

INDEPENDENT AUDITOR'S REPORT

To the Members of
A2Z Powercom Limited
Gurgaon

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone Ind AS Financial Statements of A2Z Powercom Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March 2024, and its financial performance (including other comprehensive income) and its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the financial year ended 31 March, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We do not have any matters to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters, if any, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Management's Responsibility for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. This



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

In preparing the 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.

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

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

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



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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India after consultation with the National Financial Reporting Authority (NFRA) constituted under section 132 of the Companies Act, 2013, we give in the **Annexure I**, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The balance sheet, the statement of profit and loss including other comprehensive income, the statement of cash flows and the statement of changes in equity dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
 - e. On the basis of the written representations received from the directors as on 31 March 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure II**"; and
 - g. In our opinion, the managerial remuneration for the year ended 31 March, 2024 has been paid / provided by the company to its directors in accordance with the provisions of section 197 read with Schedule V of the Act.



- h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position in its Standalone Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no fund have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lender invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

Place: Gurgaon
Dated: 13.05.2024
UDIN: 24085013BKCNCQ8228

For MAAGS & CO.
Fka Mahesh Aggarwal & Associates
Chartered Accountants
Regn. No. 006092N

Mahesh Aggarwal
Partner
M. No. 085013

Annexure-I

Referred to in paragraph (1) Report on Other Legal and Regulatory Requirements of our report of even date on the standalone financial statement of A2Z Powercom Limited ('the Company') for the year ended March 31, 2024.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone Ind AS 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, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As per the physical verification program, Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets-
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company does not hold any immovable property, so the provisions of clause 3(i)(c) of the order is not applicable.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us and records provided, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not have any inventories. Accordingly, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii)(b) of the Order are not applicable.
- (iii) (a) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable:

(Rs. in lacs)

	Loans	Advances in nature of loans	Guarantees	Security
A. Aggregate amount granted/ provided during the year:				
- Fellow Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-



B. Balance outstanding as at balance sheet date in respect of above cases:*				
- Fellow Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-

* Gross amounts, without considering provisions made

- (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, prima facie, are not prejudicial to the Company's interest.
- (c) The loans granted or advances in the nature of loans provided in earlier years are payable on demand. During the year the Company has not demanded such loan or advances in the nature of loan. Having regard to the fact that the repayment of principal or interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, no demand has been raised for repayment of principal or interest thereon. Having regard to the fact that the repayment of principal or interest has not been demanded by the Company, in our opinion there are no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to information and explanations given to us and based on the audit procedures performed, during the year the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(Rs. in lacs)

	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loans			
- Repayable on demand (A)	-		-
- Agreement does not specify any terms or period of repayment (B)	-		-
Total (A+B)	-		-
Percentage of loans/advances in nature of loans to the total loans	100%		100%

- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) In our opinion and according to the information and explanations given to us, 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 to the Company.



- (vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is generally not regular in depositing with the appropriate authorities undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable. 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 become payable are as follows:

Nature of the Statute	Nature of Dues	Amount (Rs) (in lacs)	Period for which the amount relates
Uttar Pradesh Government	VAT & CST	27.84	Before April 2014
Service Tax	Service Tax including Interest	0.65	Before October 2017
Income Tax Act, 1961	TDS	27.94	Before March 2020
EPF and MP Act	PF/EWF	0.10	Before October 2017
ESI Act	ESI	0.03	June 2015

- (b) According to the information and explanations given to us the outstanding dues in respect of Goods & Service tax, income-tax, sales-tax, service tax, duty of excise, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute, are as follows:

Name of the Statute	Nature of dues	Amount (Rs.)	Amount Paid Under Protest (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Demand U/s 156 of the Income Tax Act, 1961	54,06,452.00	0.00	F.Y.2008-09 to F.Y. 2012-13	Commissioner of Income Tax (Appeal)-III, Gurgaon
Income Tax Act, 1961	Penalty u/s 271 (1)	85207.00	0.00		CIT (A), Gurgaon

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of dues to financial institution, bank or debenture-holders during the year under audit.
- (b) The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the terms loans were applied for the purpose for which the loans had been taken.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the funds raised on short term basis have not been utilized for long term purposes.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x)(a) The Company did not raise any money by way of initial public offer or further public offer (including debt instrument). Accordingly, the provisions of clause 3(ix)(a) of the Order are not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally convertible) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year which remained unattended by the competent authorities.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, internal audit system is not applicable to the company and accordingly reporting under clause (xiv)(a) & (b) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with its directors. Accordingly, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and hence reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable. The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has incurred cash loss of INR 0.77 lacs during the financial year covered by our audit and has not incurred any cash losses in the immediately preceding financial year.



- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities (as per the payment schedule/ re-scheduled), other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that no material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company and/ or certificate with respect to meeting financial obligations by the Company as and when they fall due. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx)(a) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.
- (b) Provisions of the Act relating to Corporate Social Responsibility (CSR) does not apply to the company and accordingly reporting under clause (xx)(b) of the Order is not applicable.
- (xxi) Provisions of clause 3(xxii) of the order is not applicable as the report is issued on standalone financial statements of the company.

Place: Gurgaon
Dated: 13.05.2024
UDIN: 24085013BKCNQQ8228

For MAAGS & CO.
Fka Mahesh Aggarwal & Associates
Chartered Accountants
Regn. No. 006092N



Mahesh Aggarwal
Partner
M. No. 085013

Annexure - II to the Auditors' Report

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

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

We have audited the internal financial controls over financial reporting of A2Z Powercom Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as



necessary to permit preparation of 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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Gurgaon
Dated: 13.05.2024
UDIN: 24085013BKCNQQ8228

For MAAGS & CO.
Fka Mahesh Aggarwal & Associates
Chartered Accountants
Regn. No. 006092N


Mahesh Aggarwal
Partner
M. No. 085013

MAAGS & CO. POWERCOM LIMITED

Balance sheet as at March 31, 2024

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

	Note	As at March 31, 2024	As at March 31, 2023
Assets			
Non-current assets			
Property, plant and equipment	3	12.42	21.50
Deferred tax assets (net)	4	-	2.71
Non-current tax assets(net)	5	8.65	76.52
		21.07	100.72
Current assets			
Financial assets			
Trade receivables	6	178.05	178.05
Cash and cash equivalents	7	4.82	4.20
Loans	8	556.07	556.07
Other financial assets	9	25.34	190.17
Other current assets	10	47.42	47.43
		811.70	975.92
		832.77	1,076.64
Equity and liabilities			
Equity			
Equity share capital	11	12.50	12.50
Other equity	12	(4.54)	154.26
		7.96	166.76
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13	-	5.25
		-	5.25
Current liabilities			
Financial liabilities			
Trade payables	14	-	-
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		225.52	256.58
Other financial liabilities	15	13.31	13.31
Other current liabilities	16	575.41	624.16
Provisions	17	0.87	0.87
Current Tax Liabilities	18	9.70	9.70
		824.81	904.63
		832.77	1,076.63

The accompanying notes form an integral part of the financial statements.
This is the Balance sheet referred to in our report of even date.

For MAAGS & CO.

Fka Mahesh Aggarwal & Associates

Chartered Accountants

Regn No. 006092N

Mahesh Aggarwal

Partner

M No. 85013

UDIN # 24085013 BRCNAD 8 228

Place : Gurugram

Date : 13.05.2024



For and on behalf of the Board of Directors

Amit Mittal

Director

(DIN: 00058944)

Banshi Lal

Director

(DIN : 08668767)



A2Z POWERCOM LIMITED

Statement of profit and loss for the year ended March 31,2024

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

	Note	For the year ended March 31,2024	For the year ended March 31, 2023
Revenue			
Other income	19	42.96	0.12
Total income		42.96	0.12
Expenses			
Finance costs	20	-	0.09
Depreciation and amortisation expense	21	9.07	9.78
Other expenses	22	189.97	0.81
Total expenses		199.04	10.68
Profit / (loss) before exceptional and tax		(156.08)	(10.56)
Exceptional items - Gain		-	-
Profit / (loss) before tax		(156.08)	(10.56)
Tax expense			
Current tax	24	-	-
Deferred tax		2.71	(1.03)
		2.71	(1.03)
Profit / (loss) for the year		(158.79)	(9.54)
Other comprehensive income			
A i)Items that will not be reclassified to profit and loss			
Income tax relating to items that will not be reclassified to profit or loss		-	-
ii)Items that will be reclassified to profit and loss			
Income tax relating to items that will be reclassified to profit or loss		-	-
Total comprehensive income for the year		(158.79)	(9.54)
Profit / (loss) per equity share:			
Basic (in INR)	23	(127.03)	(7.63)
Diluted (in INR)	23	(127.03)	(7.63)

The accompanying notes form an integral part of the financial statements.
This is the statement of profit and loss referred to in our report of even date

For MAAGS & CO.

Fka Mahesh Aggarwal & Associates

Chartered Accountants

Regn No. 006092N

Mahesh Aggarwal

Partner

M No. 85013



UDIN # 24085013BKND@8228

Place : Gurugram

Date : 13.05.2024

For and on behalf of the Board of Directors
Amit Mittal

Director

(DIN: 00058944)

Banshi Lal

Director

(DIN : 08668767)



A2Z POWERCOM LIMITED

Statement of cash flows for the year ended March 31, 2024
(Unless otherwise stated, all amounts are in INR Lacs)

	For the year ended March 31, 2024	For the year ended March 31, 2023
A Cash flow from / (used in) operating activities		
Net profit / (loss) before taxation	(156.08)	(10.56)
Adjustment for		
Interest expense	-	0.09
Interest income	(0.11)	(0.12)
Amount written off	165.13	-
Liability written back	(34.09)	-
Depreciation/amortisation	9.07	9.78
Operating profit / (loss) before working capital changes	(16.08)	(0.80)
Movements in working capital :		
Adjustments for (increase) / decrease:		
Trade receivables	-	(7.99)
Loans	0.00	8.00
Other financial assets	(0.30)	-
Trade payable	0.71	(7.26)
Other financial liabilities	-	-
Other liabilities	(46.42)	-
Cash generated from / (used in) operations	(62.09)	(8.05)
Direct taxes paid (net of refunds)	67.87	(0.01)
Net cash generated from / (used in) operating activities	5.78	(8.06)
B Cash flow from / (used in) investing activities		
Interest received	0.11	0.12
Net cash generated from / (used in) investing activities	0.10	0.12
C Cash flow from / (used in) financing activities		
Proceeds from borrowings	(5.25)	5.25
Interest paid	-	(0.09)
Net cash generated from / (used in) financing activities	(5.25)	5.16
Net increase in cash and cash equivalents (A+B+C)	0.63	(2.79)
Cash and cash equivalents at the beginning of the year	4.20	6.98
Cash and cash equivalents at the end of the year	4.83	4.20
Components of cash and cash equivalents	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.00	0.01
Balances with scheduled banks in current accounts	2.82	2.19
Balances with scheduled banks in fixed deposit account	2.00	2.00
	4.82	4.20

The accompanying notes form an integral part of the financial statements
This is the statement of cash flows referred to in our report of even date

For MAAGS & CO.
Fka Mahesh Aggarwal & Associates
Chartered Accountants
Regn No. 006092N



Mahesh Aggarwal
Partner
M No. 85013

Place : Gurugram
Date : 13.05.2024

For and on behalf of the Board of Directors

Amit Mittal
Director
(DIN: 00058944)

Banshi Lal
Director
(DIN : 08668767)



A2Z POWERCOM LIMITED

Statement of changes in equity for the year ended March 31, 2024

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

	Notes	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, 2023	11	1,25,000		12.50
Changes in equity share capital		-		-
Balance as at March 31, 2024		1,25,000		12.50
B Other equity				
	Notes	ESOP reserve	Reserves and surplus	Total
As at April 1, 2023	12	46.39	107.86	154.26
Add: Profit / (loss) for the year		-	(158.79)	(158.79)
Add: ESOP expense		-	-	-
Add: Acturial gain/(loss)		-	-	-
As at March 31, 2024		46.39	(50.93)	(4.54)

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

For MAAGS & CO.

Firm Mahesh Aggarwal & Associates

Chartered Accountants

Regn No. 006092/1

Mahesh Aggarwal

Partner

M.No. 85013

**For and on behalf of the Board of Directors**
Amit Mittal

Director

(DIN: 00058944)

Banshi Lal

Director

(DIN : 08668767)

Place : Gurugram

Date : 13.05.2024



A2Z POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

Note 1 : Nature of operations

A2Z Powercom Limited ("A2Z" or the Company) is the wholly owned subsidiary of A2Z Infra Engineering Limited. It was incorporated at National Capital Territory of Delhi on April 28, 2008 for EPC contracting and Operation & Maintenance work of Bio mass based power plants.

Note 2 : Significant accounting policies

2.1 Basis of accounting:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The financial statements have been prepared on a historical cost basis, except for the certain assets and liabilities which have been measured at different basis and such basis has been disclosed in relevant accounting policy.

The financial statements are presented in INR and all values are rounded to the nearest lacs, except when otherwise indicated.

2.2 Revenue

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

2.2.1 Interest income:

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income [OCI], interest income is recorded using the effective interest rate [EIR]. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter year, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument [for example, prepayment, extension, call and similar options] but does not consider the expected credit losses.

2.2.2 Other income:

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

2.3 Borrowing costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowing are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the year of the borrowings using the effective interest method.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying assets are capitalised during the year 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 year of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the year in which they are incurred.

2.4 Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

All finite-lived intangible assets, including capitalised internally developed software, are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note 2.7. The following useful lives are applied:

- Software: 3-5 years

Amortisation has been included within depreciation, amortisation and impairment of nonfinancial assets.

Subsequent expenditures on the maintenance of computer software is expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

2.5 Property, plant and equipment

Property, plant and equipment (comprising fittings and furniture) are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the Company's management

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of Property, plant and equipment. The following useful lives are applied:

- Buildings : 3-60 years
- Plant and Equipment : 8-15 years
- Furniture and Fixtures : 8-10 years
- Vehicles : 6-10 years
- Office Equipment : 5 years
- Computers : 3-6 years

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

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 recognised in profit or loss within other income or other expenses.



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A2Z POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

2.6 Leased assets

2.6.1 Finance leases

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Company obtains ownership of the asset at the end of the lease term.

For leases of land and buildings, the minimum lease payments are first allocated to each component based on the relative fair values of the respective lease interests. Each component is then evaluated separately for possible treatment as a finance lease, taking into consideration the fact that land normally has an indefinite economic life.

See Note 2.5 for the depreciation methods and useful lives for assets held under finance leases.

The interest element of lease payments is charged to profit or loss, as finance costs over the year of the lease.

2.6.2 Operating leases

All other leases are treated as operating leases. Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

2.7 Impairment testing of goodwill, other intangible assets and property, plant and equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of a related business combination and represent the lowest level within the Company at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated (determined by the Company's management as equivalent to its operating segments) are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

2.8 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.

2.8.1 Initial recognition and measurement of financial instruments:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. The company currently have security deposits, investment in preference shares of subsidiary companies, trade receivables, loans etc.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and subsequently all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

2.8.2 Classification and subsequent measurement of financial assets:

Financial assets are classified as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met and it is not designated as at FVTPL:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are classified as measured at FVTPL. The Bank may designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. The Bank has not applied fair value designation option for any financial assets.

2.8.3 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:

- Financial assets that are debt instruments, and are measured at amortised cost e.g. security deposits
- Financial assets that are available for sale.
- Trade receivables or any contractual right to receive cash or another financial asset

The Company follows 'simplified approach' for recognition of impairment loss allowance on Point c provided above.

The application of simplified approach require the company to recognise the 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 year, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.



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A2Z POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive [i.e., all cash shortfalls], discounted at the original EIR. ECL impairment loss allowance [or reversal] recognized during the year is recognized as income/ expense in the Statement of Profit and Loss under the head 'other expenses'. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance reducing the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics.

2.8.4 Classification and subsequent measurement of financial liabilities:

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. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied for liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through Statement of Profit and Loss.

Loans and borrowings:

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 as well as through the EIR amortisation process.

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.

2.8.5 Reclassification of financial instruments:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting year following the change in business model. The Company does not restate any previously recognised gains, losses [including impairment gains or losses] or interest. The Company did not reclassify any financial assets in the current year.

2.8.6 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.

2.9 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw Materials, Packing Material and Stores & Spare Parts: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first-in-first-out basis.
- Finished Goods and Work-in-Progress: Cost includes cost of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first-in-first-out basis.
- Stock-in-Trade: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first-in-first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.10 Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting year. Deferred income taxes are calculated using the liability method.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss 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.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.12 Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Other components of equity include the following:

- Remeasurement of net defined benefit liability - Comprises the actuarial losses from changes in demographic and financial assumptions and the return on plan assets.
- Retained earnings includes all current and prior year retained profits and share-based employee remuneration. All transactions with owners of the parent are recorded separately within equity. Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.



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A2Z POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

2.13 Post-employment benefits and short-term employee benefits

Post-employment benefit plans

The Company provides post-employment benefits through various defined contribution and defined benefit plans.

Defined contribution plans :

Retirement benefits in the form of provident fund and employee state insurance are defined contribution schemes and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

Defined benefit plans :

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

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the Balance Sheet with a corresponding debit or credit to Retained Earnings through OCI in the year in which they occur. Re-measurements are not reclassified to profit or loss in subsequent years.

Leave liability:

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/losses should be recognized in Statement of Profit and Loss.

Short-term employee benefits

Short-term employee benefits, including holiday entitlement, are current liabilities included in pension and other employee obligations, measured at the undiscounted amount that the Company expects to pay as a result of the unused entitlement.

2.14 Provisions, contingent assets and contingent liabilities

Provisions for product warranties, legal disputes, onerous contracts or other claims are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate which reflects the current market assessment of time value of money. Government bond rate can be used as discount rate, as it is a riskfree pre-tax rate reflecting the time value of money. For this purpose, the discount rate should also be reassessed at the end of each reporting year, including the interim reporting date, if any.

2.15 Significant management judgement in applying accounting policies and estimation uncertainty

Recognition of service and construction contract revenues :

Determining when to recognise revenues from after-sales services requires an understanding of both the nature and timing of the services provided and the customers' pattern of consumption of those services, based on historical experience and knowledge of the market.

Recognition of deferred tax assets :

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

2.16 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.

Impairment of non-financial assets and goodwill

In assessing impairment, management estimates the recoverable amount of each asset or cash generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

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, 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 measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. 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. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.



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2.17 Leases

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous year information has not been restated. The Company assesses whether a contract is or contains a lease, at inception of a contract.

The Company as lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a year 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 year 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 recognises 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 leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

The Company as lessor

i) Operating lease

Rental income from operating leases is recognised in the Statement of Profit and Loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

ii) Finance lease

When assets are leased out under a finance lease, the present value of the minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant yearic rate of return.



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A2Z POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

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

Note 3: Property, plant and equipment

	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Computers	Total
Gross carrying amount:						
Balance as at April 1, 2023	102.93	9.49	22.13	-	48.49	183.05
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-
Balance as at March 31, 2024	102.93	9.49	22.13	-	48.49	183.05
Accumulated depreciation:						
Balance as at April 1, 2023	83.69	9.30	20.08	-	48.49	161.55
Depreciation for the year	9.03	0.04	-	-	-	9.07
Impairment for the year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance as at March 31, 2024	92.72	9.34	20.08	-	48.49	170.63
Net carrying amount:						
Balance as at March 31, 2024	10.21	0.16	2.05	-	-	12.42
Gross carrying amount:						
Balance as at April 1, 2022	102.93	9.49	22.13	-	48.49	183.05
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-
Balance as at March 31, 2023	102.93	9.49	22.13	-	48.49	183.05
Accumulated depreciation:						
Balance as at April 1, 2022	73.96	9.25	20.08	-	48.49	151.78
Depreciation for the year	9.73	0.05	-	-	-	9.78
Impairment for the year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance as at March 31, 2023	83.69	9.30	20.08	-	48.49	161.55
Net carrying amount:						
Balance as at March 31, 2023	19.24	0.20	2.05	-	0.00	21.50



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A2Z POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024
(Unless otherwise stated, all amounts are in INR Lacs)

	As at March 31, 2024	As at March 31, 2023
4 Deferred tax assets (net)		
Deferred tax liabilities		
Depreciation	-	(2.71)
Deferred tax assets		(2.71)
Unabsorbed business loss and depreciation	-	-
	-	-
	-	-
	-	2.71
5 Non - current tax assets (net)		
Advance income tax	8.65	76.52
	8.65	76.52
6 Trade receivables (unsecured)		
From other than related parties		
Considered good	165.85	165.85
From related parties		
Considered good	12.20	12.20
	178.05	178.05

Ageing of trade receivables at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	8.00	-	170.05	178.05
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
Total	-	-	8.00	-	170.05	178.05

Ageing of trade receivables at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	8.00	-	5.37	164.67	178.04
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
Total	-	8.00	-	5.37	164.67	178.04

7 Cash and cash equivalents		
Balances with banks - in current accounts	2.82	2.19
Balances with Banks in deposits account having maturity less than three months	2.00	2.00
Cash on hand	0.00	0.01
	4.82	4.20
8 Loans		
Advances and loans to group companies	353.93	353.93
Interest accrued and due on loan given for group company	202.14	202.14
	556.07	556.07

Loans granted to Promoters, Directors/KMPs/Related parties

Type of Borrower	Current Period		Previous Period	
	Amount outstanding	% of Total [^]	Amount outstanding	% of Total [^]
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	556.07	100%	556.07	100%
Total	556.07	100%	556.07	100%

9 Other financial assets		
Considered good	25.34	190.17
	25.34	190.17
10 Other current assets		
Balances with government authorities - GST credit receivable	2.43	2.43
Balances with government authorities - Service tax credit receivable	0.02	0.02
Balances with government authorities - WCT/VAT credit receivable	44.97	44.97
	47.42	47.43



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AZZ POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

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

Note 11 : Share capital

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Rs 10 each	20,00,000	200.00	20,00,000	200.00
	20,00,000	200.00	20,00,000	200.00
Issued, subscribed and fully paid up				
Equity shares of Rs 10 each	1,25,000	12.50	1,25,000	12.50
	1,25,000	12.50	1,25,000	12.50

Note 11.1: Reconciliation of share capital as at the beginning and at the end of the year:

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs 10 each fully paid up				
Opening balance	1,25,000	12.50	1,25,000	12.50
Add: Fresh issue	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Closing balance	1,25,000	12.50	1,25,000	12.50

Note 11.2: Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share and also are entitled to receive dividend after preference shares. The Company declares and pays dividend in Indian Rupees. In the events of liquidation of the Company, the holder of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 11.3: Detail of shares held by AZZ Infra Engineering Limited, the holding company

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs 10 each fully paid up				
Opening balance	1,25,000	12.50	1,25,000	12.50
Add: Fresh issue	-	-	-	-
Closing balance	1,25,000	12.50	1,25,000	12.50

Note 11.4: Details of shares held by each shareholder holding more than 5% shares:

	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares of Rs 10 each fully paid up				
AZZ Infra Engineering Limited	1,25,000	100%	1,25,000	100%

Note 11.5: Shares held by promoters at the end of the year

Promoter name	No. of shares held	% of holding	% Change during the year
AZZ Infra Engineering Limited	1,25,000	100%	-



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A2Z POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

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

	As at March 31, 2024	As at March 31, 2023
12 Other equity		
A. ESOP reserve		
Opening balance	46.39	46.39
Add: ESOP expense	-	-
Closing balance	46.39	46.39
B. Retained earning		
Opening balance	107.86	117.39
Add: Transfer from statement of profit and loss	(158.79)	(9.53)
Closing balance	(50.93)	107.86
Total other equity	(4.54)	154.26
13 Borrowings		
Loan from holding company	-	5.25
	-	5.25
14 Trade payables		
Other than acceptances: total outstanding dues of micro and small enterprises*	-	-
Other than acceptances: total outstanding dues of creditors other than micro and small enterprises	225.52	256.58
	225.52	256.58

*] 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
- interest amount

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

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

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

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

Ageing of trade payables at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	57.64	1.81	0.01	-	166.07	225.52
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	57.64	1.81	0.01	-	166.07	225.52

Ageing of trade payables at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	58.76	0.01	0.00	-	197.81	256.58
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	58.76	0.01	-	-	197.81	256.58



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A2Z POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024
(Unless otherwise stated, all amounts are in INR Lacs)

15 Other financial liabilities

Security deposits	13.00	13.00
Interest accrued and due from group company	0.31	0.31
	<u>13.31</u>	<u>13.31</u>

16 Other current liabilities

Advance from customers	521.39	572.34
Other payable	27.94	-
Statutory dues payable	26.08	51.82
	<u>575.41</u>	<u>624.16</u>

17 Short-term provisions

Provision for employee benefits - Gratuity	0.87	0.87
	<u>0.87</u>	<u>0.87</u>

18 Current tax liabilities

Provision for tax	9.70	9.70
	<u>9.70</u>	<u>9.70</u>

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A2Z POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024
(Unless otherwise stated, all amounts are in INR Lacs)

	For the year ended March 31, 2024	For the year ended March 31, 2023
19 Other income		
Interest income:		
- on fixed deposits	0.11	0.11
- on loan given to subsidiaries	-	0.00
Liability written back	34.09	-
- on income tax refund	8.76	-
	42.96	0.12
20 Finance costs		
Interest		
- on others	-	-
Bank charges	-	0.09
	-	0.09
21 Depreciation		
Depreciation on PPE	9.07	9.78
	9.07	9.78
22 Other expenses		
Tour and travelling expense	-	0.01
Legal and professional	13.85	-
Statutory audit fee	0.35	0.35
Tax audit fee	0.35	0.35
Fees and subscription	0.01	0.10
GST Interest Expenses	9.38	-
Income Tax expenses 2021-22	0.90	-
Assets Written off	165.13	-
	189.97	0.81

23 Earning per share

Both the basic and diluted earnings per share have been calculated using the profit attributable to shareholders of the Company as the numerator, ie no adjustments to profit were necessary in March 31, 2024 or March 31, 2023.

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:

Particulars	Balance as on March 31, 2024	Balance as on March 31, 2023
Weighted average number of shares used in basic earnings per share	1,25,000	1,25,000
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	1,25,000	1,25,000
The numerators and denominators used to calculate the basic and diluted EPS are as follows:		
Profit attributable to shareholders	(158.79)	(9.54)
Basic and weighted average number of Equity shares outstanding during the year	1,25,000	1,25,000
Nominal value of equity share	10	10
Basic & diluted EPS (in Rs.)	(127.03)	(7.63)



A2Z POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024
(Unless otherwise stated, all amounts are in INR Lacs)

24 Tax expense

Particulars

Current tax expense
Deferred tax expense
Tax expense

	For the year ended March 31, 2024	For the year ended March 31 2023
	-	-
	2.71	1.03
	2.71	1.03

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

Particulars

Profit / (loss) before tax
Corporate tax rate as per income tax act,1961

Tax on accounting profit

i) Tax effect on non deductible expenses/Non taxable income
ii) Tax effect on temporary timing differences on which deferred tax not created
iii) Tax effect on losses of current year on which no deferred tax is created
iv) Tax effect on prior period

Tax expense

	For the year ended March 31, 2024	For the year ended March 31 2023
	(156.08)	(10.56)
	25.17%	26.00%
	(39.28)	(2.75)
	-	-
	1.07	1.06
	38.21	1.69
	-	-
	0.00	(0.00)

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

	As at March 31, 2024			As at March 31, 2023		
	Base amount	Tax	Expiry date (assessment year)	Base amount	Deferred tax	Expiry date (assessment year)
Tax losses						
Assessment Year 2023-24	0.66	0.17	March 31, 2032	-	-	-
Assessment Year 2024-25	147.01	37.00	March 31, 2033	-	-	-
Total	147.68	37.17		-	-	

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

	As at March 31, 2024			As at March 31, 2023		
	Base amount	Tax	Expiry date (assessment year)	Base amount	Deferred tax	Expiry date (assessment year)
Unabsorbed depreciation	12.72	3.20	Not applicable	7.90	2.05	Not applicable
Temporary differences on depreciation	4.25	1.07	Not applicable	4.07	1.06	Not applicable
Temporary differences on employee benefits	-	-	Not applicable	-	-	Not applicable
	16.97	4.27		11.97	3.11	



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A2Z POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

Note 25 : Related party

Note 25(a) :Name of the related parties

The Company's related parties include its holding company and other fellow subsidiaries as described below.

A Name of the related parties

(I) Holding company

A2Z Infra Engineering Limited

(II) Subsidiaries of A2Z Infra Engineering Limited

1. A2Z InfraserVICES Limited
2. Mansi Bijlee & Rice Mills Limited
3. Blackrock Waste Processing Private Limited
4. Magic Genie Services Limited (Under process of Strike off)
5. A2Z Maintenance & Engineering Services Limited and Satya Builders (Association of person)

(III) Subsidiaries of Greeneffect Waste Management Limited

1. A2Z Waste Management (Merrut) Limited
2. A2Z Waste Management (Moradabad) Limited
3. A2Z Waste Management (Varanasi) Limited
4. A2Z Waste Management (Badaun) Limited
5. A2Z Waste Management (Balia) Limited
6. A2Z Waste Management (Fatehpur) Limited
7. A2Z Waste Management (Jaunpur) Limited
8. A2Z Waste Management (Mirzapur) Limited
9. A2Z Waste Management (Ranchi) Limited
10. A2Z Waste Management (Sambhal) Limited
11. A2Z Waste Management (Dhanbad) Private Limited
12. A2Z Waste Management (Jaipur) Limited
13. A2Z Waste Management (Ahmedabad) Limited (Under process of Strike off)
14. Earth Environment Management Services Private Limited
15. Shree Balaji Pottery Private Limited
16. Shree Hari Om Utensils Private Limited

(IV) Subsidiary of A2Z Waste Management (Ludhiana) Limited

1. Magic Genie Smartech Solutions Limited
2. Rishikesh Waste management limited

(V) Subsidiary of A2Z InfraserVICES Limited

1. Ecogreen Envirotech Solutions Limited
3. A2Z Waste Management (Aligarh) Limited
4. A2Z Waste Management (Ludhiana) Limited
5. Vswach Environment (Aligarh) Private Limited
6. Vsapients Techno Services Private Limited

(VI) Associate enterprise of A2Z Infra Engineering Limited

1. A2Z Waste Management (Nainital) Private Limited
2. Greeneffect Waste Management Limited
3. A2Z Waste Management (Jaipur) Limited

(VII) Directors and KMP of the company

1. Mr. Amit Mittal - Director
2. Mr. Banshi Lal - Director
3. Mr. Guljeet Singh Saroya - Director
4. Mr. Rajesh Jain - Director



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A2Z POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

(VIII) Private companies in which a director or manager or his relative is a member or director

Mr. Banshi Lal

Vaidhyanath Pragati Projects Private Limited
Pragati Das Mining India Private Limited

Mr. Amit Mittal

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

(IX) Directors and KMPs of holding company

1. Mr. Amit Mittal (Managing Director cum Chief Executive Officer)
2. Mr. Surender Kumar Tuteja (Non-executive independent director) (till 18.08.2023)
3. Ms. Atima Khanna (Non-executive independent director)
4. Mrs. Dipali Mittal (Non-Executive Director)
5. Mr. Ashok Kumar Saini (Non-Executive Director) (till July 20, 2022)
6. Mr. Arun Gaur (Non-Executive Director)
7. Mr. Manoj Tiwari (Non-Executive Director w.c.f. July 20, 2022)
8. Mr. Atul Kumar Agarwal (Compliance Officer and Company Secretary)
9. Mr. Lalit Kumar (Chief Financial Officer) (w.c.f 18.05.2022)
10. Ms. Ritu Goyal (Non-executive independent director) (w.c.f 11.08.2023)
11. Mr. Parmatma Singh Rathor (Non-executive independent director) (w.c.f 11.08.2023)



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A2Z POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

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

25 (b): Related party transactions

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	Holding company	Fellow subsidiary	Associate of holding company	Holding company	Fellow subsidiary	Associate of holding company
Transactions during the year						
Liability written back						
- Greeneffect Waste Management Limited			31.76			
Loan repaid						
- Greeneffect Waste Management Limited						
- A2Z Maintenance & Engineering Services Limited	5.25					
Fund Transfer						
- A2Z Maintenance & Engineering Services Limited	70.55					
Fund received / includes expenses incurred on behalf of Company						
- Greeneffect Waste Management Limited						0.01
- A2Z InfraserVICES Limited				8.00		
- A2Z Infra Engineering Limited	19.60			5.25		
Balance outstanding at the end of the year						
Debtors						
- A2Z Waste Management (Mirzapur) Limited			3.05			3.05
- A2Z Waste Management (Balía) Limited			3.05			3.05
- A2Z Waste Management (Varanasi) Limited			6.10			6.10
Other financial liabilities (interest accrued)						
- A2Z InfraserVICES Limited		0.31			0.31	
Borrowings						
- A2Z Infra Engineering Limited				5.25		
Short term loans and advances given						
- Greeneffect Waste Management Limited			144.48			144.48
- A2Z InfraserVICES Limited		70.01			70.01	
- Mansi Bijlee & Rice Mills Limited		138.67			138.67	
- Shree Hari Om Utensils Private Limited			0.77			0.77
Other financial assets (interest accrued)						
- A2Z InfraserVICES Limited		34.05			34.05	
- Greeneffect Waste Management Limited			154.05			154.05
- Mansi Bijlee & Rice Mills Limited		14.04			14.04	
Advances from customer/creditors						
- A2Z Infra Engineering Limited	513.59			572.34		
Other financial liabilities						
- A2Z Infra Engineering Limited	7.80					
Trade Payable						
- Greeneffect Waste Management Limited						31.76

Note 27: Contingent liability

Income tax demand assessment year 2015-16 & 2017-18*



As at	As at
March 31, 2024	March 31, 2023
48.05	56.82
48.05	56.82



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A2Z POWERTECH LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

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

Note 26 : Financial risk management**(i) Fair value measurement of financial instruments**

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

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

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

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

(ii) Financial instruments by category

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

Particulars	31-Mar-24			31-Mar-23		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Loans	-	-	556.07	-	-	556.07
Cash and cash equivalents	-	-	4.82	-	-	4.20
Trade receivable	-	-	178.05	-	-	178.06
Other financial assets	-	-	25.34	-	-	190.17
Total financial assets	-	-	764.29	-	-	928.50
Financial liabilities						
Borrowings	-	-	-	-	-	5.25
Trade payables	-	-	225.52	-	-	256.58
Other financial liabilities	-	-	13.31	-	-	13.31
Total financial liabilities	-	-	238.83	-	-	275.14

(iii) 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	Measurement
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Cross currency fix rate swaps
Market risk - security	Investments in equity securities	Sensitivity analysis	Portfolio diversification

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, as summarised below:

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 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 Company has certain trade receivables that have not been settled by the contractual due date but are not considered to be impaired, as given below:



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A2Z POWERTECH LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

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

	INR	
	As at	
	31-Mar-24	31-Mar-23
Not more than 30 days	-	-
More than 30 days but not more than 60 days	-	-
More than 60 days but not more than 90 days	-	-
More than 90 days	178.05	178.06
	178.05	178.06

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any Company 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 credit risk for cash and cash equivalents, mutual funds, and derivate financial instruments is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

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 analyse 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.

March 31, 2024	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Borrowings	-	-	-	-	-
Trade payables	225.52	-	-	-	225.52
Other financial liabilities	13.31	-	-	-	13.31
Total	238.83	-	-	-	238.83
March 31, 2023	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Borrowings	5.25	-	-	-	5.25
Trade payables	256.58	-	-	-	256.58
Other financial liabilities	13.31	-	-	-	13.31
Total	275.14	-	-	-	275.14

Market risk

(a) Interest rate risk
Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2023, 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:

Particulars	31-Mar-24	31-Mar-23
Variable rate borrowing	-	-
Fixed rate borrowing	-	5.25
Total borrowings	-	5.25



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A2Z POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024
(Unless otherwise stated, all amounts are in INR Lacs)

Note 27 : Capital management policies and procedures

For the purpose of the Company'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 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's policy is to keep the gearing ratio between 20% and 40%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	31-Mar-24	31-Mar-23
Borrowings	-	5.25
Trade payables	225.52	256.58
Other financial liabilities	13.31	13.31
Less: cash and cash equivalents	4.82	4.20
Net debt	234.00	270.94
Equity	7.96	166.76
Capital and net debt	241.97	437.69
Gearing ratio	96.71%	61.90%

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. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

Note 28 : Financial Ratios

Sl. No.	Ratio	At March 31, 2024	At March 31, 2023	Variance	Reason for variance
i	Current ratio	0.98	1.08	-8.78%	No major variance
ii	Debt-equity ratio	0.00	0.03	3.00%	No major variance
iii	Debt service coverage ratio	NA	NA	NA	No major variance
iv	Return on equity ratio	(1.82)	(0.06)	3168.99%	Change is on account due to significant write off and write back during the year.
v	Inventory turnover ratio	NA	NA	NA	No major variance
vi	Trade receivables turnover ratio	NA	NA	NA	No major variance
vii	Trade payables turnover ratio	NA	NA	NA	No major variance
viii	Net capital turnover ratio	NA	NA	NA	No major variance
ix	Net profit ratio	NA	NA	NA	No major variance
x	Return on capital employed	(19.60)	(0.06)	31106.22%	Change is on account due to significant write off and write back during the year.
xi	Return on investment	NA	NA	NA	No major variance

Formulae for computation of ratios are as follows:-

Sl. No	Ratios	Formulae
i	Current ratio	Current assets ÷ Current liabilities
ii	Debt-equity ratio	Total debt ÷ Shareholder's equity
iii	Debt service coverage ratio	Earnings available for debt service* ÷ Debt Service**
iv	Return on equity ratio	(Net profit after tax - Preference Dividend (if any)) ÷ Average shareholder's equity
v	Inventory turnover ratio	Cost of goods sold or sales ÷ Average Inventory
vi	Trade receivables turnover ratio	Net Credit Sales ÷ Average accounts receivables
vii	Trade payables turnover ratio	Net credit purchases ÷ Average trade payables
viii	Net capital turnover ratio	Net Sales ÷ Working capital
ix	Net profit ratio	Net profit after tax ÷ Revenue from operations
x	Return on capital employed	Earnings before interest and Taxes ÷ Capital employed****
xi	Return on investment	(Current value of investment - Cost of investment) ÷ Cost of investment

* Earning for Debt Service = Net Profit after taxes*** + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of fixed assets etc.

** Debt service = Interest & Lease Payments + Principal Repayments

*** "Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.

**** Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

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. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.



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A2Z POWERCOM LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024
(Unless otherwise stated, all amounts are in INR Lacs)

Note 29 : Authorisation of financial statements

The financial statements for the year ended 31 March 2024 (including comparatives) were approved by the board of directors on 13th May 2024.

For MAAGS & CO.

M/s Mahesh Agarwal & Associates
Chartered Accountants
Regn No. 00009228

Mahesh Agarwal
Partner
M No. 85013



For and on behalf of the Board of Directors

Amit Mittal
Director
(DIN: 00058944)

Banshi Lal
Director
(DIN : 08668767)

Place : Gurgaon
Date : 13.05.2024

UDIN # 24085013 R K C N @ @ 8 2 2 8

