

INDEPENDENT AUDITOR'S REPORT

To the Members of

A2Z Waste Management (Fatehpur) Limited
Gurgaon

Report on the Financial Statements

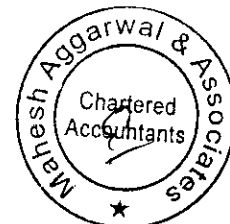
1. We have audited the accompanying standalone financial statements of A2Z Waste Management (Fatehpur) Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.



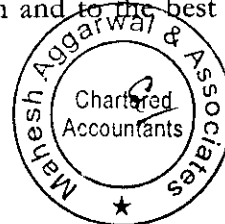
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its loss and its cash flows for the year ended on that date.

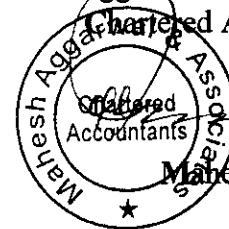
Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) Section 143 of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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;
 - c. The standalone financial statements dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. On the basis of the written representations received from the directors as on 31 March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. 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 standalone financial position;
- 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.

For Mahesh Aggarwal & Associates
Chartered Accountants



Mahesh Agarwal
Partner

M. No. 85013

Regn. No. 006092N

Place: Gurgaon

Dated: 26 MAY 2016

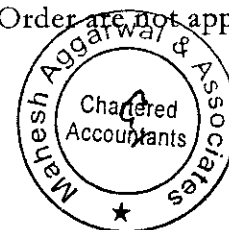
Re: [A2Z Waste Management (Fatehpur) Limited] ('the Company')

Annexure-I

Referred to in paragraph (1) Report on Other Legal and Regulatory Requirements of our report of even date

Based on the audit procedures performed for the purpose of reporting a true and fair view on the 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) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets 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 has constructed building on the land provided and owned by the Nagar Palika Parishad, Fatehpur, so the title deeds are not in the name of the company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year. The discrepancies noticed on physical verification of the inventory as compared to books of accounts which has been properly dealt with in the books of account were not material.
- (iii) The Company has granted loans, secured or unsecured to companies, firms and other parties covered in the register maintained under Section 189 of the Act. and with respect to the same:
- (a) In our opinion, the rate of interest and other terms and conditions on which the loan has been granted are not prejudicial to the interest of the company.
- (b) The principal amounts are repayable on demand and since the repayment of such loans has not been demanded, in our opinion receipt of the principal amount is regular; and
- (c) There is no overdue amount in respect of loans granted to such companies, firms and other parties.
- (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 Companies Act, 2013 with respect to the loans, investments, guarantees and security.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) 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.



Mahesh Aggarwal & Associates

Chartered Accountants
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E-mail : agarwalmaheshin@yahoo.com

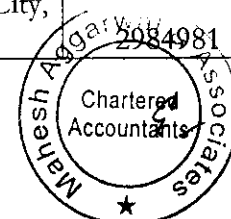
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, , service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable, have not been regularly deposited by the company with the appropriate authorities and there has been significant delays in large number of cases. According to the information and explanations given to us, undisputed amounts payable in respect thereof which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

Nature of statute	Nature of dues	Amount(Rs.)	Period to which the amount relates
Income tax act	TDS	2061777	March 13-March 15
Finance Act	Service tax	12,606	March 12- March 14
Sales Tax Act	Sales Tax	297,521	August 12- March 14
EPF & MP Act	EPF	156376	April 12-July 15

- (b) According to the information and explanations given to us, there are no dues in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute.

- (viii) 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 defaulted in repayment of dues to banks as detailed below:

Name of the bank	Bank Branch Address	Amount (Rs)	Delay in days
Standard Chartered	#7A, DLF Building, 3rd Floor, DLF Cyber City, Sector - 24,25 & 25A, Gurgaon – 122002	1989987	763
Standard Chartered	#7A, DLF Building, 3rd Floor, DLF Cyber City, Sector - 24,25 & 25A, Gurgaon – 122002	1989987	671
Standard Chartered	#7A, DLF Building, 3rd Floor, DLF Cyber City, Sector - 24,25 & 25A, Gurgaon – 122002	1989987	597
Standard Chartered	#7A, DLF Building, 3rd Floor, DLF Cyber City, Sector - 24,25 & 25A, Gurgaon – 122002	2653316	488
Standard Chartered	#7A, DLF Building, 3rd Floor, DLF Cyber City, Sector - 24,25 & 25A, Gurgaon – 122002	2653316	398
Standard Chartered	#7A, DLF Building, 3rd Floor, DLF Cyber City, Sector - 24,25 & 25A, Gurgaon – 122002	2984981	306
Standard Chartered	#7A, DLF Building, 3rd Floor, DLF Cyber City, Sector - 24,25 & 25A, Gurgaon – 122002	2984981	214
Standard Chartered	#7A, DLF Building, 3rd Floor, DLF Cyber City, Sector - 24,25 & 25A, Gurgaon – 122002	2984981	123
Standard Chartered	#7A, DLF Building, 3rd Floor, DLF Cyber City, Sector - 24,25 & 25A, Gurgaon – 122002	2984981	32



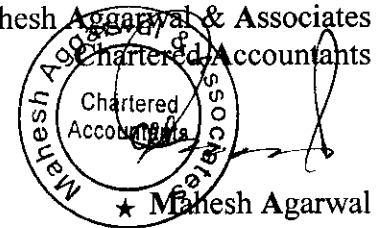
Mahesh Aggarwal & Associates

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- (ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) 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
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (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 financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Mahesh Aggarwal & Associates



★ Mahesh Aggarwal
Partner
M. No. 85013
Regn. No. 006092N

Place: Gurgaon

Dated: 26 MAY 2016

Annexure - II to the Auditors' Report

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 Waste Management (Fatehpur) Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

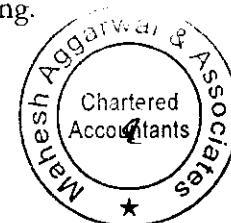
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

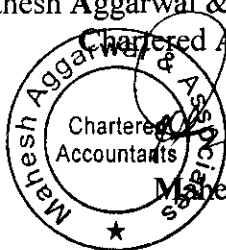
Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mahesh Aggarwal & Associates
Chartered Accountants


Mahesh Aggarwal
Partner
M. No. 85013
Regn. No. 006092N

Place: Gurgaon

Dated: 26 MAY 2016

A2Z WASTE MANAGEMENT (FATEHPUR) LIMITED

Balance sheet as at March 31, 2016

(Unless otherwise stated, all amounts are in Indian Rupees)

	Note	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	3	2,00,00,000	2,00,00,000
Reserves and surplus	4	(4,25,80,288)	(2,72,21,048)
		(2,25,80,288)	(72,21,048)
Subsidy	5	6,35,04,017	6,68,77,376
Non-current liabilities			
Long term borrowings	6	1,32,66,580	2,37,84,504
Long term provisions	7	-	36,855
		1,32,66,580	2,38,21,359
Current liabilities			
Short-term borrowings	8	5,12,61,217	5,32,68,717
Trade payables	9	43,62,357	38,81,380
Other current liabilities	10	7,65,68,504	5,45,00,267
Short-term provisions	11	22,216	5,045
		13,22,14,294	11,16,55,409
		18,64,04,603	19,51,33,096
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	12	13,15,50,212	13,83,23,856
Capital work-in-progress	13	29,75,103	29,75,103
		13,45,25,315	14,12,98,959
Long term loans and advances	14	3,43,65,425	3,43,11,395
Other non-current assets	15	1,48,870	2,57,210
		3,45,14,295	3,45,68,605
Current assets			
Inventories	16	38,87,218	43,32,099
Trade receivables	17	5,81,948	8,22,172
Cash and cash equivalents	18	89,758	2,81,419
Short-term loans and advances	19	97,92,437	1,13,02,481
Other current assets	20	30,13,632	25,27,361
		1,73,64,993	1,92,65,532
		18,64,04,603	19,51,33,096

The accompanying notes forms an integral part of the financial statements

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

For Mahesh Agarwal & Associates

Chartered Accountants

Regn No. 006002N

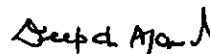
Chartered Accountants

Mahesh Agarwal

Partner

M No. 85013

For and on behalf of the board of directors



Deepak Agarwal

Director

Din No. 06540266



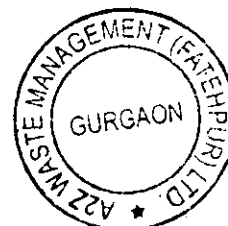
Vikas Guliani

Director

Din No. 06873154

Place : Gurgaon

Dated :



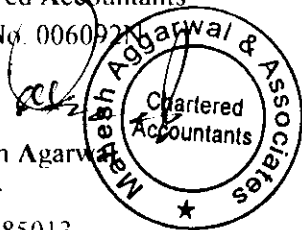
A2Z WASTE MANAGEMENT (FATEHPUR) LIMITED
Statement of profit and loss for the year ended March 31, 2016
(Unless otherwise stated, all amounts are in Indian Rupees)

	Note	For the year ended March 31, 2016	For the year ended March 31, 2015
Revenue			
Revenue from operations	21	6,92,600	14,48,953
Other income	22	39,18,160	1,08,75,336
Total revenue		46,10,760	1,23,24,289
Expenses			
Cost of materials consumed	23	-	11,33,319
Changes in inventories of finished goods	24	4,44,881	(19,25,862)
Employee benefits expense	25	23,669	5,54,124
Finance costs	26	1,26,01,659	1,81,28,845
Depreciation and amortisation expense	12	67,73,644	65,52,660
Other expenses	27	1,26,147	5,13,664
Total expenses		1,99,70,000	2,49,56,750
Net profit / (loss) for the year /period		(1,53,59,240)	(1,26,32,461)
Earnings Per Share			
	28		
Basic earning per share		(307.18)	(252.65)
Diluted earning per share		(307.18)	(252.65)

For **Mahesh Aggarwal & Associates**
Chartered Accountants

Regn No. 0060921

Mahesh Aggarwal
Partner
M No. 85013



For and on behalf of the board of directors

Deepak Aggarwal
Deepak Aggarwal
Director
Din No. 06540266

Vikas Guliani
Vikas Guliani
Director
Din No. 06873154

Place : Gurgaon
Dated :



AZZ WASTE MANAGEMENT (FATEHPUR) LIMITED
Statement of cash flows for the year ended March 31, 2016
(Unless otherwise stated, all amounts are in Indian Rupees)

	For the year ended March 31, 2016	For the year ended March 31, 2015
A Cash flow from / (used in) operating activities		
Net profit / (loss) before tax	(1,53,59,240)	(1,26,32,461)
Adjustment for		
Interest income	(5,44,801)	(8,30,460)
Depreciation	67,73,644	65,52,660
Interest Expenses	97,60,774	71,99,160
Forex Fluctuation Loss	27,31,733	1,07,92,784
MTM income	-	(2,31,762)
Subsidy amortised	(33,73,359)	(33,64,141)
Loan fees Amortised	1,08,340	1,08,044
Provision for doubtful debts	51,224	-
Operating profit / (loss) before working capital changes	1,48,315	75,93,824
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Long-term loans and advances	-	(2,49,119)
Short-term loans and advances	15,10,044	(1,74,163)
Trade Receivable	1,89,000	(2,24,055)
Inventory	4,44,881	(19,25,862)
Adjustments for increase / (decrease) in operating liabilities:		
Long-term provisions	(36,855)	7,725
Trade payables	4,80,977	14,65,603
Other current liabilities	2,30,366	(26,85,803)
Short-term provisions	17,171	2,207
Cash generated from / (used in) from operations	29,83,900	38,10,357
Current taxes paid (net of refunds)	(54,030)	(63,750)
Net cash generated from / (used in) operating activities	29,29,870	37,46,607
B Cash flow from / (used in) investing activities		
Purchase of fixed assets/ capital work in process (net)	-	(31,13,190)
Subsidy Received	-	32,83,190
Interest received	58,530	3,858
Net cash generated from / (used in) investing activities	58,530	1,73,858
C Cash flow from / (used in) financing activities		
Repayment of long term borrowings	-	(43,01,500)
Proceeds / (repayment) from short term borrowings (net)	(20,07,500)	37,06,256
Interest Paid	(11,72,560)	(31,00,442)
Net cash used in financing activities	(31,80,060)	(36,95,686)
Net increase in cash and cash equivalents (A+B+C')	(1,91,660)	2,24,779
Cash and cash equivalents at the beginning of the year	2,81,419	56,640
Net increase/ (decrease) in cash and cash equivalents	89,758	2,81,419
	As at March 31, 2016	As at March 31, 2015
Components of cash and cash equivalents:		
Cash on hand	1,301	1,301
Balances with banks in current accounts	85,457	2,77,118
	89,758	2,81,419

Notes: Figures In brackets indicate cash outflow.

This is the statement of cash flows referred to in our report of even date

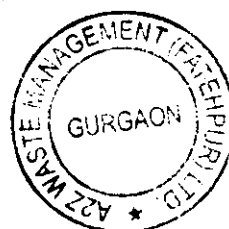
For Mahesh Agarwal & Associates
Chartered Accountants
Regn No. 006097N
Mahesh Agarwal
Partner
M No. 85013

Place : Gurgaon
Dated :

For and on behalf of the board of directors

Deepak Agarwal
Deepak Agarwal
Director
Din No. 06540266

Vikas Guliani
Vikas Guliani
Director
Din No. 06873154



A2Z WASTE MANAGEMENT (FATEHPUR) LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

[All amounts in Indian Rupees, except share data including share price, unless otherwise stated]

1. Nature of Operations

A2Z Waste Management (Fatehpur) Limited ('A2Z' or 'the Company' or 'SPV') is the wholly owned subsidiary of A2z Green Waste Management Limited (Formerly A2z Infrastructure Limited). It was incorporated at National Capital Territory of Delhi and Haryana on November 10, 2010 for providing Waste Management Services.

The Company's main business primarily would include Door to door collection, intermediate transportation, and Engineering sanitary land fill.

2. Statement of Significant Accounting Policies

a) Basis of preparation

The Financial Statements have been prepared to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Use of estimates

The preparation of financial statements in conformity with India GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainties about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

c) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from service contracts

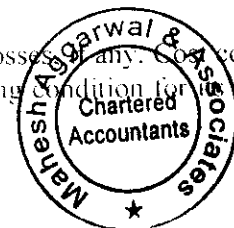
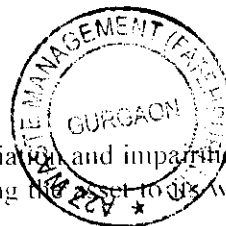
Revenue from service contracts are recognised pro-rata over the period of the contract as and when services are rendered.

Interest

Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

d) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended



ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

e) Depreciation

In accordance with the requirements of Schedule II of the Companies Act, 2013, useful lives of the assets have been taken as:

Particulars	Useful Life
Building	30 Years
Office Equipment	5 Years
Plant and Machinery	15 Years
Computers	3 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years

Garbage containers are depreciated on straight line basis over their estimated useful life of 7 years. Fibre reinforced plastic bins ('FRP Bins') are depreciated at the rate of 100% on straight line basis over their life of a single year.

f) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g) Retirement and Other Employment Benefits

i) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

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

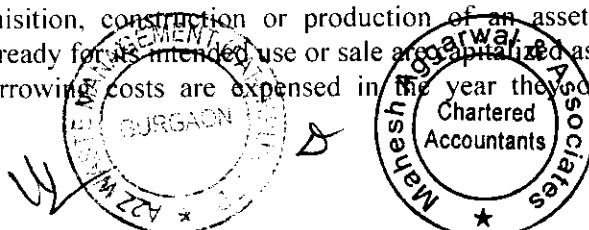
iii) Accumulated leave, which is expected to be utilised within next twelve months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

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. The Company presents the entire leave as a current liability the Balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

iv) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year they occur.



Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

i) Foreign currency translation

Foreign currency transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange Differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Forward Exchange Contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

j) Inventories

Inventories are valued as follows:

(i) Raw materials, Stores and spares

Lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on weighted average basis.

(ii) Finished goods

Lower of cost and net realizable value. Cost includes direct labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on weighted average basis.

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

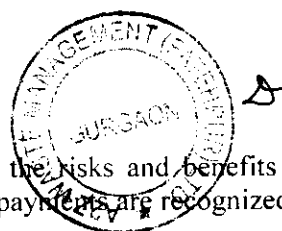
k) Segment Reporting:

Since the Company's business activity falls within a single business and geographical segment i.e. waste Collection & processing, there are no additional disclosures to be provided under Accounting Standard 17- 'Segment Reporting'.

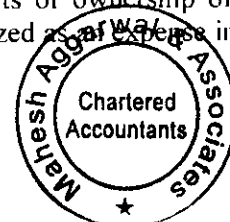
l) Leases

Where the Company is the lessee:

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.



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Where the Company is the lessor:

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Profit and Loss Account on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Profit and Loss Account.

m) Income Taxes:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

n) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of shares outstanding during the year are adjusted for bonus issue.

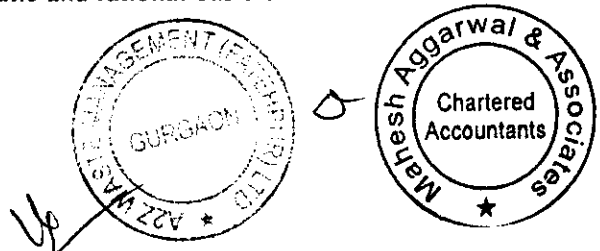
For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Where the grant or subsidy relates to a fixed asset, its value has been treated as deferred income which is recognised in statement of profit and loss on a systematic and rational basis over the useful life of the fixed asset.



p) Derivative Instruments

The Company enters into certain derivative financial instruments to manage its exposure to risk arising from changes in interest rate and currency risk. The Company has adopted recognition and measurement principles for hedge accounting as enunciated in Accounting Standard (AS) 30-Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India for accounting of cross currency interest rate swaps taken to hedge currency and interest risk arising from foreign currency external commercial borrowings. Consequently, to the extent these hedges are effective, gain/loss arising on mark to market valuation of cross currency interest rate swap is recorded in the hedging reserve account.

q) Provisions

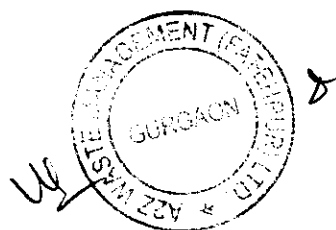
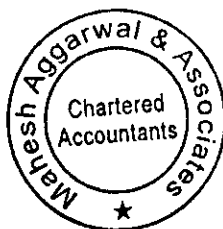
A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

r) Cash and Cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

s) Deferred Revenue Expenditure (Unamortised Loan processing fee)

Costs incurred in raising funds are amortised equally over the period for which the funds are acquired. This has been reflected in the financial statements under the head "Other current assets".



A2Z WASTE MANAGEMENT (FATEHPUR) LIMITED

Notes forming part of the financial statements

(Unless otherwise stated, all amounts are in Indian Rupees)

Note 3: Share Capital

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Rs 10 each	50,000	5,00,000	50,000	5,00,000
0.001% Non participative cumulative redeemable preference shares of Rs 10 each	29,50,000	2,95,00,000	29,50,000	2,95,00,000
	30,00,000	3,00,00,000	30,00,000	3,00,00,000
Issued, subscribed and fully paid up				
Equity shares of Rs 10 each	50,000	5,00,000	50,000	5,00,000
0.001% Non participative cumulative redeemable preference shares of Rs 10 each	19,50,000	1,95,00,000	19,50,000	1,95,00,000
	20,00,000	2,00,00,000	20,00,000	2,00,00,000

Note 3.1: Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs 10 each fully paid up				
Opening balance	50,000	5,00,000	50,000	5,00,000
Add: Fresh issue	-	-	-	-
Closing balance	50,000	5,00,000	50,000	5,00,000
Preference shares of Rs 10 each fully paid up				
Opening balance	19,50,000	1,95,00,000	19,50,000	1,95,00,000
Add: Fresh issue	-	-	-	-
Closing balance	19,50,000	1,95,00,000	19,50,000	1,95,00,000

Note 3.2: 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 3.3: Terms and rights attached to preference shares

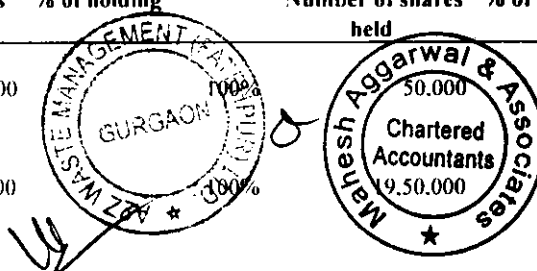
The company has only one class of preference shares having par value of Rs 10/- per share. The maturity period of the shares for redemption is 15 (fifteen) years from the original date of allotment however Company can redeemed up to 20% of Preference shares issued in each year starting from 10th year onwards. Both the preference share holder and the Company have right to exercise put or call option at any time on or after the expiry of 1 (one) year from the original date of allotment subject to regulatory approvals, if any required. The shares on maturity, or on exercise of the put and call option, as the case may be, will be redeemed at Par. The Preference Shares are non-convertible and cumulative in nature. The rate of dividend is 0.001% per annum.

Note 3.4: Detail of shares held by A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited) , the holding Company

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs 10 each fully paid up				
Opening balance	50,000	5,00,000	50,000	5,00,000
Add: Fresh issue	-	-	-	-
Closing balance	50,000	5,00,000	50,000	5,00,000
Preference shares of Rs 10 each fully paid up				
Opening balance	19,50,000	1,95,00,000	19,50,000	1,95,00,000
Add: Fresh issue	-	-	-	-
Closing balance	19,50,000	1,95,00,000	19,50,000	1,95,00,000

Note 3.5: Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2016		As at March 31, 2015	
	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares of Rs 10 each fully paid up				
A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)	50,000	100%	50,000	100%
Preference shares of Rs 10 each fully paid up				
A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)	19,50,000	100%	19,50,000	100%



A2Z WASTE MANAGEMENT (FATEHPUR) LIMITED

Notes forming part of the financial statements

(Unless otherwise stated, all amounts are in Indian Rupees)

	As at March 31, 2016	As at March 31, 2015
Note 4: Reserve and surplus		
Surplus / (deficit) in statement of profit and loss		
Balance at the beginning of the year / period	(2,72,21,048)	(1,45,82,673)
Less : Adjustment in opening Reserve of depreciation	-	5,914
Add : Transferred from statement of profit and loss	(1,53,59,240)	(1,26,32,461)
Balance at the end of the year / period	(4,25,80,288)	(2,72,21,048)
Note 5: Subsidy		
Subsidy	6,35,04,017	6,68,77,376
	6,35,04,017	6,68,77,376
Note 6: Long term borrowings		
Term loan (secured)		
External commercial borrowings from banks	1,32,66,580	2,37,84,504
	1,32,66,580	2,37,84,504

Details of security and terms of repayment for external commercial borrowings ('ECB')

External commercial borrowing from bank amounting to Rs 48,423,017 (Previous year Rs. 45,691,284) (including current maturities of long term debt as referred to in note 10) is secured against::

- Unconditional corporate gurantee from A2Z Infra engineering Limited (Formerly A2Z Maintenance & Engineering Services Limited)
- Exclusive charge on all movable assets financed through debt and/or equity
- Exclusive Charge on stock and receivable under the project
- Secured by charge on DSRA

The loan is repayable in 19 quaterly (first two installments of US \$ 20,000, four installments of US \$ 30,000, two installments of US \$ 40,000, eight installments of US \$ 45,000, two installments of US \$ 50,000 and one installments of US \$ 100,000) from May 2014 to Feburary 2018 and carrying an interest rate of LIBOR+300 bps.

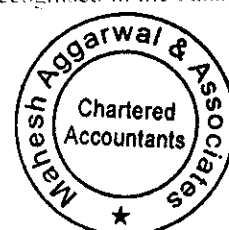
The Company has defaulted in repayment of principal amounting to Rs. 1,989,987 for twenty five months, Rs.1,989,987 for twenty two months, Rs.1,989,987 for nineteen months, Rs.2,653,316 for sixteen months, Rs.2,653,316 for thirteen months, Rs.2,981,981 for ten months, Rs.2,981,981 for seven months, Rs.2,981,981 for four months and Rs.2,981,981 for one month and has also defaulted in repayment of interest in respect of long term borrowing amounting to Rs. 1,560,332 upto financial year 2015-16.

	As at March 31, 2016	As at March 31, 2015
Note 7: Long term provisions		
Provision for gratuity (Refer Note 7.1)	-	22,171
Provision for compensated absences benefits (Refer Note 7.2)	-	14,684
	-	36,855

Defined Benefit Plans

Note 7.1: Employee benefits

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and amounts recognised in the balance sheet for the respective plans.



A2Z WASTE MANAGEMENT (FATEHPUR) LIMITED
Notes forming part of the financial statements
(Unless otherwise stated, all amounts are in Indian Rupees)

Statement of profit and loss

Net employee benefit expense (recognised in Employee Cost)

Gratuity	For the year ended March 31, 2016	For the year ended March 31, 2015
Current service cost	-	8,807
Interest cost on benefit obligation	-	2,354
Net actuarial (gain) / loss recognised in the year	-	(14,230)
Net benefit expense	-	(8,638)

Balance sheet

Gratuity	As at March 31, 2016	As at March 31, 2015
Defined benefit obligation	(22,216)	(22,216)
Plan liability	(22,216)	(25,285)

Changes in the present value of the defined benefit obligation are as follows:

Gratuity	For the year ended March 31, 2016	For the year ended March 31, 2015
Opening defined benefit obligation	22,216	25,285
Interest cost	-	2,354
Current service cost	-	8,807
Actuarial (gains) / losses on obligation	-	(14,230)
Closing defined benefit obligation	22,216	22,216

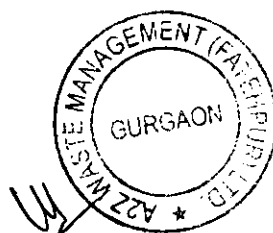
The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particular	For the year ended March 31, 2016	For the year ended March 31, 2015
Discount rate	8.09%	8.09%
Expected rate of increase in compensation level	5.00%	5.00%
Expected average remaining working life of employees	22 years	22 years

The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Amounts for the current and previous year are as follows:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Defined benefit obligation	22,216	22,216
Surplus / (deficit)	(22,216)	(22,216)
Experience (gain)/loss on plan liabilities	(18,545)	(18,545)



A2Z WASTE MANAGEMENT (FATEHPUR) LIMITED
Notes forming part of the financial statements
(Unless otherwise stated, all amounts are in Indian Rupees)

Note 7.2: Other employee benefits-Compensated absences

For determination of the current years' liability in respect of compensated absences, the Company has used following actuarial assumptions:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Discount rate	-	8.09%
Rate of increase in compensation levels	-	5.00%

	As at March 31, 2016	As at March 31, 2015
--	-------------------------	-------------------------

Note 8: Short Term Borrowings (Unsecured)

Loan from holding Company	3,17,81,217	3,37,88,717
Loan from fellow subsidiary Company	1,94,80,000	1,94,80,000
	5,12,61,217	5,32,68,717

The loans are having an interest rate of 14% per annum and are repayable on demand.

Note 9: Trade payable

total outstanding dues to micro and small enterprises (Refer Note 9.1)	-	-
total outstanding dues to others	41,50,506	36,69,529
Due to fellow subsidiaries	2,11,851	2,11,851
	43,62,357	38,81,380

Note 9.1: Disclosures under Micro, Small and Medium Enterprises Act, 2006

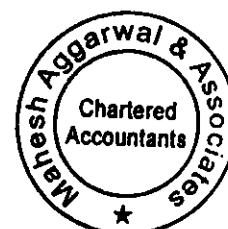
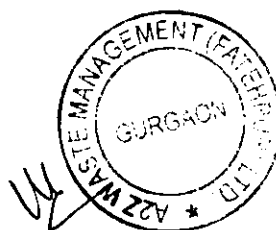
Based on the information available with the Company, there are no dues outstanding in respect of Micro, Small and Medium enterprises at the balance sheet date. No amounts were payable to such enterprises which were outstanding for more than 45 days. Further, no interest during the year has been paid or payable in respect thereof. The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 10: Other current liabilities

Current maturities of long term debts (Refer Note 6)	3,51,56,437	2,19,06,780
Interest accrued & due on long term borrowings	44,21,981	23,22,990
Interest accrued but not due on long term borrowings	1,38,351	1,34,626
Interest accrued and due on short term borrowings	2,37,86,009	1,73,00,511
Statutory dues payable	31,55,734	26,75,368
Payable against purchase of fixed assets	99,09,992	1,01,59,992
	7,65,68,504	5,45,00,267

Note 11: Short-term provisions

Provision For Employees Benefits		
Gratuity (Refer Note 7.1)	22,216	45
Compensated leave absences (Refer Note 7.2)	-	5,000
	22,216	5,045



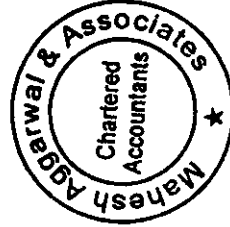
A2Z WASTE MANAGEMENT (FATEHPUR) LIMITED

Notes to the Financial Statement

(Unless otherwise stated, all amounts are in Indian Rupees)

Note 12: Fixed asset

Particulars	Gross Block			Accumulated Depreciation			Net Block		
	As at April 1, 2015	Additions	Sale / adjustment	As at March 31, 2016	Charge for the year	Sale / adjustment	Adjustment in opening reserve	As at March 31, 2016	As at March 31, 2015
Tangible Assets									
Building	10,89,22,279	-	-	10,89,22,279	36,37,604	-	-	1,16,48,241	10,09,11,642
Plant and Equipment -(owned)	4,16,80,535	-	-	4,16,80,535	28,67,294	-	-	82,61,987	3,62,85,842
Furniture & Fixtures -(owned)	26,745	-	-	26,745	-	-	-	26,745	-
Vehicles -(owned)	19,02,088	-	-	19,02,088	2,48,881	-	-	10,45,718	11,05,251
Office Equipment -(owned)	58,315	-	-	58,315	19,865	-	-	57,059	21,121
Computers -(owned)	18,050	-	-	18,050	-	-	-	18,050	-
Total	15,26,08,012	-	-	15,26,08,012	67,73,644	-	-	2,10,57,800	13,15,50,212
Previous year	14,94,94,822	31,13,190	-	15,26,08,012	65,32,660	-	5,914	1,42,84,156	13,83,23,856
									14,17,69,240

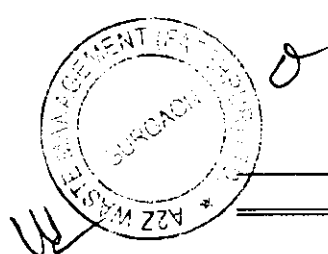
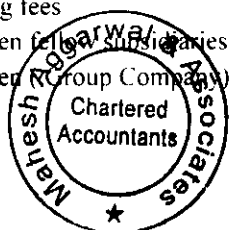


A2Z WASTE MANAGEMENT (FATEHPUR) LIMITED

Notes forming part of the financial statements

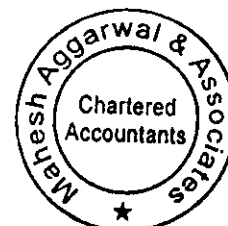
(Unless otherwise stated, all amounts are in Indian Rupees)

	As at March 31, 2016	As at March 31, 2015
Note 13: Capital work in progress		
Building under Construction	29,75,103	29,75,103
	29,75,103	29,75,103
Note 14: Long term loans and advances (Unsecured considered good)		
Capital advance	3,37,82,596	3,37,82,596
Security Deposit	1,92,000	1,92,000
Tax deducted at source recoverable	3,90,829	3,36,799
	3,43,65,425	3,43,11,395
Note 15: Other non current assets		
Fixed deposits with bank having maturity more than one year	50,000	50,000
Unamortised loan processing fees	98,870	2,07,210
	1,48,870	2,57,210
Note 16: Inventories (valued at cost or lower of net realisable value)		
Finished goods	38,87,218	43,32,099
	38,87,218	43,32,099
Note 17: Trade receivable (unsecured considered good)		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured considered good	5,67,948	51,224
Doubtful	1,02,449	51,225
	6,70,397	1,02,449
Less : Allowances for bad and doubtful receivables	1,02,449	51,225
	5,67,948	51,224
Other receivables		
Unsecured considered good	14,000	7,70,948
	5,81,948	8,22,172
Note 18: Cash and cash equivalents		
Cash on hand	4,301	4,301
Balances with banks		
- In current account	85,457	2,77,118
	89,758	2,81,419
Note 19: Short terms loans and advances		
Advances recoverable in cash or in kind or for value to be received	11,00,016	10,90,444
Loans and advances to fellow subsidiaries	56,92,421	72,12,037
Loans and advances to Others	30,00,000	30,00,000
	97,92,437	1,13,02,481
Note 20: Other current assets		
Unamortised loan processing fees	1,08,045	1,08,045
Interest accrued on loan given to fellow subsidiaries	11,11,643	10,03,372
Interest accrued on loan given to Group Companies	17,93,944	14,15,944
	30,13,632	25,27,361



AZZ WASTE MANAGEMENT (FATEHPUR) LIMITED
Notes forming part of the financial statements
(Unless otherwise stated, all amounts are in Indian Rupees)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Note : 21 Revenue from operations		
Proceesing Charges Fatehpur (MC)	-	9,11,953
Sale of Products		
-Compost Inter Unit Sale	6,92,600	-
-Compost	-	5,37,000
	6,92,600	14,48,953
Note 22: Other income		
Interest Income		
- on fixed deposits	4,500	4,500
- on loan given to Group company	4,20,000	4,31,911
- on loan given to fellow subsidiaries	1,20,301	3,92,000
- on others	-	2,049
Forex Gain on Derivative	-	64,48,973
M2M income	-	2,31,762
Subsidy amortised	33,73,359	33,64,141
	39,18,160	1,08,75,336
Note 23: Cost of Material Consumed		
Fuel charges	-	1,49,370
Site Expenses	-	28,868
Power consumed	-	9,55,081
	-	11,33,319
Note 24: Change in Inventories		
Opening Stock		
Finished Goods	43,32,099	24,06,237
Closing Stock		
Finished Goods	38,87,218	43,32,099
(Increase)/Decrease in stocks	4,44,881	(19,25,862)
Note 25: Employment Benefit Expenses		
Salary and other allowances	41,871	5,21,722
Contribution to provident fund and other funds	1,482	8,743
Gratuity expense	-	(3,069)
Staff welfare expenses	-	13,727
Compensated leave absences	(19,684)	13,001
	23,669	5,54,124
Note 25.1: Defined contribution plans		
Employer's contribution to provident fund	1,482	8,743
	1,482	8,743



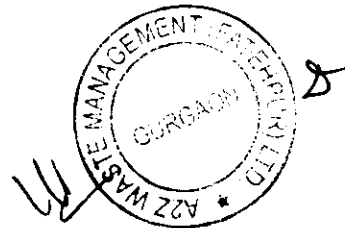
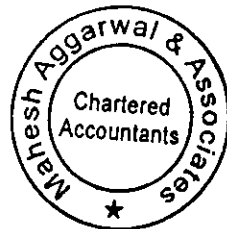
A2Z WASTE MANAGEMENT (FATEHPUR) LIMITED
Notes forming part of the financial statements
(Unless otherwise stated, all amounts are in Indian Rupees)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Note 26: Finance Costs		
Bank charges	812	28,857
Forex Fluctuation Loss	27,31,733	1,07,92,784
Loan processing charges amortised	1,08,340	1,08,044
Interest Expenses	97,60,774	71,99,160
	1,26,01,659	1,81,28,845
Note 27: Other expenses		
Provision for Bad Debts	51,224	51,225
Repair and maintenance		
- Plant & Machinery	-	2,50,093
- Others	-	57,302
Travelling and conveyance	8,275	15,119
Communication expenses	-	1,188
Printing and stationery	-	330
Legal and professional charges	7,000	13,540
Payment to auditors		
As auditor:		
-Statutory audit fees	12,595	12,360
Fees & Subscription Exp	6,553	7,320
Miscellaneous expenses	40,500	1,05,187
	1,26,147	5,13,664

Note 28: Earnings per share (EPS)

The calculations of earning per share are based on the profit / (loss) and number of shares as computed below:

Net profit / (loss) for the year / period	(1,53,59,240)	(1,26,32,461)
Face value of share	10	10
Weighted average number of shares used in computing Basic EPS	50,000	50,000
Weighted average number of shares used in computing Diluted EPS	50,000	50,000
Basic earning per share	(307.18)	(252.65)
Diluted earning per share	(307.18)	(252.65)



A2Z WASTE MANAGEMENT (FATEHPUR) LIMITED

Notes to the financial statements

(Unless otherwise stated, all amounts are in Indian Rupees)

Note 29: Related Party

Note 29.1: Names of related parties

Ultimate Holding Company

M/s A2Z Infra Engineering Limited (Formerly A2Z Maintenance & Engineering Services Limited)

Holding Company

M/s A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)

Fellow Subsidiaries

I) Fellow subsidiaries of A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)

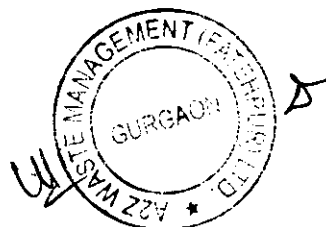
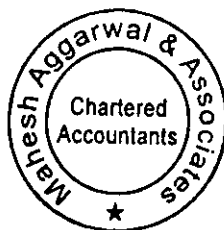
1. A2Z Waste Management (Merrut) Limited
2. A2Z Waste Management (Moradabad) Limited
3. A2Z Waste Management (Varanasi) Limited
4. A2Z Waste Management (Badaun) Limited
5. A2Z Waste Management (Balai) Limited
6. A2Z Waste Management (Aligarh) Limited
7. A2Z Mayo SNT Waste Management (Nanded) Pvt. Ltd.
8. A2Z Waste Management (Jaunpur) Limited
9. A2Z Waste Management (Loni) Limited
10. A2Z Waste Management (Mirzapur) Limited
11. A2Z Waste Management (Ranchi) Limited
12. A2Z Waste Management (Sambhal) Limited
13. A2Z Waste Management (Ludhiana) Limited
14. A2Z Waste Management (Dhanbad) Private Limited
15. Green Waste Management Private Limited (till 27.01.2016)
16. A2Z Waste Management (Jaipur) Limited
17. A2Z Waste Management (Ahmedabad) Limited
18. Shree Balaji Pottery Private Limited (with effect from May 23, 2014)
19. Shree Hari Om Utensils Private Limited (with effect from May 23, 2014)
20. Earth Environment Management Services Private Limited (with effect from June 30, 2014)

II) Subsidiaries of A2Z Infra Engineering Limited (Formerly A2Z Maintenance and Engineering Services Limited)

1. A2Z Infraservices Limited
2. A2Z Powertech Limited
3. A2Z Powercom Limited
4. Selligence Technologies Services Private Limited
5. Mansi Bijlee & Rice Mills Limited
6. Star Transformers Limited
7. Chavan Rishi International Limited
8. A2Z Maintenance & Engineering Services (Uganda) Private Limited till 30.03.2016
9. Magic Genie Services Limited (Formerly known as A2Z Water Solutions Limited w.e.f 18.05.2015)
10. A2Z Singapore Waste Management Holdings Private Limited (till 17.03.2016)
11. A2Z Waste Management (Nainital) Private Limited
12. A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)

III) Associates of A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)

1. A2Z Anaerobic Digestion Limited (Formerly A2Z Waste Management (Basti) Limited)*
- * The Company ceased to be Associate of A2Z Green Waste Management Limited w.e.f. 01.04.2016



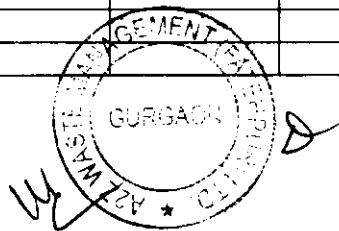
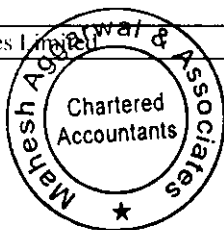
A2Z WASTE MANAGEMENT (FATEHPUR) LIMITED

Notes forming part of the financial statements

(Unless otherwise stated, all amounts are in Indian Rupees)

Note 29.2: Related party transactions

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Holding Company	Fellow Subsidiary	Holding Company	Fellow Subsidiary
Transactions during the period				
Short term loan refunded				
- A2Z Waste Management (Ranchi) Limited	-	23,00,000	-	-
Short term borrowings				
- A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)	4,07,500	-	37,56,256	-
Short term borrowings repaid				
- A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)	24,15,000	-	50,000	-
Interest expenses on loan taken				
- A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)	44,78,909		44,87,787	
- A2Z Waste Management (Balija) Limited	-	6,27,200	-	6,27,200
- A2Z Waste Management (Badaun) Limited	-	21,00,000	-	21,00,000
Interest income on loan given				
- A2Z E Waste Management Limited	-	4,20,000	-	4,31,911
- A2Z Waste Management (Ranchi) Limited	-	1,20,301	-	3,92,000
Sale of goods / services				
- A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)	6,92,600	-	-	-
Expenses incurred on behalf of Company				
- A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)	18,303	-	88,034	-
Payment against Expenses/ Fund Transferred				
- A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)	1,06,087		1,42,346	
Balance outstanding as at the end of the year				
Short term loan given				
- A2Z E Waste Management Limited		30,00,000		30,00,000
- A2Z Waste Management (Ranchi) Limited		5,00,000		28,00,000
Other current liabilities (Interest accrued)				
- A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)	1,46,77,670	-	1,06,46,652	-
- A2Z Waste Management (Balija) Limited	-	20,78,542	-	15,14,062
- A2Z Waste Management (Badaun) Limited	-	69,56,383	-	50,66,383
- A2Z Waste Management (Merrut) Limited	-	73,414	-	73,414
Other current assets (interest accrued)				
- A2Z Waste Management (Mordabad) Limited		82,452		82,452
- A2Z E Waste Management Limited		17,93,944		14,15,944
- A2Z Waste Management (Ranchi) Limited		10,29,191		9,20,920
Short term borrowings				
- A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)	3,17,81,217	-	3,37,88,717	-
- A2Z Waste Management (Balija) Limited	-	44,80,000	-	44,80,000
- A2Z Waste Management (Badaun) Limited	-	1,50,00,000	-	1,50,00,000
Other Advances				
- A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited) (Dr.)	51,92,421	-	44,12,037	-
Trade payables				
- A2Z InfraserVICES Limited		2,11,851	-	2,11,851



A2Z WASTE MANAGEMENT (FATEHPUR) LIMITED
Notes forming part of the financial statements
(Unless otherwise stated, all amounts are in Indian Rupees)

Note 30: Income taxes

Current taxes

The Company does not have any taxable income for the year ended March 31, 2016 under the Income Tax Act, 1961. Accordingly, no provision for income tax has been made in these financial statements.

Deferred tax

The Company follows Accounting Standard (AS-22) "Accounting for taxes on Income" as notified by Rule 7 of the Companies (Accounts) Rules, 2014. Due to accumulated losses, the Company has deferred tax asset with loss as a major component. Since there is no convincing evidence which demonstrates virtual certainty of realization of such deferred tax asset in the near future, the Company has not recognized deferred tax asset on such timing differences.

Note 31: Contingent liability

Contingent liability for preference dividend as on March 31, 2016 is Rs 780 (Previous year - Rs 585)

Note 32: During the year ended March 31, 2011, a consortium comprised of A2Z Infra Engineering Limited (Formerly A2Z Maintenance & Engineering Services Limited), the parent company of A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited) (Formerly a2z Infrastructure Private Limited), M/s Bhumika Transport and Burns Environmental and Technologies (P) Ltd., Sri Lanka has been awarded a project under a tender floated by C&DS, U. P. Jal Nigam ('UPJN') inviting proposals for Development of Municipal Solid Waste Management (MSW) Facilities i.e. Processing and Disposal of MSW on Public Private Partnership (PPP) basis for a concession period of 30 years for the city of Fatehpur in the state of UP in terms of the letter of Award dated August 11, 2010.

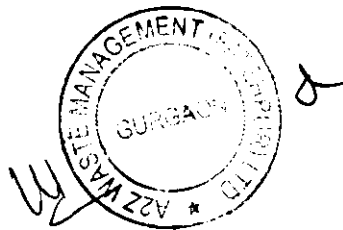
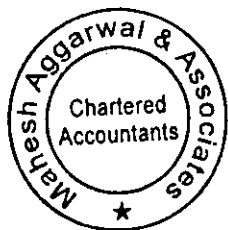
The Scope of work under the project includes:

- (a) Development, finance, construction and operation & maintenance of the MSW Processing Facility with composting as one of the main processes including segregation
- (b) Development, construction and operation and maintenance of the Landfill Facility

It was proposed that the facility be set up in order to achieve the goal of scientific disposal of solid waste. It was also proposed that the project be set up under a Special Purpose Vehicle (SPV). Therefore A2Z Waste Management (Fatehpur) Limited was incorporated as a wholly own subsidiary of A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited) for execution of the project on November 10, 2010.

For the construction of facilities for Processing & Development of MSW an agreement has been entered between A2Z Waste Management (Fatehpur) Limited and C&DS, U.P. Jal Nigam on 18th January 2011.

For the project, it has been proposed to provide the concessionaire with a grant of Rs 731.31 Lacs to the company to meet part of the financial requirements for setting up the facilities. Pending the execution of the work as per signed agreement with the municipal corporation in this regard, the expenses incurred have been disclosed under the head "Capital work in progress" under note 13, while the amount received from UPJN has been disclosed under the head "other current liabilities" under note 10 of the financial statements.



A2Z WASTE MANAGEMENT (FATEHPUR) LIMITED
Notes forming part of the financial statements
 (Unless otherwise stated, all amounts are in Indian Rupees)

Note 33: Unhedged foreign currency exposure

As at March 31, 2016		As at March 31, 2015	
USD	INR (notional)	USD	INR (notional)
7,30,000	4,84,23,017	7,30,000	4,56,91,284

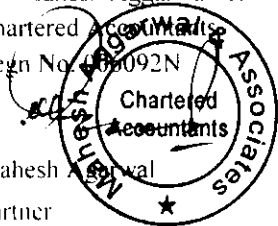
Note 34: Previous year's figures have been regrouped where necessary to confirm to this year's classification.

The accompanying notes forms an integral part of the financial statements

As per our report of even date

For Mahesh Aggarwal & Associates

Chartered Accountants
 Regn No. 0092N
 Chartered Accountants
 Mahesh Aggarwal
 Partner
 M No. 85013



For and on behalf of the Board of Directors

Deepak Agarwal
 Deepak Agarwal
 Director
 Din No. 06540266

Vikas Guliani
 Vikas Guliani
 Director
 Din No. 06873154

Place : Gurgaon

Dated :

