

Suraj Bhalla & Associates

Chartered Accountants

34, 2nd Floor, Sainik Vihar, Pitampura, DELHI – 110034

Phone : 9811968321

INDEPENDENT AUDITOR'S REPORT

To

Members of

A2Z Mayo SNT Waste Management (Nanded) Private Limited

Delhi

Report on the 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 2015, 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

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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 2015, and its profit/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, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) 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 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 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 did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Suraj Bhalla & Associates
Regn. No. 024798N
Chartered Accountants


Suraj Bhalla
Partner
M. No. 521246

Place : Delhi

Dated : 23 MAY 2015

Suraj Bhalla & Associates

Chartered Accountants

34, 2nd Floor, Sainik Vihar, Pitampura, DELHI – 110034

Phone : 9811968321

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 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) 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 or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.
- (iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (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) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth 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 with the appropriate authorities and there have been significant delays in a large number of cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

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Suraj Bhalla & Associates

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Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates
Income Tax Act	TDS	20,022	March-13

- (b) 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.
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder. Accordingly, the provisions of clause 3(vii)(c) of the Order are not applicable.
- (viii) The Company has been registered for a period of less than five years. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company has no dues payable to a financial institution or a bank or debenture-holders during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) The Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 3(x) of the Order are not applicable.
- (xi) The Company did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(xi) of the Order are not applicable.
- (xii) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

For Suraj Bhalla & Associates
Regn. No. 024798N
Chartered Accountants


Suraj Bhalla
Partner
M. No. 521246

Place : Delhi
Dated :

23 MAY 2015

A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED

Balance sheet as at March 31, 2015

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

	Note	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	3	5,00,000	5,00,000
Reserves and surplus	4	(35,170)	(11,536)
		4,64,830	4,88,464
Current liabilities			
Short-term borrowings	5	24,53,000	24,53,000
Trade payables	6	3,67,652	3,46,436
Other current liabilities	7	1,07,92,514	1,05,80,096
		1,36,13,166	1,33,79,532
		1,40,77,996	1,38,67,996
Assets			
Non-current assets			
Capital work-in-progress	8	1,07,90,672	1,05,80,437
Long term loans and advances	9	25,75,036	25,62,961
		1,33,65,708	1,31,43,398
Current assets			
Cash and cash equivalents	10	5,188	6,398
Short-term loans and advances	11	7,07,100	7,18,200
		7,12,288	7,24,598
		1,40,77,996	1,38,67,996

The accompanying notes forms an integral part of the financials statements

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

For Suraj Bhalla & Associates

Chartered Accountants

Regn No. 024798N



Suraj Bhalla

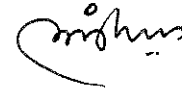
Partner

M No. 521246

For and on behalf of the board of directors

Tushar Ramchandra
Bagrecha

Director



Manoj Tiwari

Director

Place : Gurgaon

Date: 23 Mar 2015



A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**Statement of profit and loss for the year ended March 31, 2015**

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

	Note	For the year ended March 31, 2015	For the year ended March 31, 2014
Expenses			
Finance costs	12	7,508	-
Other expenses	13	16,126	5,918
Total expenses		23,634	5,918
Profit / (loss) before tax for the year / period		(23,634)	(5,918)
Net profit / (loss) for the year / period		(23,634)	(5,918)
Earning per share	14		
Basic earning per share		(0.47)	(0.12)
Diluted earning per share		(0.47)	(0.12)

The accompanying notes forms an integral part of the financials statements

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

For Suraj Bhalla & Associates

Chartered Accountants

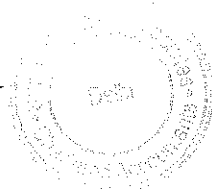
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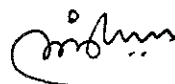
Suraj Bhalla

Partner

M No. 521246

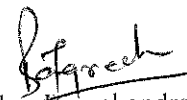


For and on behalf of the board of directors



Manoj Tiwari

Director

Tushar Kamchandra
Bagrecha

Director



Place : Gurgaon

Date : 23 MAY 2015

A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED

Cash flow statement for the year ended March 31, 2015

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

	For the year ended March 31, 2015	For the year ended March 31, 2014
A. Cash flow from/ (used in) operating activities		
Net profit / (loss) before tax	(23,634)	(5,918)
Adjustments for :		
Interest expense	7,508	-
Operating loss before working capital changes	(16,126)	(5,918)
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Long-term loans and advances	(12,075)	(23,62,961)
Short-term loans and advances	11,100	(7,18,200)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	21,216	3,35,618
Other current liabilities	23,418	20,322
	27,533	(27,31,139)
Net cash generated from / (used in) operating activities	27,533	(27,31,139)
B. Cash flow from / (used in) investing activities		
Purchase of fixed assets/ capital work in process (net)	(235)	(501)
Net cash generated from / (used in) investing activities	(235)	(501)
C. Cash flow from/ (used in) financing activities		
Proceeds from equity share capital	-	-
Proceeds / (repayment) from short term borrowings (net)	-	24,53,000
Interest paid	(28,508)	(20,022)
Net cash generated from / (used in) financing activities	(28,508)	24,32,978
Net increase/ (decrease) in cash and cash equivalents	(1,210)	(2,98,662)
Cash and cash equivalents at the beginning of the year	6,398	3,05,060
Cash and cash equivalents at the end of the year	5,188	6,398

Particulars	As at March 31, 2015	As at March 31, 2014
Components of cash and cash equivalents:		
Balances with Scheduled Banks		
On current accounts	5,188	6,398
On deposits accounts		
	5,188	6,398

The accompanying notes forms an integral part of the financials statements

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

For Suraj Bhalla & Associates

Chartered Accountants

Regn No. 024798N

Suraj Bhalla

Suraj Bhalla

Partner

M No. 521246

For and on behalf of the board of directors

Manoj Tiwari

Manoj Tiwari

Director

Tushar Ramchandra Bagrecha

Tushar Ramchandra
Bagrecha

Director

Place Gurgaon

Date

23 MAY 2015



A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

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

1. Nature of Operations

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

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.

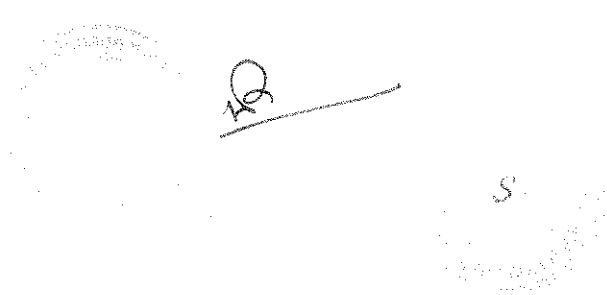
Interest

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 use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get 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

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In accordance with the requirements of Schedule II of the Companies Act, 2013, management has re-assessed the useful lives of the fixed assets.

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.

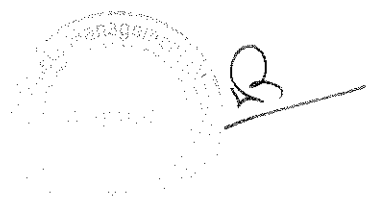
iv) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

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'.

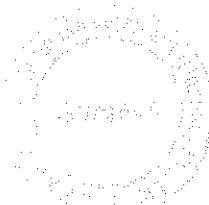
l) Leases

Where the Company is the lessee:

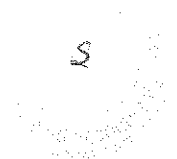
Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

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.



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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) Provisions

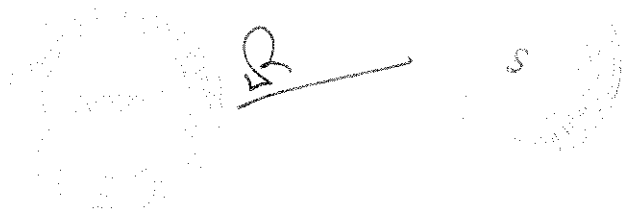
A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined 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.

p) 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.

q) 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".

A handwritten signature in black ink is written over a circular stamp. The stamp contains some illegible text and a central emblem. To the right of the signature, there is another smaller circular stamp, also containing illegible text.

A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**Notes to the financial statements**

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

Note 3: Share Capital**Authorised**

	As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount
Authorised	50,000	5,00,000	50,000	5,00,000
Issued, subscribed and fully paid up	50,000	5,00,000	50,000	5,00,000
0.01% Non participative cumulative redeemable	-	-	-	-
Equity shares of Rs 10 each fully paid up	50,000	5,00,000	50,000	5,00,000

Note 3.1: Reconciliation of equity share capital

Balance at the beginning of the year
Add : Shares issued during the year
Shares outstanding at the end of the year

	As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount
Balance at the beginning of the year	50,000	5,00,000	-	-
Add : Shares issued during the year	-	-	50,000	5,00,000
Shares outstanding at the end of the year	50,000	5,00,000	50,000	5,00,000

Note 3.2: Terms and rights attached to equity shares

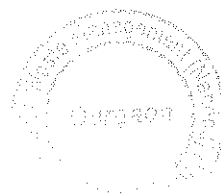
The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share and also are entitled to receive dividend after preference shares. The Company declares and pays dividend in Indian Rupees. In the events of liquidation 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: Detail of equity shares held by A2Z Infrastructure Limited, the holding Company

	As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount
Equity shares of Rs 10 each fully paid up				
A2Z Infrastructure Limited	30,000	3,00,000	30,000	3,00,000

Note 3.4: Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at March 31, 2015		As at March 31, 2014	
	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares of Rs 10 each fully paid up				
A2Z Infrastructure Limited	30,000	60%	30,000	60%
Mayo SNT Infrastructure Private Limited	20,000	40%	20,000	40%

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A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**Notes to the financial statements**

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

	As at March 31, 2015	As at March 31, 2014
Note 4: Reserves and Surplus		
Surplus / (deficit) in statement of profit and loss		
Balance at the beginning of the year	(11,536)	(5,618)
Add : Transfer from statement of profit and loss	(23,634)	(5,918)
Balance at the end of the year	(35,170)	(11,536)
Note : 5 Short Term Borrowings		
Unsecured Loans		
- From holding Company	15,00,000	15,00,000
- From others	9,53,000	9,53,000
	24,53,000	24,53,000
Unsecured loan carries an interest rate of 14% p.a. and are repayable on demand.		
Note 6: Trades Payable		
a) Total outstanding dues of micro and small enterprises (Refer Note 6.1)	3,67,652	3,46,436
b) Total outstanding dues to others	3,67,652	3,46,436
Note 6.1: 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 7: Other current liabilities		
Interest Accrued and due on short term borrowings	3,69,197	1,80,197
Statutory dues payable	41,022	20,022
Payable to Holding Company	1,03,82,295	1,03,79,877
	1,07,92,514	1,05,80,096
Note 8: Capital work in progress		
Building Under Construction	58,33,447	58,33,447
Finacial Costs	4,11,095	2,00,860
Personnel expenses	11,39,747	11,39,747
Other directly attributable expenses	34,06,383	34,06,383
	1,07,90,672	1,05,80,437
Note 9: Long term loans and advances (unsecured considered good)		
Capital advances	25,75,036	25,62,961
	25,75,036	25,62,961
Note 10: Cash and cash equivalents		
Balances with banks in current account	5,188	6,398
	5,188	6,398
Note 11: Short terms loans and advances (Unsecured considered good)		
Advances recoverable in cash or in kind or for value to be received	7,07,100	7,18,200
	7,07,100	7,18,200



A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED**A2z Mayo SNT Waste Management (Nanded) Private Limited****Notes to the financial statements****(Unless otherwise stated, all amounts are in Indian Rupees)**

	For the year ended March 31, 2015	For the year ended March 31, 2014
Note 12: Finance Cost		
Interest Expenses	7,508	-
	7,508	-
Note 13: Other expenses		
Legal and professional charges	3,708	-
Fee & Subscription	2,418	300
Payment to auditors		
As auditor:		
-Statutory audit fees	10,000	5,618
	16,126	5,918

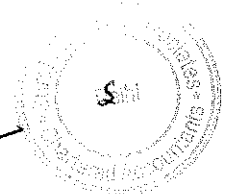
Note 14: Earnings per share (EPS)

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	(23,634)	(5,918)
Basic earning per share	(0.47)	(0.12)
Diluted earning per share	(0.47)	(0.12)
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

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A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED

Notes to the financial statements

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

Note 15.2: Related party transactions

Particulars	For the year ended March 31, 2015			For the year ended March 31, 2014		
	Ultimate Holding Company	Holding Company	Fellow subsidiary	Ultimate Holding Company	Holding Company	Fellow subsidiary
Transactions during the year / period						
Short term loan taken						
- A2Z Infrastructure Limited					15,00,000	
Interest expense on loan taken						
- A2Z Infrastructure Limited		2,10,000			2,00,219	
Expenses incurred on behalf of Company						
- A2Z Infrastructure Limited		2,418			1,03,79,577	
Balance outstanding as at the end of the year / period						
Short term borrowings						
- A2Z Infrastructure Limited		15,00,000			15,00,000	
Other current liabilities (Interest accrued)						
- A2Z Infrastructure Limited		3,69,197			1,80,197	
Sundry Creditors						
- A2Z Infrastructure Limited		1,03,82,295			1,03,79,877	

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A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED

Notes to the financial statements

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

Note 15: Related party

Note 15.1: Names of related parties

Ultimate Holding Company

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

Holding Company

A2Z Infrastructure Limited

I) Fellow subsidiaries of A2Z Infrastructure limited

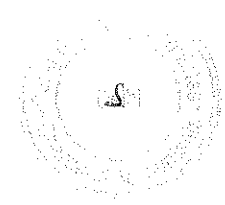
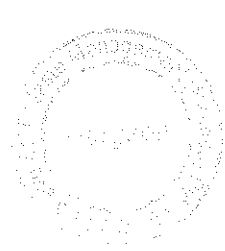
1. A2Z Waste Management (Merrut) Limited
2. A2Z Waste Management (Moradabad) Limited
3. A2Z Waste Management (Varanasi) Limited
4. A2Z Waste Management (Badaun) Limited
5. A2Z Waste Management (Balua) Limited
6. A2Z Anaerobic Digestion Limited (Formerly A2Z Waste Management (Basti) Limited) (Till June 5, 2014)
7. A2Z Waste Management (Fatehpur) Limited
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 (Formerly A2Z Waste Management (Haridwar) Private Limited)
16. A2Z Waste Management (Jaipur) Limited
17. A2Z Waste Management (Ahmedabad) Limited
17. A2Z Waste Management (Aligarh) Limited
19. Shree Balaji Pottery Private Limited (with effect from May 23, 2014)
20. Shree Hari Om Utensils Private Limited (with effect from May 23, 2014)
21. 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. Madhya Bijlee Private Limited (Till December 23, 2013)
7. Mirage Bijlee Private limited (Till March 1, 2014)
8. Star Transformers Limited
9. Chavan Rishi International Limited
10. A2Z Maintenance & Engineering Services (Uganda) Private Limited
11. A2Z Water Solutions Limited
12. A2Z Singapore Waste Management Holdings Private Limited
13. A2Z Disaster Management and Innovative Response Education Private Limited (Till December 23, 2013)
14. Pioneer Waste Management Private Limited (Till December 23, 2013)
15. A2Z Waste Management (Nainital) Private Limited

Subsidiary of A2Z Singapore Waste Management Holdings Private Limited:

1. A2Z Waste Management Private Limited (till January 8, 2015)



A2Z MAYO SNT WASTE MANAGEMENT (NANDED) PRIVATE LIMITED

Notes to the financial statements

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

Note 16: Income taxes

Current taxes

The Company does not have any taxable income for the year ended March 31, 2015 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, the provisions of the Act. Due to loss during the current year and previous two years, 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 17: During the year ended March 31, 2014, the holding Company 'A2Z Infrastructure Limited' has been awarded a project under a tender floated by Nanded Waghala City Municipal Corporation (NWCMC) inviting proposals for Development of Integrated Solid Waste Management Facilities on Build, Own, Operate and Transfer (BOOT-PPP) basis for a concession period of 30 years for the city of Nanded in the state of Maharashtra on September 23, 2012.

The scope of work of the Project includes:

- (a) Door-to-door collection of Municipal Solid Waste (MSW)
- (b) Primary storage of collected door-to-door MSW
- (c) Secondary collection and transportation of MSW including street sweeping waste & drain silt
- (d) Construction and operation & maintenance of the waste processing facility with composting as one of the main processes. The
- (e) Construction and operation and maintenance of the engineered sanitary landfill.
- (f) Assist NWCMC in public education / awareness related to MSW.
- (g) In consultation with NWCMC, develop and implement a public complaint system.

It was proposed that the facility be under Jawahar Lal Nehru National Urban Renewal Mission (JNNURM) on BOOT-PPP basis 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 the Company has been taken over by M/s A2Z Infrastructure Limited, by acquiring 60% shareholding of the Company (directly or through its nominees) on August 7, 2012 for undertaking the Integrated Solid Waste Management System in the city of Nanded as a Special Purpose Vehicle Company (SPV).

For the execution of the project, an agreement has been entered into between A2Z Infrastructure Ltd. and Nanded Waghala City Municipal Corporation on 23rd September 2012. The Company will be paid a tipping fee as mentioned in the agreement, during the concessioner period.


Note 18: Previous year's figures have been regrouped where necessary to confirm to this year's classification.

As per our report of even date

For Suraj Bhalla & Associates

Chartered Accountants

Regn No. 024798N



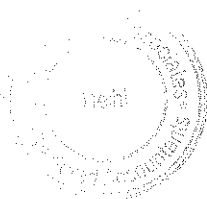
Suraj Bhalla

Partner

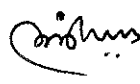
M No. 521246

Place : Gurgaon

Date : 23 MAY 2015



For and on behalf of the board of directors



Manoj Tiwari

Director



Tushar Ramchandra Bagrecha

Director

