cash (used in)/ flow from financing activities	(223.55)	48.94	(138.54)	262.72
Net increase/ (decrease) in cash and cash equivalents	**21.19**	**(0.72)**	**10.91**	**(0.80)**

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Name of subsidiary	**A2Z Maintenance and Engineering Services Limited & Satya Builders(Association of person)**		**A2Z Infraservices Limited**	
Principal place of business	India	India	India	India
Proportion of ownership interest held by non-controlling interests	40.00%	40.00%	6.17%	6.17%
Proportion of voting right held by non-controlling interests	40.00%	40.00%	6.17%	6.17%

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
i) Summarised balance sheet				
Current assets	622.72	606.78	19,734.25	21,723.88
Current liabilities	2,147.06	2,084.25	16,181.32	18,820.87
Net current assets	**(1,524.34)**	**(1,477.47)**	**3,552.93**	**2,903.01**
Non-current assets	39.45	55.74	5,526.82	5,615.18
Non-current liabilities	0.14	0.21	515.16	470.35
Net non-current assets	**39.31**	**55.53**	**5,011.66**	**5,144.83**
Net assets	**(1,485.03)**	**(1,421.94)**	**8,564.59**	**8,047.84**
Accumulated non-controlling interest	**(594.03)**	**(568.80)**	**521.22**	**488.71**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021

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

	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
ii) Summarised statement of profit and loss				
(Loss)/ Profit for the year	(63.09)	(245.89)	477.72	369.64
Other comprehensive income for the year	-	-	48.89	125.49
Total comprehensive income	**(63.09)**	**(245.89)**	**526.61**	**495.13**
(Loss)/ gain allocated to non-controlling interest	**(25.23)**	**(98.36)**	**32.51**	**30.56**

	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
iii) Summarised statement of cash flow				
Cash flow from operating activities	20.64	134.22	1,955.29	2,266.66
Cash flow / (used in) investing activities	-	-	143.95	(439.60)
Cash used in from financing activities	(4.69)	(144.63)	(1,643.75)	(1,836.22)
Net increase / (decrease) in cash and cash equivalents	**15.95**	**(10.41)**	**455.49**	**(9.16)**

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Name of subsidiary	**Rishikesh Waste Management Limited (Formerly known as A2Z Powertech Limited)**		**Magic Genie Services Limited**	
Principal place of business	India	India	India	India
Proportion of ownership interest held by non-controlling interests	34.32%	34.32%	25.00%	25.00%
Proportion of voting right held by non-controlling interests	34.32%	34.32%	25.00%	25.00%

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
i) Summarised balance sheet				
Current assets	131.06	85.93	22.98	23.15
Current liabilities	179.53	133.86	231.68	218.86
Net current assets	**(48.47)**	**(47.93)**	**(208.70)**	**(195.72)**
Non-current assets	4.72	4.57	42.39	44.29
Non-current liabilities	9.73	7.09	2.42	2.18
Net non-current assets	**(5.01)**	**(2.52)**	**39.98**	**42.11**
Net assets	**(53.48)**	**(50.45)**	**(168.72)**	**(153.61)**
Accumulated non-controlling interest	**(223.34)**	**-**	**(62.02)**	**(58.24)**

	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
ii) Summarised statement of profit and loss				
(Loss)/ Profit for the year	(3.69)	(3.10)	(15.12)	0.63
Other comprehensive income for the year	-	-	-	0.77
Total comprehensive income	**(3.69)**	**(3.10)**	**(15.12)**	**1.40**
Gain/(loss) allocated to non-controlling interest	**0.18**	**-**	**(3.78)**	**0.35**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
iii) Summarised statement of cash flow				
Cash (used in) / flow from operating activities	(24.24)	2.23	(0.04)	33.70
Cash used in investing activities	(0.26)	-	-	-
Cash flow / (used in) from financing activities	23.77	(0.67)	(0.03)	(36.85)
Net (decrease)/ increase in cash and cash equivalents	**(0.73)**	**1.57**	**(0.07)**	**(3.15)**

Note 48.1 : All above mention figures are based on consolidated financial statement of the subsidiary company.

Note 49 : DISCLOSURE OF SUMMARISED FINANCIAL INFORMATION OF ASSOCIATES

Summarized financial information of the associates, based on its consolidated Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

	As at March 31, 2021	As at March 31, 2020
Name of associate	**Greeneffect Waste Management Limited (Formerly known as A2Z Green Waste Management Limited) (including its subsidiaries)**	
Principal place of business	India	India
Proportion of ownership interest held by Holding Company	42.61%	42.61%
Proportion of voting right held by Holding Company	42.61%	42.61%

	As at March 31, 2021	As at March 31, 2020
i) Summarised balance sheet		
Cash and cash equivalents	18.28	16.69
Other assets	13,817.60	13,323.70
Current assets (A)	**13,835.88**	**13,340.39**
Non-current assets (B)	**40,270.35**	**41,719.58**
Current financial liabilities (excluding trade payables and provisions)	45,216.37	46,268.97
Trade payables and provisions	8,108.21	7,934.28
Current liabilities (C)	**53,324.58**	**54,203.25**
Non-current financial liabilities (excluding provisions)	33,220.67	32,159.90
Provisions	1.69	2.14
Non-current liabilities (D)	**33,222.36**	**32,162.04**
Net assets (A+B-C-D)	**(32,440.71)**	**(31,305.32)**
Equity	2,275.00	2,275.00
Carrying amount of the investment	21,972.33	21,293.63

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

		For the year ended March 31, 2021	For the period from March 31, 2020
ii)	**Summarised statement of profit and loss**		
	Revenue	4.62	893.03
	Other Income	321.97	478.67
	Total revenue (A)	**326.59**	**1,371.70**
	Cost of Sales	(0.07)	460.21
	Depreciation and amortisation	2,036.28	1,428.67
	Employee benefit expense	35.74	206.54
	Finance costs	2,084.77	1,932.81
	Other expense	215.65	587.71
	Total expenses (B)	**4,372.37**	**4,615.94**
	(Loss) before tax, exceptional items and share of profit from associate(C=A-B)	**(4,045.78)**	**(3,244.24)**
	Exceptional items-gain (D)	2,916.29	2,650.22
	Share of profit of associate (E)	-	85.10
	Tax expense (F)	(0.30)	(13.92)
	(Loss) for the year (G = C-D-E-F)	**(1,129.19)**	**(495.00)**
	Other comprehensive income (H)	(6.20)	(0.95)
	Total comprehensive income (G+H)	**(1,135.39)**	**(495.95)**
	Share of (loss) for the year/period after loss of control	(413.31)	(135.27)

Note 50 :

The loan accounts of the Holding Company have been classified as non- performing assets by certain banks and they have not charged interest on the said accounts and also the Holding Company has not charged interest on borrowings from certain banks/ asset reconstruction company which had entered into Settlement agreement(s), therefore provision for interest has not been made in the books of accounts and to that extent interest costs and loan liabilities have been understated. The extent of exact amount is under determination and reconciliation with the bank, however as per the details available, the amount of unaccrued interest, on approximate basis, on the said loans (other than the borrowings of few banks which are regular) amounts to INR 3,384.95 lakhs and INR 5,971.40 lakhs for the year ended March 31, 2021 and as at March 31, 2021 respectively (INR 1,809.46 lakhs for the year ended March 31, 2020). The Holding Company is already in discussion with the said banks and asset reconstruction company for settlement of their dues. The auditors have expressed disclaimer of opinion on the same.

Note 51 :

The Holding Company had entered into Settlement agreement(s) ('Agreements') with certain banks/assets reconstruction company ('the Lenders') during the years ended March 31, 2018, March 31, 2019 and June 30, 2019 wherein it had settled the outstanding borrowings by issue of equity shares, upfront payments and deferred instalments. As at March 31, 2021, the Holding Company has delayed payments in respect of the certain deferred instalments amounting INR 15,365.13 lakhs (March 31, 2020 : INR 11,560.13 lakhs) which were due and payable pursuant to these Agreements. So far, the Lenders have not given any written notice on event of default as per the agreements and the management is in discussions with the Lenders to condone the aforementioned delays.

Further, certain Lenders have filed an application with Debt Recovery Tribunal and other judicial authorities for recovery of its dues as they existed prior to the settlement agreement entered with it in earlier period. However, basis the agreed terms/discussions, management believes that the no additional liability shall devolve on the Holding Company in addition to the carrying value of such liability as at March 31, 2021.

The Holding Company is in the process of negotiations/ reconciliations of its outstanding obligations carried in these consolidated financial statements.

Pursuant to the above discussions with the lenders, management is confident that no material impact will devolve on the Holding Company in respect of aforementioned delays. The auditors have expressed disclaimer of opinion on the same.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 52 :

The Holding Company has incurred a net loss after tax of INR 8,314.22 lakhs for year ended March 31, 2021 (March 31, 2020 INR 29,088.70 lakhs) and accumulated losses amounting INR 80,722.77 lakhs as at March 31, 2021 (March 31, 2020 INR 72,673.92 lakhs) and is presently facing acute liquidity problems on account of delayed realization of trade receivables coupled with delays in commencement of commercial production at its waste to energy power generation plants. Also, two of the banks and four other parties have filed an application with the National Company Law Tribunal (NCLT) for recovery of its dues amounting to INR 10,696.64 lakhs and INR 756.96 lakhs respectively. The matters have not been admitted yet with the NCLT and the management is in discussion with the said lender and parties for amicably settling the matters. Further, during the previous year, because of delays in required extension of performance security, one of the customers has invoked the bank guarantee submitted by the Company amounting to INR 6,500.00 lakhs and converted into cash security as a fixed deposit and used it as security margin for providing a limit of Letter of Credit to facilitate timely payments to vendors for ensuring early completion of the project. The Holding Company has also delayed in repayments due to certain lenders as further detailed in note 50 and 51. Conditions explained above, indicate existence of uncertainties that may cast significant doubt on the Holding Company's ability to continue as a going concern due to which the Holding Company may not be able to realise its assets and discharge its liabilities in the normal course of business. However, the management is evaluating various options and has entered into one-time settlement agreements with various lenders (as described in note 51), including interest and other related terms and conditions apart from further negotiating the terms with the remaining lenders for settlement of its existing debt obligations. Further the management is in discussions with certain customers for an immediate recovery of the amount due from them and believes that the substantial portion of such trade receivables shall be realized within the upcoming year. Management believes that the Holding Company will be able to settle its remaining debts in the due course and in view of the proposed settlement of debt obligations together with the expected increased realisation from the trade receivables, a new facility from a lender and expected start of commercial production of the biomass-based power generation plants, no adjustments are required in the consolidated financial statements and accordingly, these have been prepared on a going concern basis. The auditors have expressed disclaimer of opinion on the same.

Note 53 : DISCLOSURE PURSUANT TO IND AS-7 "STATEMENT OF CASH FLOWS"- CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES:

	Non- current borrowings (Including current maturities) (Refer Note 17)	Current borrowings (Refer Note 22)	Interest accrued on borrowings (Refer Note 19)	Total
Balance as at April 1, 2019	**13,624.37**	**29,815.71**	**5,337.53**	**48,777.61**
(a) Changes from financing cash flow	(3,207.60)	7,095.16	(2,135.54)	1,752.02
(b) Other changes				
(i) Reclassification within categories	6,155.30	(4,945.45)	(1,209.85)	-
(ii) Interest charge to statement of profit and loss	-	-	5,481.76	5,481.76
(iii) Reclassification from other financial liabilities	-	2,592.13	-	2,592.13
(iv) Non-cash changes	-	-	(1,235.39)	(1,235.39)
(v) One time settlement (Refer Note 43.1)				
Gain on one time settlement of borrowing with banks and financial institutions	(2,832.26)	(1,633.07)	(4,174.00)	(8,639.33)
(vi) Acquisition of subsidiary	31.97	911.86	557.70	1,501.53
Balance as at March 31, 2020	**13,771.78**	**33,836.34**	**2,622.21**	**50,230.33**
(a) Changes from financing cash flow	(116.87)	2,185.98	(2,053.11)	16.00
(b) Other changes				
(i) Reclassification within categories	2,910.55	35.43	(2,945.98)	-
(ii) Interest charge to statement of profit and loss	-	-	5,700.01	5,700.01
(iii) Non-cash changes	-	-	2,026.38	2,026.38
Closing Balance as at March 31, 2021	**16,565.46**	**36,057.75**	**5,349.51**	**57,972.72**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 54 : DISCLOSURE PURSUANT TO IND AS 116 "LEASES"

The Group's lease asset classes primarily consist of leases for land and buildings. The Group 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 Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 Group 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 INR 143.43 lakhs (March 31, 2020: INR 190.96 Lakhs).

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the prospective method. Consequently, the Group 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 Group's incremental borrowing rate at the date of initial application.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 10.15%-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	**As at March 31, 2021**	**As at March 31, 2020**
Short-term leases	143.43	190.96
Leases of low value assets	-	-
Variable lease payments	-	-
Closing Balance	**143.43**	**190.96**

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

Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
Opening Balances	125.51	105.68
Addition during the year	25.82	77.56
Depreciation during the year	59.43	46.14
Deletion during the year	0.50	11.58
Closing Balance	**91.40**	**125.51**

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

Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
Opening Balances	121.90	105.48
Addition during the year	25.82	74.75
Finance cost accrued during the year	12.53	11.50
Payment of lease liabilities	73.72	58.09
Deletion during the year	0.50	11.73
Closing Balance	**86.03**	**121.90**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

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

Particulars	As at March 31, 2021	As at March 31, 2020
Current lease liabilities	55.92	56.94
Non-current lease liabilities	30.11	64.96
Total	**86.03**	**121.90**

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

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	64.61	42.19
One to five years	39.79	90.93
More than five years	-	-
Total	**104.40**	**133.12**

The information about extension and termination options are as follows:

Particulars	Guest House	Office premises
Number of leases	1.00	8.00
Range of remaining term (in years)	3.00	0.25-1.92
Average remaining lease term (in years)	3.00	0.66
Number of leases with extension option	Nil	2.00
Number of leases with purchase option	Nil	Nil
Number of leases with termination option	-	7.00

Note 55 :

The Tanzania branch of the Holding Comapny has a contract with Rural Energy Agency (REA) for supply and installation of medium and low voltage lines, distribution transformers and connections to un-electrified rural areas in Dodoma Region (Bahi, Kongwa and Chemba districts) on a Turnkey basis for Lot 1 and supply and installation of medium and low voltage lines, distribution transformers and connections to un-electrified rural areas in Dodoma Region (Chamwino, Kondoa and Mpwapwa districts) on Turnkey basis for Lot 2. The Tanzania branch is expecting to complete the works by September 2021. The contract allows for a further period of 12 months after completion for handing over the project where after, the retention payment terms will be released once the completion certificate is issued and the contract will expire. This condition indicates that a material uncertainity exists, that may cast significant doubt on the Tanzania branch's ability to continue as a going concern.

Note 56 :

The Covid-19 pandemic has brought economies, businesses and lives around the world to a standstill, and India is no exception. The ongoing second wave of pandemic will have its own impact, but the Group is confident of encashing on the forthcoming opportunities, once the economies, businesses and lives are back to normal. Considering the unprecedented and ever evolving situation, the Group has made assessment of its liquidity position, including recoverability of assets at balance sheet date. On the basis of the current assessment and estimates, the Group does not see risk of recoverability of its assets and accordingly no material adjustment is required in these consolidated financial statements. However, given the uncertainties associated with nature, condition and duration of Covid-19 pandemic, the impact may be different from that as estimated as at the date of approval of these consolidated financial statements and the management will continue to closely monitor the changes to future economic conditions.

Note 57 :

Figures for the previous year have been regrouped/reclassified to conform to the figures of the current year.

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended March 31, 2021
(Unless otherwise stated, all amounts are in INR Lakhs)

Note 58 : POST-REPORTING DATE EVENTS

Subsequent to year ended March 31, 2021, the Holding Company has entered into full cash one time settlement (OTS) with ICICI Bank Limited for a total settlement consideration of Rs. 425 lakhs and all the settlement consideration has been paid.

Note 55 : AUTHORISATION OF FINANCIAL STATEMENTS

The consolidated financial statements for the year ended March 31, 2021 (including comparatives) were approved by the board of directors on July 21, 2021.

For **Walker Chandiok & Co LLP**	**For and on behalf of the Board of Directors**	
Chartered Accountants		
Firm Registration No.: 001076N/N500013		
Sd/-	Sd/-	Sd/-
Manish Agrawal	**Amit Mittal**	**Rajesh Jain**
Partner	Managing Director	Whole Time Director and CEO
Membership No. 507000	(DIN 00058944)	(DIN 07015027)
	Sd/-	Sd/-
Place : Gurugram	**Rajiv Chaturvedi**	**Atul Kumar Agarwal**
Date : July 21, 2021	Chief Financial Officer	Company Secretary
		M. No. : FCS - 6453

Notes

Notes






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Pitchcraft communications

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