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**INDEPENDENT AUDITOR'S REPORT**

**To the Members of**

A2Z Mayo SNT Waste Management (Nanded) Private Limited  
Gurgaon

**Report on the Ind AS Financial Statements**

1. We have audited the accompanying standalone financial statements of A2Z Mayo SNT Waste Management (Nanded) Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2017, 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 of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 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 Ind AS 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 Ind AS financial statements are free from material misstatement.



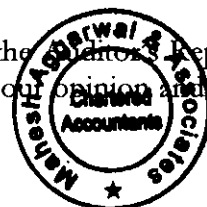
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due 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 Ind AS 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 2017, 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 Ind AS financial statements dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with 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 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 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. 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:



**Mahesh Aggarwal & Associates**

Chartered Accountants  
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Connaught Place, New Delhi-110001.

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- i. the Company does not have any pending litigations which would impact its Ind AS 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.
- iv. The company has provided requisite disclosure in its Ind AS financial statements as to holding as well as dealing in specified bank notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the company to the Ind AS financial statements.

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



Mahesh Aggarwal  
Partner  
M. No. 85013

Place: Gurgaon  
Dated:24.05.2017

Re: [A2Z Mayo SNT Waste Management (Nanded) Private 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 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) The Company does not have any fixed assets. Accordingly the provisions of clause 3(i)(a) to 3(i)(c) of the order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms and other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) of the Order are not applicable.
- (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.
- (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	62044	March 13-March 16



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- (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 no dues payable to banks or financial institutions or debenture holders. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (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 given 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 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, 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.



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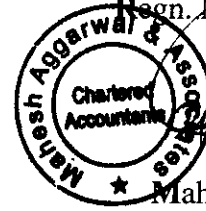
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(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Mahesh Aggarwal & Associates

Chartered Accountants

Regn. No. 006092N



Mahesh Agarwal

Partner

M. No. 85013

Place: Gurgaon

Dated:24.05.2017

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## 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 Mayo SNT Waste Management (Nanded) Private Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the 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 Ind As financial statements, whether due to fraud or error.

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



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### Meaning of Internal Financial Controls over Financial Reporting

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

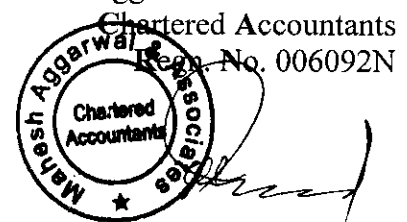
### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, 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



Mahesh Aggarwal

Partner

M. No. 85013

Place: Gurgaon

Dated:24.05.2017



**A2Z MAJO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**

Balance Sheet as at March 31, 2017

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

	Note No.	Balance as at		
		March 31, 2017	March 31, 2016	April 1, 2015
<b>ASSETS:</b>				
<b>Non-Current Assets:</b>				
Capital work-in-progress	3	107.91	107.91	107.91
Other Non-Current Assets	4	25.75	25.75	25.75
		<b>133.66</b>	<b>133.66</b>	<b>133.66</b>
Cash and Cash Equivalents	5	0.05	0.05	0.05
Other Financial Assets	6	7.07	7.07	7.07
		<b>7.12</b>	<b>7.12</b>	<b>7.12</b>
		<b>140.78</b>	<b>140.78</b>	<b>140.78</b>
<b>EQUITY AND LIABILITIES:</b>				
<b>Equity:</b>				
Equity Share Capital	7	5.00	5.00	5.00
Other Equity	8	(5.08)	(2.73)	(0.35)
		<b>(0.08)</b>	<b>2.27</b>	<b>4.65</b>
<b>Current Liabilities:</b>				
<b>Financial Liabilities:</b>				
Borrowings	9	24.53	24.53	24.53
Trade Payables	10	3.85	3.92	3.68
Other Financial Liabilities	11	111.65	109.44	107.51
Other Current Liabilities	12	0.83	0.62	0.41
		<b>140.86</b>	<b>138.51</b>	<b>136.13</b>
		<b>140.78</b>	<b>140.78</b>	<b>140.78</b>
Significant Accounting Policies	2			
Notes to the Financial Statements	1 to 23			

As per our report of even date

For Mahesh Aggarwal &amp; Associates

Chartered Accountants

Regn No. 006092N

Mahesh Aggarwal

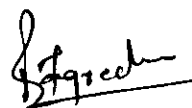
Partner

M.No. 85013

Place: Gurgaon

Date:

For and on behalf of the Board of Directors



Tushar Ramchandra Bagrecha

Director

Din No. 03303426



Manoj tiwari

Director

Din No. 03597274



**A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED****Statement of Profit and Loss for the year ended March 31, 2017**

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

	Note No.	For the Year ended March 31	
		2017	2016
<b>Expenses:</b>			
Finance Costs	13	2.21	2.17
Other Expenses	14	0.13	0.21
Total Expenses		<b>2.34</b>	<b>2.38</b>
<b>Profit for the year</b>		<b>(2.34)</b>	<b>(2.38)</b>
<b>Other Comprehensive Income:</b>			
A i) Items that will not be reclassified to profit and loss		-	-
a) Remeasurement of defined benefit obligations		-	-
ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
a) Remeasurement of defined benefit obligations		-	-
B i) Items that will be reclassified to profit or loss		-	-
ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income</b>		<b>(2.34)</b>	<b>(2.38)</b>
<b>(Loss)/earnings per equity share :</b>			
Basic	15	(4.69)	(4.76)
Diluted		(4.69)	(4.76)
<b>Significant Accounting Policies</b>	2		
<b>Notes to the Financial Statements</b>	1 to 23		

As per our report of even date

**For Mahesh Aggarwal & Associates**

Chartered Accountants

Regn. No. 006092N

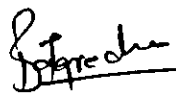
**For and on behalf of the Board of Directors****Mahesh Aggarwal**

Partner

M.No. 85013

Place: Gurgaon

Date:


**Tushar Ramchandra Bagrecha**

Director

Din No. 03303426


**Manoj tiwari**

Director

Din No. 03597274



**A22 MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**  
(Unless otherwise stated, all amounts are in INR Lakhs)

**Statement of Changes in Equity**  
**for the year ended 31st March 2017**

	Notes	Balance as at		
		Share Capital	Other Components of Equity	Total
As at April 1, 2016		5.00	(2.73)	2.27
Transactions with owners		5.00	(2.73)	2.27
Add: Profit for the year	8		(2.34)	(2.34)
Add [Less]: Other Comprehensive income	8		-	-
<b>Total Comprehensive Income</b>		-	(2.34)	(2.34)
Transfer from [to] Reserve				-
<b>As at March 31, 2017</b>		<b>5.00</b>	<b>(5.08)</b>	<b>(0.08)</b>
As at April 1, 2015		5.00	(0.35)	4.65
Transactions with owners		5.00	(0.35)	4.65
Add: Profit for the year	8		(2.38)	(2.38)
Add [Less]: Other Comprehensive income	8		-	-
<b>Total Comprehensive Income</b>		-	(2.38)	(2.38)
Transfer from [to] Reserve				-
<b>As at March 31, 2016</b>		<b>5.00</b>	<b>(2.73)</b>	<b>2.27</b>

As per our report of even date  
For **Mahesh Aggarwal & Associates**  
Chartered Accountants  
Regn No. 006092N

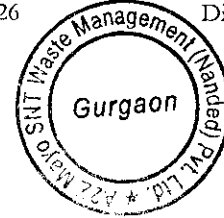
**Mahesh Aggarwal**  
Partner  
M.No. 85013

Place: Gurgaon  
Date:

For and on behalf of the Board of Directors

  
**Tushar Ramchandra Bagrecha**  
Director  
Din No. 03303426

  
**Manoj tiwari**  
Director  
Din No. 03597274



**A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**

Cash flow statement for the year ended March 31, 2017

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

	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>A Cash flow from operating activities</b>		
Net Loss before tax	(2.34)	(2.38)
Adjustment for:		
Interest expense	2.21	2.17
<b>Operating profit/(loss) before working capital changes</b>	<b>(0.13)</b>	<b>(0.21)</b>
Changes in working capital:		
Adjustments for increase / (decrease) in operating liabilities:		
Trade payable	(0.07)	0.24
Short term provision	0.53	0.25
<b>Net cash generated from operating activities</b>	<b>0.32</b>	<b>0.28</b>
<b>B Cash flow from investing activities</b>		
Purchase of Property, Plant & Equipment (including capital work in progress)	-	(0.00)
<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>(0.00)</b>
<b>C Cash flow from financing activities</b>		
Interest paid	(0.32)	(0.28)
<b>Net cash used in from financing activities</b>	<b>(0.32)</b>	<b>(0.28)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>0.00</b>	<b>(0.00)</b>
Cash and cash equivalents at the beginning of the year	0.05	0.05
<b>Cash and cash equivalents at the end of the year</b>	<b>0.05</b>	<b>0.05</b>
<b>Components of cash and cash equivalents</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
Cash on hand	-	-
Balances with banks	-	-
- in current account	0.05	0.05
	<b>0.05</b>	<b>0.05</b>

**Note:**

- 1) Figures in brackets indicate cash outflow.
- 2) The figures of the previous year have been regrouped/reclassified, where necessary, to confirm with the classification of the current year.

**Summary of Significant Accounting Policies**

1&amp;2

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

**For Mahesh Aggarwal & Associates**

Chartered Accountants

Regn. No. 006092N

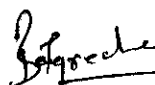
**Mahesh Agarwal**

Partner

M.No. 85013

Place : Gurgaon

Date :

**For and on behalf of Board of Directors**

**Tushar Ramchandra Bagrecha**

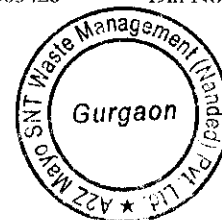
Director

Din No. 03303426


**Manoj Tiwari**

Director

Din No. 03597274



## A2z MAYO SNT Waste Management (Nanded) Limited

### Note 1 : Nature of operations

A2Z Mayo SNT Waste Management (Nanded) Private Limited ('A2Z' or 'the Company' or 'SPV') is the subsidiary of A2Z Green Waste Management Ltd. (Formerly A2Z Infrastructure Limited). It was incorporated at National Capital Territory of Delhi and Haryana on August 7, 2012 for providing Waste Management Services.

### Note 2 : Significant Accounting Policies

#### 2.1 Basis of Accounting:

The financial statements of the Company have been prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

In 2016 the Company has not applied any new accounting policies or made other retrospective changes that have a material effect on the statement of financial position as at 1 April 2015. Accordingly, the Company is not required to present a third statement of financial position as at that date. However, the Company has elected to provide this additional comparative information together with related notes as permitted by Ind AS 1 'Presentation of Financial Statements'.

#### 2.2 Foreign Currency Transactions:

The Company's financial statements are presented in INR, which is also the functional currency of the Company.

Foreign currency transactions are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate).

Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the Statement of Profit and Loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in Statement of Profit and Loss in the period in which they arise. When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss shall be recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in Statement of Profit and Loss, any exchange component of that gain or loss shall be recognised in the Statement of Profit and Loss.

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Company itself.

### 2.3 Segment Reporting

#### 2.3.1 Business segments

Operating Segments are identified based on financial information that is regularly reviewed by the chief operating decision maker (CODM) in deciding how to allocate resources and in assessing performance. The primary reporting of the Company has been performed on the basis of business segment. Segments have been identified and reported based on the nature of the products, the risks and returns, the organization structure and the internal financial reporting systems. The Company is operating into following segments – (i) Power generation projects ('PGP')

### 2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sales tax/ Value Added Tax [VAT] is not received by the Company on its own account. Rather, it is tax collected on value added to the Goods by the Company on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

#### 2.4.1 Revenue from Service Contracts :

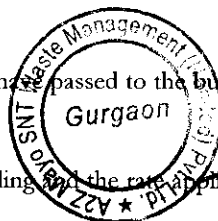
Revenue from collection and transportation of municipal solid waste is accounted for when the services are rendered in terms of the contract entered with the local municipal bodies.

#### 2.4.2 Revenue from sale of goods :

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the

#### 2.4.3 Interest Income:

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



*Signature*

#### 2.4.4 Other Income:

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

#### 2.5 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 period 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 period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

#### 2.6 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 2.9. 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.

#### 2.7 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.

#### 2.8 Leased Assets

##### 2.8.1 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

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.

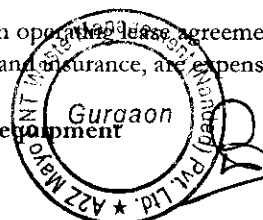
See Note 2.7 for the depreciation methods and useful lives for assets held under finance leases.

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

##### 2.8.2 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.

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



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**A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**  
(Unless otherwise stated, all amounts are in INR Lakhs)

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.

## **2.10 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

### **2.10.1 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.

### **2.10.2 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 :

- a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- b) 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:

- a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- b) 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

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.

### **2.10.3 Impairment of financial assets:**

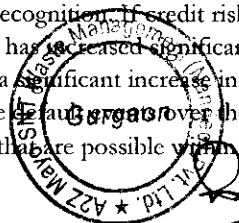
In accordance with Ind AS 109, the Company applies expected credit loss [ECL] model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g. security deposits
- b. Financial assets that are available for sale.
- c. 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 period, 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

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



*B. J. G. Reddy*

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 period 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

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

#### 2.10.4 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.

#### 2.10.5 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 period 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

#### 2.10.6 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.

#### 2.11 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.

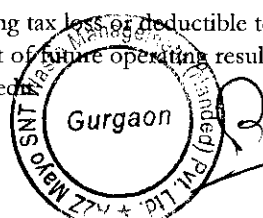
#### 2.12 Income Taxes

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

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 period. 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.

#### 2.13 Cash and Cash Equivalents



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## A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED

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

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

### 2.14 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 (see Note 2.15)
- Retained earnings includes all current and prior period retained profits and share-based employee remuneration (see Note 29). 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.

### 2.15 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 period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

#### 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

#### 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.

### 2.16 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 period, including the interim reporting date, if

### 2.17 Significant management judgement in applying accounting policies and estimation uncertainty

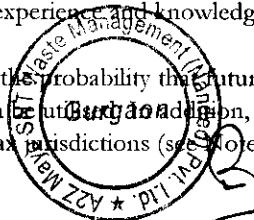
#### Recognition of service revenues :

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. (see Note

#### 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 (see Note 2.12).

### 2.18 Estimation Uncertainty



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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 (see Note 2.9).

**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

**Construction contract revenue**

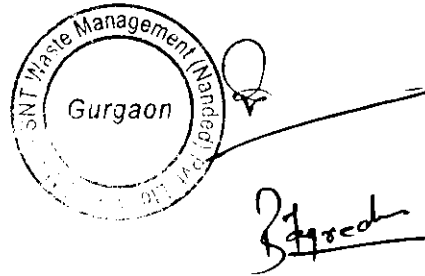
Recognised amounts of construction contract revenues and related receivables reflect management's best estimate of each contract's outcome and stage of completion. For more complex contracts in particular, costs to complete and contract profitability are subject to significant estimation uncertainty (see Note 2.4).

**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 (as analysed in Note 29).

**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



A circular stamp of A2Z Mayo SNT Waste Management (Nanded) Private Limited, Gurgaon, is present. The stamp contains the text "A2Z Mayo SNT Waste Management (Nanded) Private Limited" around the perimeter and "Gurgaon" in the center. A handwritten signature is written over the stamp, and a long horizontal line extends from the right side of the signature.

**A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**  
(Unless otherwise stated, all amounts are in INR Lakhs)

**Note 7 : Equity Share Capital**

Particulars	No. of Shares	Amount
Authorized Share Capital		
Equity Shares of Rs. 10 each		
Balance as at April 1, 2015	50,000	5.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2016	50,000	5.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2017	50,000	5.00

Reconciliation of the shares outstanding at the beginning and at the end of the reporting year is given below:

Equity Shares of Amount (Rs) 10/- each, Issued, Subscribed and Fully Paid-up:	Balance as at		
	March 31, 2017	March 31, 2016	April 1, 2015
Beginning of the year	50,000	50,000	50,000
Change during the year	-	-	-
Total shares authorised as at	50,000	50,000	50,000

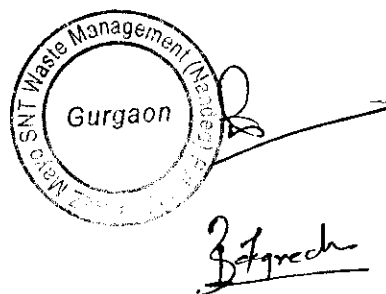
The company has only one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays dividend in indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the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

**Details of shareholders holding more than 5% shares in the Company**

Name of Shareholder	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
A2z Green Waste Management Limited (formerly known as A2z Infrastructure Limited)	30,000	60%	30,000	60%	30,000	60%
Mayo SNT Infrastructure Private Limited	20,000	40%	20,000	40%	20,000	40%
Closing Balance	50,000	100%	50,000	100%	50,000	100%

**Note 8 : Other Components of Equity**

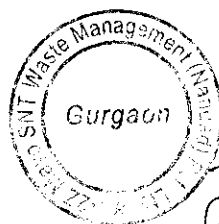
Particulars	Securities premium account	Retained Earnings	Total
As at April 1, 2016	-	(2.73)	(2.73)
Profit for the year	-	(2.34)	(2.34)
Total	-	(2.34)	(2.34)
Impact of Ind AS:	-	(2.34)	(2.34)
Total	-	(5.08)	(5.08)
As at March 31, 2017	-	(5.08)	(5.08)
As at April 1, 2015	-	(0.35)	(0.35)
Profit for the year	-	(2.38)	(2.38)
Total	-	(2.38)	(2.38)
Impact of Ind AS:	-	(2.38)	(2.38)
Total	-	(2.38)	(2.38)
As at March 31, 2016	-	(2.73)	(2.73)



**A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED****(Unless otherwise stated, all amounts are in INR Lakhs)****Note 3 : Property, Plant and Equipment**

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

	Capital Work In Progress*
<b>Gross Carrying Amount:</b>	
Balance as at April 1, 2016	107.91
Additions	-
Disposals	-
Other adjustments	-
<b>Balance as at March 31, 2017</b>	<b>107.91</b>
<b>Depreciation and Impairment:</b>	
Balance as at April 1, 2016	-
Depreciation for the year	-
Impairment for the year	-
Disposals	-
<b>Balance as at March 31, 2017</b>	<b>-</b>
<b>Net Carrying Amount:</b>	
<b>Balance as at March 31, 2017</b>	<b>107.91</b>
<b>Gross Carrying Amount:</b>	
Balance as at April 1, 2015	107.91
Additions	0.00
Disposals	-
Other adjustments	-
<b>Balance as at March 31, 2016</b>	<b>107.91</b>
<b>Depreciation and Impairment:</b>	
Balance as at April 1, 2015	-
Depreciation for the year	-
Impairment for the year	-
Disposals	-
<b>Balance as at March 31, 2016</b>	<b>-</b>
<b>Net Carrying Amount:</b>	
<b>Balance as at March 31, 2016</b>	<b>107.91</b>
<b>Net Carrying Amount:</b>	
<b>Balance as at April 1, 2015</b>	<b>107.91</b>



*[Handwritten signature]*

**A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**  
(Unless otherwise stated, all amounts are in INR Lakhs)

**Note 4 : Other Assets**  
[Unsecured, Considered Good  
unless otherwise stated]

	Balance as at					
	March 31, 2017		March 31, 2016		April 1, 2015	
	Current	Non - Current	Current	Non-Current	Current	Non - Current
Advance recoverable in kind						
Considered good	-	25.75	-	25.75	-	25.75
Considered doubtful	-	-	-	-	-	-
Less: Provision for doubtful deposits	-	-	-	-	-	-
Advances recoverable in kind	-	25.75	-	25.75	-	25.75
<b>Total</b>	-	<b>25.75</b>	-	<b>25.75</b>	-	<b>25.75</b>

**Note 5 : Cash and Cash Equivalents**

Balances with Banks in Current Account  
Cash on Hand  
**Total**

	Balance as at		
	March 31, 2017	March 31, 2016	April 1, 2015
Balances with Banks in Current Account	0.05	0.05	0.05
Cash on Hand	-	-	-
<b>Total</b>	<b>0.05</b>	<b>0.05</b>	<b>0.05</b>

**Note 6 : Other Financial Assets**

Advance recoverable in cash

    Considered good

    Considered doubtful

    Less: Provision for doubtful deposits

Advance recoverable in cash

Bank deposits with more than 12 months maturity

**Total**

	Balance as at					
	March 31, 2017		March 31, 2016		April 1, 2015	
	Current	Non - Current	Current	Non-Current	Current	Non - Current
Advance recoverable in cash						
Considered good	7.07	-	7.07	-	7.07	-
Considered doubtful	-	-	-	-	-	-
Less: Provision for doubtful deposits	-	-	-	-	-	-
Advance recoverable in cash	7.07	-	7.07	-	7.07	-
Bank deposits with more than 12 months maturity	-	-	-	-	-	-
<b>Total</b>	<b>7.07</b>	-	<b>7.07</b>	-	<b>7.07</b>	-

**Note 9 : Current Borrowings**

Fair value:

Loan from Group Company (Unsecured)

Unsecured borrowings from others (Unsecured)

**Total**

	Balance as at		
	March 31, 2017	March 31, 2016	April 1, 2015
Loan from Group Company (Unsecured)	15.00	15.00	15.00
Unsecured borrowings from others (Unsecured)	9.53	9.53	9.53
<b>Total</b>	<b>24.53</b>	<b>24.53</b>	<b>24.53</b>

**Current Borrowings**

**Unsecured**

Loan from Group Company

Unsecured borrowings from others

**Total Current Borrowings**

	Maturity Date	Terms of Repayment	Coupon Rate/ Interest Rate	Balance as at		
				March 31, 2017	March 31, 2016	April 1, 2015
Loan from Group Company	On demand	On demand	10.75% - 14%	15.00	15.00	15.00
Unsecured borrowings from others	On demand	On demand	Interest Free	9.53	9.53	9.53
<b>Total Current Borrowings</b>				<b>24.53</b>	<b>24.53</b>	<b>24.53</b>

**Note 10 : 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

Other than acceptances: due to subsidiaries

**Total**

	Balance as at		
	March 31, 2017	March 31, 2016	April 1, 2015
Other than acceptances: total outstanding dues of micro and small enterprises	-	-	-
Other than acceptances: total outstanding dues of creditors other than micro and small	3.85	3.92	3.68
Other than acceptances: due to subsidiaries	-	-	-
<b>Total</b>	<b>3.85</b>	<b>3.92</b>	<b>3.68</b>

**Note 11 : Other Financial Liabilities**

Amount payable to Group Company

Interest accrued and due on Group Company

**Total**

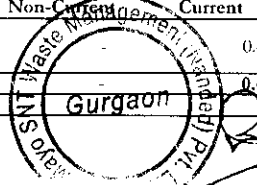
	Balance as at					
	March 31, 2017		March 31, 2016		April 1, 2015	
	Current	Non - Current	Current	Non-Current	Current	Non - Current
Amount payable to Group Company	104.17	-	103.86	-	103.82	-
Interest accrued and due on Group Company	7.47	-	5.58	-	3.69	-
<b>Total</b>	<b>111.65</b>	-	<b>109.44</b>	-	<b>107.51</b>	-

**Note 12 : Other Liabilities**

Statutory dues payable

**Total**

	Balance as at					
	March 31, 2017		March 31, 2016		April 1, 2015	
	Current	Non - Current	Current	Non-Current	Current	Non - Current
Statutory dues payable	0.83	-	0.62	-	0.41	-
<b>Total</b>	<b>0.83</b>	-	<b>0.62</b>	-	<b>0.41</b>	-



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**A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**  
(Unless otherwise stated, all amounts are in INR Lakhs)

**Note 13 : Finance Cost**

Interest expense [~]  
Other Borrowing Costs  
Bank commission & charges

**Total**

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

On others  
On Group Company  
Total

For the Year ended March 31	
2017	2016
2.21	2.17
-	-
<b>2.21</b>	<b>2.17</b>
0.11	0.07
2.10	2.10
<b>2.21</b>	<b>2.17</b>

**Note 14 : Other Expenses**

Legal and Professional  
Payment to auditors  
As auditor :  
- Statutory audit fee  
Fees and subscription / inspection charges  
**Total**

For the Year ended March 31	
2017	2016
-	0.07
-	-
-	-
0.10	0.10
0.03	0.04
<b>0.13</b>	<b>0.21</b>

**Note 15 : EPS**

**Earnings per share and dividends**

**Earnings 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 2015 or 2016.

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**

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

	Balance as on 31 March 2017	Balance as on 31 March 2016
	50,000	50,000
	-	-
<b></b>	<b>50,000</b>	<b>50,000</b>

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

Profit attributable to Shareholders	INR in lakhs	(2.34)	(2.38)
Basic and weighted average number of Equity shares outstanding during the year	Numbers	50,000	50,000
Nominal value of equity share	INR	10.00	10.00
Basic & Diluted EPS	INR	(4.69)	(4.76)



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# A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED

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

## 16 Related party disclosures

### Names of related parties

#### Ultimate Holding company

A2Z Infra Engineering Limited (Formerly A2Z Maintenance & Engineering Services Limited )

#### Holding company

A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited )

#### Fellow Subsidiaries

- 1 A2Z Waste Management (Merrut) Limited
- 2 A2Z Waste Management (Moradabad) Limited
- 3 A2Z Waste Management (Varanasi) Limited
- 4 A2Z Waste Management (Aligarh) Limited
- 5 A2Z Waste Management (Balia) Limited
- 6 A2Z Waste Management (Badaun) Limited
- 7 A2Z Waste Management (Batehpur) Limited
- 8 A2Z Waste Management (Jaunpur) Limited
- 9 A2Z Waste Management (Mirzapur) Limited
- 10 A2Z Waste Management (Ranchi) Limited
- 11 A2Z Waste Management (Sambhal) Limited
- 12 A2Z Waste Management (Ludhiana) Limited
- 13 A2Z Waste Management (Dhanbad) Private Limited
- 14 Green Waste Management Private Limited ( strike off w.e.f.23.09.2016 )
- 15 A2Z Waste Management (Jaipur) Limited
- 16 A2Z Waste Management (Ahmedabad) Limited
- 17 Shree Balaji Pottery Private Limited
- 18 Shree Hari Om Utensils Private Limited
- 19 Earth Environment Management Services Private Limited

### Subsidiaries of A2Z Infra Engineering Limited (Formerly A2Z Maintenance & 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 Private Limited
- 6 Star Transformers Limited
- 7 Chavan Rishi International Limited
- 8 Magic Genie Services Limited (Formerly known as A2Z Water Solutions Limited w.e.f 18.05.2015)
- 9 A2Z Waste Management (Nainital) Private Limited
- 10 A2Z Maintenance & Engineering Services Limited and Satya Builders (Association of person)
- 11 A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited )

### Subsidiary of A2Z Infraservices Limited

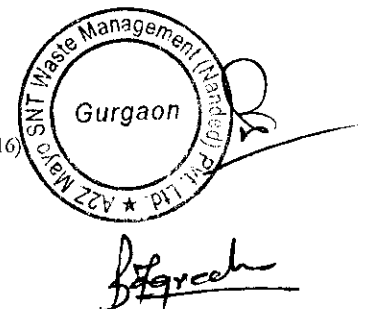
- 1 Ecogreen Envirotech Solutions Limited (Formerly known as A2Z Waste Management (Loni) Limited)
- 2 A2Z Infraservices Lanka (Pvt.) Ltd. (incorporated w.e.f. 06.01.2017)

### Subsidiary of Magic Genie Services Limited (Formerly known as A2Z Water Solutions Limited w.e.f 18.05.2015)

- 1 Magic Genie Smartech Solutions Limited (incorporated w.e.f. 24.06.2016)

### Associate enterprises of A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited )

- 1 A2Z Waste Management (Nainital) Private Limited (formerly Maratha Bijlee Private Limited)
- 2 A2Z Anaerobic Digestion Limited (Formerly A2Z Waste Management (Basti) Limited) (cessed to be associate w.e.f. 01.04.2016)



**A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**

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

**Related party transactions**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
	Holding Company	Holding Company	Holding Company
<b>Transactions during the year / period</b>			
<b>Interest expense on loan taken</b>			
- A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)	2.10	2.10	2.10
<b>Expenses incurred on behalf of Company</b>			
- A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)	0.32	0.04	0.02
<b>Balance outstanding as at the end of the year / period</b>			
<b>Short term borrowings</b>			
- A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)	0.00	15.00	15.00
<b>Other current liabilities (Interest accrued)</b>			
- A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)	0.00	5.58	3.69
<b>Sundry Creditors</b>			
- A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)	0.00	103.86	103.82

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**AZZ MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**  
**(Unless otherwise stated, all amounts are in INR Lakhs)**

**Note 17 : Financial risk management**

**(i) Financial Instruments by Category**

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

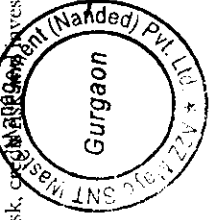
Particulars	31-Mar-17			31-Mar-16			01-Apr-15		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial Assets</b>									
Cash and Cash equivalents			0.05			0.05			0.05
Advance recoverable in cash			7.07			7.07			7.07
<b>Total Financial Assets</b>	-	-	<b>7.12</b>	-	-	<b>7.12</b>	-	-	<b>7.12</b>
<b>Financial Liabilities</b>									
Borrowings			133.97			133.97			132.04
Trade payables			3.85			3.92			3.68
<b>Total Financial Liabilities</b>	-	-	<b>140.03</b>	-	-	<b>137.89</b>	-	-	<b>135.72</b>

**(ii) Risk Management**

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

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	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 not 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 price	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.



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**A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**  
 (Unless otherwise stated, all amounts are in INR Lakhs)

**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:

	INR		
	As at		
	March 31, 2017	March 31, 2016	April 1, 2015
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	-	-	-

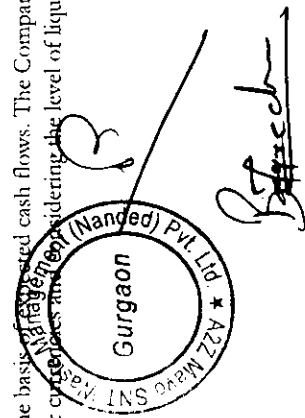
In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any Company of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various industries and geographical areas. 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 derivative 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 projected 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.



**A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**  
**(Unless otherwise stated, all amounts are in INR Lakhs)**

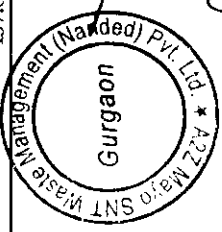

**Maturities of financial liabilities**

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.

<b>March 31, 2017</b>	<b>Less than 1 year</b>	<b>1-2 year</b>	<b>2-3 year</b>	<b>More than 3 years</b>	<b>Total</b>
<b>Non-derivatives</b>					
Borrowings	138.28	-	-	-	138.28
Trade payables	3.85	-	-	-	3.85
Capital creditors	-	-	-	-	-
Security deposits received	-	-	-	-	-
<b>Total</b>	<b>142.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>142.13</b>

<b>March 31, 2016</b>	<b>Less than 1 year</b>	<b>1-2 year</b>	<b>2-3 year</b>	<b>More than 3 years</b>	<b>Total</b>
<b>Non-derivatives</b>					
Borrowings	136.07	-	-	-	136.07
Trade payables	3.92	-	-	-	3.92
Capital creditors	-	-	-	-	-
Security deposits received	-	-	-	-	-
<b>Total</b>	<b>139.99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>139.99</b>

<b>April 1, 2015</b>	<b>Less than 1 year</b>	<b>1-2 year</b>	<b>2-3 year</b>	<b>More than 3 years</b>	<b>Total</b>
<b>Non-derivatives</b>					
Borrowings	134.14	-	-	-	134.14
Trade payables	3.68	-	-	-	3.68
Capital creditors	-	-	-	-	-
Security deposits received	-	-	-	-	-
<b>Total</b>	<b>137.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>137.82</b>

**AZZ MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**  
**(Unless otherwise stated, all amounts are in INR Lakhs)**

**(a) Interest rate risk**  
**(i) Liabilities**

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2017, 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	March 31, 2017	March 31, 2016	April 1, 2015
Variable rate borrowing	24.53	24.53	24.53
Fixed rate borrowing	24.53	24.53	24.53
Total borrowings	24.53	24.53	24.53

**Sensitivity**

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

Particulars	March 31, 2017	March 31, 2016
Interest sensitivity*		
Interest rates – increase by ___ basis points (100 bps)	0.17	0.17
Interest rates – decrease by ___ basis points (200 bps)	(0.34)	(0.34)

\* Holding all other variables constant

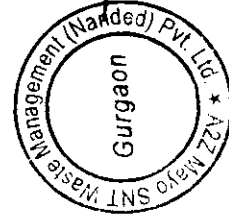
**(ii) Assets**

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**Interest rate risk exposure**

Below is the overall exposure of the deposits:

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Fixed rate deposits			
Total deposits			



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