



11th Annual Report 2011-12

A2Z Maintenance & Engineering Services Ltd.

Corporate Information

Board of Directors

Mr. Surender Kumar Tuteja	Independent Chairman
Mr. Amit Mittal	Managing Director
Mrs. Dipali Mittal	Whole Time Director
Mr. Rakesh Radheyshyam Jhunjhunwala	Director
Mr. Manish Gupta	Nominee Director
Mr. Brij Raj Singh	Nominee Director
(Alternate Director-Mr. Arjun Balan)	
Mr. Gaurav Mathur	Nominee Director
(Alternate Director-Mr. Supratim Banerjee)	
Mr. Vinod Sagar Wahi	Independent Director
Mr. Rajeev Thakore	Independent Director

Group Chief Financial Officer

Mr. Rakesh Gupta

Chief Executive Officer

Mr. Ashok Saini

Statutory Auditors

Walker, Chandio & Co
Chartered Accountants

Company Secretary cum Compliance Officer

Mr. Atul Kumar Agarwal

Registrar & Transfer Agent

M/s Alankit Assignments Limited
2E/21, Alankit House
Jhandewalan Extension
New Delhi 110 055
Ph: +91 11 42541234,
Fax: +91 11 42541967

Registered Office

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

Corporate Office

Plot No. 44, Institutional Area,
Sector -32, Gurgaon-122001
Haryana (India)
website: www.a2zgroup.co.in

Bankers

1. State Bank of Patiala
2. Allahabad Bank
3. Axis Bank Limited
4. DBS Bank Limited
5. ICICI Bank Limited
6. IDBI Bank Limited
7. IndusInd Bank Limited
8. ING Vysya Bank Limited
9. Standard Chartered Bank
10. State Bank of India
11. State Bank of Hyderabad
12. State Bank of Travancore
13. State Bank of Mysore
14. The Hongkong and Shanghai Banking Corporation Limited
15. Union Bank of India
16. YES Bank Limited

TABLE OF CONTENTS

CORPORATE INFORMATION	01
NOTICE OF AGM	03
DIRECTORS' REPORT	08
MANAGEMENT DISCUSSION & ANALYSIS	23
CORPORATE GOVERNANCE REPORT	26
AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS	35
STANDALONE FINANCIAL STATEMENTS	38
AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS	86
CONSOLIDATED FINANCIAL STATEMENTS	87

PLEASE NOTE THAT NO GIFT SHALL BE GIVEN IN THE ANNUAL GENERAL MEETING

Notice

Notice is hereby given that the 11th Annual General Meeting of the members of M/s. A2Z Maintenance & Engineering Services Limited will be held on Saturday, the 29th day of September, 2012 at 10.30 A.M at HSIIDC Hall, Phase-V, Udyog Vihar, Gurgaon-122016, Haryana, India to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and Profit and Loss Account for the year ended on that date along with the reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Surender Kumar Tuteja, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Ms. Dipali Mittal, who retires by rotation and being eligible, offers herself for reappointment.
4. To re-appoint the Auditors, M/s Walker, Chandiook & Co., Chartered Accountants as Statutory Auditors of the Company and to authorize Board of directors to fix their remuneration.

SPECIAL BUSINESS

5. To consider and approve remuneration of Mr. Amit Mittal, Managing Director for the remaining tenure of his appointment i.e 1st January, 2013 to 31st December, 2014 by way of passing following resolution as Special resolution:

"RESOLVED THAT subject to the approval of the Central government, if required and pursuant to the provisions of Section 198, 269, 309, 310 and such other applicable provisions of the Companies Act, 1956 read with and in accordance with the conditions specified in Schedule XIII of the said Act including any statutory modification or re-enactment thereof for the time being in force and as may be enacted from time to time of the said Act and all guidelines and modification as may be issued by the Central Government from time to time with regard to managerial remuneration and in terms of the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded for the payment of remuneration at following terms and condition to Mr. Amit Mittal, the Managing Director of the Company for the remaining tenure of his appointment i.e. 1st January, 2013 to 31st December, 2014:

- a. Basic Salary: Rs. 7,32,600/- (Rupees Seven Lac Thirty Two Thousand Six Hundred only) for the period starting from 1st January 2013 to 31st December, 2014.
- b. Company shall give a House Rent Allowance @ 50% of the Basic Salary. The company shall also pay the electricity and maintenance charges of his residence.
- c. Medical Reimbursement: As per company rules for self and family.
- d. Conveyance: Company's Car with Driver for Official Use.
- e. Telephone: Mobile and Telephone Facility at the residence for office purpose.
- f. Leave Travel Allowance (LTA): As per company rules.

In addition to the above remuneration, Mr. Amit Mittal shall also be entitled to the Commission @ of 1% on net profits of the Company in respect of each financial year determined in accordance with the relevant provisions of the Companies Act, 1956 to be paid on the basis of audited accounts every year.

Further Mr. Mittal shall also be entitled to Company's Contribution towards Provident Fund as per the Rules of the Company i.e. 12 % of the Salary which shall not be included in the computation of the ceiling on remuneration specified above.

"FURTHER RESOLVED THAT the board of directors of the company (which term shall also include Remuneration Cum Compensation Committee constituted by Board of directors) be and are hereby authorized to alter and/or vary the terms and conditions of the said remuneration including commission and perquisites payable from time to time as they may deem fit within the limits prescribed in schedule XIII to the act or any statutory amendment(s) or modification(s) thereto and if necessary."

"FURTHER RESOLVED THAT notwithstanding to the above in the event of loss or inadequacy of profits in any financial year, the remuneration payable to Mr. Amit Mittal, Managing Director shall be within limits mentioned in Section II of Part II of Schedule XIII to the Act as amended from time to time."

"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient, to give effect to this resolution including filing and verifying the documents, affidavits, affixing the common seal of the Company wherever required in accordance with the provisions of the Article of Association of the Company and to appear before

the Central Government or any other authority including Registrar of Companies.”

6. To consider and approve remuneration of Ms. Dipali Mittal, Whole time Director for the remaining tenure of her appointment i.e. 1st April, 2013 to 31st March, 2015 by passing following resolution as special resolution:

“RESOLVED THAT pursuant to the provisions of section 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of Central Government if required or any other approval as may be required, the consent of members of the company be and is hereby accorded for payment of remuneration to Ms. Dipali Mittal in following manner for the period starting from 1st April, 2013 and ending upon 31st March, 2015:

a) Salary Rs. 1,60,000/- (Rupees One Lac Sixty Thousand only) per month with an annual increase of Rs. 20,000/- (Rupees Twenty Thousand only) falling due on 1st April of the following year.

b) Contribution to Provident Fund and Superannuation Fund and annuity fund, as per statutory provisions and as per the Company's policy.

c) Gratuity at the rate of 15 days salary for each completed year of service.

The terms referred in (b) & (c) shall not be included in the computation of limits of perquisites.

“FURTHER RESOLVED THAT the board of directors of the company (which term shall also include Remuneration Cum Compensation Committee constituted by Board of directors) be and are hereby authorized to alter and/or vary the terms and conditions of the said remuneration including perquisites payable from time to time as they may deem fit within the limits prescribed in Schedule XIII to the act or any statutory amendment(s) or modification(s) thereto and if necessary, as may be agreed between the Central Government and board of directors.”

“FURTHER RESOLVED THAT notwithstanding to the above in the event of loss or inadequacy of profits in any financial year, the remuneration payable to Ms. Dipali Mittal, Whole Time Director shall be within limits mentioned in Section II of Part II of Schedule XIII to the Act as amended from time to time.”

“FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient, to give effect to this resolution including filing and verifying the documents, affidavits, affixing the common seal of the Company wherever

required in accordance with the provisions of the Articles of Association of the Company and to appear before the Central Government or any other authority including Registrar of Companies.”

7. To Consider and if thought fit to approve authorization for appointment of Branch Auditors by passing following resolution as an Ordinary resolution;

“RESOLVED THAT pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956 and Articles of association of company, the board of Directors be and is hereby authorized to appoint Branch auditors for any branch office(s) of the Company opened or to be opened by the Company in India or abroad, in consultation with the Company's Auditors, any person(s) qualified to act as Branch Auditors within the provisions of Section 228 of the Act and to fix their remuneration.”

By order of the Board

Sd/-

Dated : August 23, 2012

Place : Gurgaon

Regd. Office: O-116, 1st Floor,
DLF Shopping Mall,
Arjun Marg, DLF Phase I,
Gurgaon-122002
Haryana (India)

(Atul Kumar Agarwal)
Company Secretary cum
Compliance Officer

Notes:

1. An explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of the business set out in item no. 5, 6 & 7 above have been annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies in order to be effective should be duly completed and signed in the form enclosed at the last page of Annual Report and must be received by the company not less than 48 hours before the schedule time of the meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at meeting.
3. As a measure of economy, copies of Annual Reports will not be distributed at the venue of Annual General Meeting of the Company. Members are requested to

- bring their copies to the meeting.
4. Annual Report is also available at the website of the Company at www.a2zgroup.co.in in the Investor relations section.
 5. The Register of members and Share Transfer books of the Company will remain closed from Monday, 24th September, 2012 to Saturday, 29th September, 2012 (both days inclusive).
 6. Members who are holding shares in physical forms are requested to address all communication regarding registration of transfers, transmissions, sub-division, consolidation of shares or any other share related matters and/or change in address, or updation thereof to the Company's RTA. Members, whose shareholdings are in the electronic form are requested to direct change of address notifications and updation of bank account details to their respective depository participants. Any query related to dividend should be directed to the RTA of the Company .
 7. Information regarding particulars of the directors seeking re-appointment requiring disclosure in terms of the Clause 49 of the Listing Agreement is annexed hereto.
 8. In case of Body Corporate members, please furnish certified copy of Board/Governing Body Resolution in terms of Section 187 of the Companies Act, 1956 specifically authorizing the person attending the meeting in person as its representative or appointing a proxy; and that such authority must be conferred in advance, and not by ratifying its act subsequently by a Board/Governing Body Resolution.
 9. Members having queries with regards to the Accounts are requested to address their queries to the Company mentioning : "AGM Queries- Kind Attn: Mr. Atul Kumar Agarwal, Company Secretary"
- at least 10 days in advance of the meeting to enable the Management to keep the information ready at the meeting.
10. Members who hold shares in dematerialized form are requested to write their Client ID and DPID and those who hold shares in physical form are requested to write their Folio numbers in the attendance slip for attending the Meeting.
 11. All documents referred to in the accompanying Notice and Annual accounts of the subsidiary companies whose annual accounts have been consolidated are open for inspection at the Registered Office of the Company during office hours on all working days between 11.00 A.M. and 1.00 P.M. up to the date of the Annual General Meeting.
 12. As per the provisions of Companies Act, 1956, facility for making nominations is available for shareholders, in respect of shares held by them. Nomination Forms can be obtained from Registrar and Transfer Agents of the Company.
 13. Members who have not yet encashed their dividend warrant(s) with respect to the dividend declared for the financial years 2010-11 are requested to make their claims without any delay to the Company's Registrar & Share Transfer Agent viz. M/s Alankit Assignments Limited. Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed/unpaid dividend pertaining to the Company remaining unpaid or unclaimed for a period of seven years from the date it became due for payment, would be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred nor shall any payment be made in respect of such claims.

Annexure to Notice

Brief resume of Directors retiring by rotation & proposed for Re-appointment:

Name of the Director	Mr. Surender Kumar Tuteja	Ms. Dipali Mittal
Date of Birth	15.06.1945	05.03.1973
Relationship with Other Directors	None	Wife of Managing Director of the Company
Date of Appointment	25.07.2008	01.02.2004
Education/Expertise/ Brief Profile	Mr. Tuteja, a fellow member of ICSI and post graduate in commerce, is an independent and non-executive Director. Mr Tuteja has an experience of approximately 43 years in serving various capacities in the Government, including as Secretary to the Government of India in the Department of Food and Public Distribution, as Secretary, Ministry of Small Scale Industries and Agro & Rural Industries, as Development Commissioner, Small Scale Industries, as Secretary, Public Enterprises Selection Board, as Principal Secretary, Industries and Commerce, as Principal Secretary, Finance, Government of Punjab, as Managing Director, Punjab State Industries Development Corporation Limited and as Chairman, Punjab State Electricity Board. Mr. Tuteja has also acted as a consultant to the World Bank.	Ms Mittal is working as Whole-time Director of the Company and providing her guidance in strategic decisions of the Company. She completed her MBA from the Indian Institute of Finance, New Delhi. She has varied industry experience and is involved in the accounting, financial and general management of the Company.
No. of Equity Shares held in the company	Nil	11,70,000
Directorship in other Public Ltd. Companies as on 31st March, 2012	<ol style="list-style-type: none"> 1. Adani Logistics Limited 2. Adani Enterprises Limited 3. Axis Private Equity Limited 4. Havells India Limited 5. Precision Pipes and Profiles Company Limited 6. Shree Renuka Energy Limited 7. Shree Renuka Sugar Limited 8. Small Industries Development Bank of India 9. SVIL Mines Limited 10. SML ISUZU Limited 11. Dawat Foods Limited 12. Trident Corporation Limited 13. Intas Pharmaceutical Limited 	<p>A2Z Infrastructure Limited A2Z Waste Management Private Limited A2Z Infrservices Limited A2Z E Waste Management Limited A2Z Dataserv Limited</p>
M e m b e r s h i p / Chairmanship in Committees of Other Public Ltd. Companies	<p>SML ISUZU Limited-Chairman Audit Committee, Member- Share Transfer and Investor Grievance Committee</p> <p>Precision Pipes & Profiles Company Limited-Member, Audit Committee and Share Transfer and Investor Grievance Committee</p> <p>Adani Enterprises Limited- Member, Audit Committee and Share Transfer and Investor Grievance Committee</p> <p>Shree Renuka Sugars Limited-Member, Shareholders Investor Grievance Committee</p> <p>Axis Private Equity Limited-Chairman, Audit Committee Intas Pharmaceuticals Limited-Chairman, Audit Committee</p>	Nil

Explanatory statement pursuant to section 173(2) of the Companies Act, 1956.

For item No 5

Mr. Amit Mittal was re-appointed as Managing Director in the Board Meeting of the Company held on 14th November, 2009 on recommendation of Remuneration Committee and remuneration was approved. Since in terms of Schedule XIII of the Companies Act remuneration cannot be approved for a period more than three years, the Remuneration cum Compensation Committee in its meeting held on 13th August, 2012 has approved and recommended remuneration mentioned above to Mr. Amit Mittal for the remaining period of his tenure i.e. 1st January, 2013 to 31st December, 2014. The board members have approved the same in its adjourned meeting held on 23rd August, 2012 and are hereby recommending for members approval by way of special resolution.

Mr. Amit Mittal, aged about 44 years, is the Managing Director of the Company. Mr. Mittal has been a Director of the Company since February 1, 2004. Mr. Mittal obtained his B. Tech degree in civil engineering from the Indian Institute of Technology, Roorkee in 1988 and has approximately 25 years of experience in project management and execution in the Power, Oil and Infrastructure sectors. Mr. Mittal is responsible for the management of the overall operations of the Company and the Group. He is also the Managing director of A2Z Infrastructure Limited, a direct subsidiary of the Company .

The above mentioned remuneration is within the limit as prescribed under Schedule XIII of the Companies Act, 1956.

The said remuneration of Mr. Amit Mittal as the Managing Director of the Company requires approval of the members by way of Special Resolution. The resolution is accordingly recommended for member's approval.

Mr. Amit Mittal, himself and Ms. Dipali Mittal being wife of Mr. Amit Mittal are interested in the above said resolution. None of the other directors is in any way, concerned or interested in the said resolution.

The Board of Directors of the Company recommends the resolution set out in item No. 5 of the notice for the approval of the shareholders.

For item No 6

Ms. Dipali Mittal, aged about 39 years is an MBA in finance from Indian Institute of Finance, New Delhi. She has varied industry experience and is involved in the accounting, financial and general management of the Company's Finance.

In the meeting of the Board of Directors held on 18th March, 2010, Ms. Dipali Mittal was appointed as Whole time Director of the Company for a Period of 5 (five) years w.e.f. 1st April, 2010 to 31st March, 2015 and her remuneration was approved for the period of 3 (Three) years i.e. from 1st April, 2010 to 31st March, 2013. Since her term as whole time director is up to 31st March,

2015, approval of members is required to approve the remuneration of Ms. Dipali Mittal, Whole Time Director, for remaining tenure of her appointment.

The Remuneration cum Compensation Committee in its meeting held on 13th August, 2012 has approved and recommended the remuneration of Ms. Dipali Mittal as stated above for the remaining tenure of her appointment i.e. 1st April, 2013 to 31st March, 2015. The Board of directors approved and recommended the same for members approval in its adjourned meeting held on 23rd August, 2012.

The above remuneration is within the limit as prescribed under Schedule XIII of the Companies Act, 1956.

The said remuneration of Ms. Dipali Mittal as the Whole Time Director of the Company requires approval of the members by way of Special Resolution. The resolution is accordingly recommended for member's approval.

Ms. Dipali Mittal, herself and Mr. Amit Mittal being Husband of Ms. Dipali Mittal are interested in the above said resolution. None of the other directors is in any way, concerned or interested in the said resolution.

The Board of Directors of the Company recommends the resolution set out in item No. 6 of the notice for the approval of the shareholders.

For Item No. 7

In terms of section 228 of the Companies Act, 1956 where a company has branch office, the accounts of that branch shall be audited either by Company's Statutory Auditor or by another auditor possessing qualifications prescribed under section 226. In case of branch(s) situated outside India, any of the above or an accountant qualified to act as auditor in the country concerned can be appointed as Branch Auditor.

Our Company is presently having a branch office in Kampala, Uganda and is under process of opening another branch office in Zambia for the global expansion of business. In near future to expand the business operations the company may open branches in various other countries as well. Since members approval is required for appointment of branch auditors, Members of the company are hereby requested to authorize board of directors to appoint branch auditors in consultation with the auditors of the company for various branches of the Company opened or to be opened by the Company in India or abroad and to fix their remuneration.

Members are requested to pass the resolution set in item No. 7 of the notice as ordinary resolution.

None of the directors is directly or indirectly interested in the above said resolution.

By order of the Board

Sd/-

Dated : August 23, 2012
Place : Gurgaon

(Atul Kumar Agarwal)
Company Secretary cum
Compliance Officer

Directors' Report

To,
The Members,

Your directors have pleasure in presenting the 11th Annual Report on the affairs of the Company together with the Audited Accounts for the Financial Year ended on 31st March, 2012.

1. FINANCIAL RESULTS & PERFORMANCE:

The Operating and financial results on Standalone and Consolidated basis for the financial year ended 31st March, 2012 are as follows:

(Rs. in Million)

Particulars	Standalone		Consolidated	
	2011-12 Current Year	2010-11 Previous Year	2011-12 Current Year	2010-11 Previous Year
Revenue from Operations	9,682.31	11,073.44	13,522.98	13,491.29
Add: Other Income	83.55	89.86	105.11	105.61
Total Income	9,765.86	11,163.30	13,628.09	13,596.90
Profit before Interest, Tax & Depreciation	955.08	2,059.28	889.81	2,192.06
Less: Interest	559.75	530.15	745.34	618.28
Profit before Tax & Depreciation	395.33	1,529.13	144.47	1,573.78
Less: Depreciation/Amortisation	69.90	111.84	192.79	194.71
Profit/(Loss) before Tax & Extra Ordinary Items	325.43	1,417.29	(48.32)	1,379.07
Less : Tax Expenses	128.09	476.94	130.62	498.27
Net Profit/(Loss) after Tax but before Extraordinary item	197.34	940.35	(178.94)	880.80
Less: Previous Period Item	-	-	(2.05)	-
Less : Extraordinary Item	-	86.83	-	86.83
Net Profit/(Loss) after Tax & before Minority Interest	197.34	853.52	(176.89)	793.97
Less: Share in Minority Interest	-	-	2.58	22.79
Net Profit/(Loss) after Tax & Minority Interest	197.34	853.52	(179.47)	771.18
Balance brought forward from previous year	2,866.21	2,249.70	2,746.89	2,217.52
Net Profit available for appropriation	3,063.55	3,103.22	2,567.42	2,988.70

Standalone:

- During the year under review, the Company has achieved total income of Rs. 9,765.86 Million as against Rs. 11,163.30 Million in the previous year. The company has made net profit after tax and extraordinary item of Rs. 197.34 Million as against Rs. 853.52 Million in the previous year.
- The Net Worth of the Company has increased to Rs. 11,584.20 Million as at the end of the current year from Rs.11,386.86 Million as at the end of the previous year.
- The Debt Equity ratio of the Company has gone up to 0.54 as at the end of the current year as compared to 0.29 as at the end of the previous year.

Consolidated:

- The Consolidated total income of the Company for the current financial year is Rs. 13,628.09 Million as against Rs. 13,596.90 Million in the previous year. The Company on consolidated basis has made a Loss after minority interest and extra ordinary items of Rs. 179.47 Million as against Profit of Rs. 771.18 Million in the previous year.
- The consolidated Net Worth of the Company has come down to Rs. 11,086.99 Million as at the end of the current year from Rs. 11,520.98 Million as at the end of previous year.
- The consolidated Debt Equity ratio of the Company has gone up to 1.02 as at the end of the current year compared to 0.41 as at the end of previous year.

2. DIVIDEND

Since the magnitude of the profits of the company is not very high your directors have decided to plough back the profits and not to declare dividend for this financial year.

3. TRANSFER TO RESERVE

Since no dividend is recommended for the current year, no amount is required to be transferred to reserve this year.

4. NATURE OF OPERATIONS

Leveraging our years of experience in providing Facility Management Services (FMS) and Engineering, Procurement and Construction (EPC) services, the Company, is now expanding into being an Infrastructure company that is building businesses with annuity revenue streams in the areas of Clean and Green energy.

In the EPC business, our main area of operation is the Power Distribution segment, though we also provide services in the Power Transmission segment, to Power Generation companies and to other verticals such as Telecommunication. In the Power Distribution segment, we are helping build power lines to bring power to areas which lack electricity. We are also helping to reduce the Technical and Commercial losses.

Additionally, we are now building businesses that include the following: (i) generating power from renewable energy sources such as biomass and fuel derived from household waste (Renewable Energy Generation); (ii) providing municipal solid waste (MSW) management services which involve collection of waste and its scientific processing and disposal like recycling, manufacturing of organic compost and green fuel such as Refused Derived Fuel (RDF) & subsequent disposal of remnants; and (iii) developing information technology (IT) solutions for power utilities (Power IT Solutions).

Through multiyear contracts, the MSW and Renewable Energy Generation businesses should provide stable revenue streams in the years to come.

Our business operations are geographically spread across India and conducted through the Company and its direct and indirect subsidiaries.

5. CAPITAL STRUCTURE

The paid up Share Capital of the company is Rs. 741.78 Million (approximately) divided into 7,41,77,694 Fully Paid-up Equity Shares of Rs. 10 each. There is no change in the paid up share capital during the year.

6. ALTERATION IN MEMORANDUM & ARTICLES OF ASSOCIATION

There was no alteration in the Memorandum and Articles of Association of the Company during the year.

7. BOARD OF DIRECTORS

a) Composition of Board:

The Board comprises of Nine (9) Directors and Two (2) Alternate Directors with a Non- executive Independent Chairman, Two (2) Executive Directors, one of whom is Managing Director, Four (4) Non-executive Non Independent Director and Two (2) Non Executive Independent Directors.

b) Change in Composition of Board:

During the year under review, Mr. Anshuman Goenka, Alternate Director to Mr. Brij Raj Singh vacated the office of director on 25th July, 2011 on the return of Mr. Brij Raj Singh in the state of Haryana where the meetings of board of directors are ordinarily held and Mr. Arjun Balan has been appointed as an Alternate Director to Mr. Brij Raj Singh on 29th day of August, 2011 by the Board of Directors.

c) Retirement by Rotation

In accordance with requirements of the Companies Act, 1956 and Articles of Association of Company, Mr. Surender Kumar Tuteja and Ms. Dipali Mittal, Directors are liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers themselves for re-appointment.

8. PAYMENT OF COMMISSION TO NON EXECUTIVE DIRECTORS

The members of the Company in their meeting held on 7th December, 2010 authorized the Board of Directors of the Company to approve the payment of commission to Directors, being not in the whole-time employment of the Company or not the Managing Director, for three years commencing from Financial Year 2010-11 for an amount not exceeding one percent of the net profits of the Company over and above the sitting fee subject to availability of adequate profits in Company.

As the company is having profits, the Board in its meeting held on 12th May, 2012 has approved payment of commission of Rs. 1,000,000 (One Million) each to Mr. Surender Kumar Tuteja, Mr. Vinod Sagar Wahi, and Mr. Rajeev Thakore, Non Executive / Independent Directors of the Company, in aggregate amounting to Rs. 3 Million within the overall limit of 1% of net profits, for the Financial Year ended 31st March, 2012.

9. MAJOR ACQUISITIONS, INVESTMENTS & DISINVESTMENTS

During the financial year under review the company has acquired/disinvested in the following companies:

a) Acquisition of 20% stake in A2Z InfraserVICES Limited and Imatek Solutions Private Limited

During the year under review, the Company has acquired 20% stake of A2Z InfraserVICES Limited and Imatek Solutions Private Limited, subsidiary companies of the Company from Infrastructure Leasing & Financial Services Limited (IL&FS) on 25th October, 2011. By virtue of such acquisition the share holding of the Company in A2Z InfraserVICES Limited has been increased to 92.22% of total paid up capital and Imatek Solutions Private Limited has become a wholly owned subsidiary of the Company.

b) Acquisition of A2Z Disaster Management & Innovative Response Education Private Limited ("ADMIRE")

The Company has acquired 100% shareholding of Mithila Bijlee Private Limited with effect from 15th November, 2011. Further the name and object of the company were changed to A2Z Disaster Management & Innovative Response Education Private Limited with effect from 17th November, 2011. The Company's main object are to carry on the business of providing services & consultancy in the area of disaster management, risk mitigation, emergency response, rehabilitation, infrastructure creation and restoration of drains & embankments, roads, storm shelters and electricity transmission etc.

c) Acquisition of Pioneer Waste Management Private Limited ("PIONEER")

The Company has acquired 100% stake in Pioneer Waste Management Private Limited with effect from 15th November, 2011. The Company's main objects are to carry on the business of collection, segregation, and transportation of municipal solid wastes on Design, Renovate, Operate, Maintain and Transfer (DPRONT) and to design, develop, operate, own, sell, renovate, maintain, power generation units based on all conventional and non-conventional energy sources including municipal or industrial or other kind of wastes.

d) A2Z Singapore Waste Management Holdings Private Limited ("A2Z Singapore")

The Company has incorporated a wholly owned

subsidiary in Singapore under the name and style of A2Z Singapore Waste Management Holdings Private Limited with effect from 1st September, 2011. A2Z Singapore is a company engaged, in the business of investment holding and to purchase, subscribe for or otherwise acquire and hold shares, stocks, debentures, debenture stocks, bonds, deposits, obligations and securities issued or guaranteed by any company whether constituted or carrying on business in Singapore or elsewhere and debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, municipal, local or otherwise, whether at home or abroad and to carry on the business of dealing in solid waste in all manners.

e) A2Z Waste Management (Nainital) Private Limited ("A2Z Nainital")

The Company has acquired 48 % stake in A2Z Waste Management (Nainital) Private Limited with effect from 23rd December, 2011, which is Special Purpose Vehicle Company for development of integrated solid waste management facilities in Nainital city for Nagar Palika Parishad, Nainital, Uttarakhand and is engaged in the business of collection, segregation, and transportation of municipal solid wastes on Design, Procure, Renovate, Operate, Maintain and Transfer (DPRONT) or on commercial basis and also dispose of the Municipal solid waste at the designated sites, implement a scientific solid waste management system in the City of Nainital as per the guidelines issued by Nagar Palika Parishad, Nainital, Uttarakhand.

f) Acquisition of 20% stake in A2Z Waste Management (Jaipur) Limited ("A2Z Jaipur")

After the year under review, the Company has acquired 20% stake of A2Z Waste Management (Jaipur) Limited ("A2Z Jaipur") from A2Z Infrastructure Limited on 11th July, 2012. The main object of A2Z Jaipur are to carry on the business of collection, segregation, and transportation of municipal solid wastes on Design, Build, Own, Operate and Transfer (DBOOT) basis or on commercial basis and also dispose of the Municipal solid waste at the designated sites, implement a scientific solid waste management system in the City of Jaipur as per the guidelines issued by Nagar Nigam Jaipur, Rajasthan.

g) Sale of 2% Stake in Star Transformers Limited

During the year under review the Company's stake in Star Transformers Limited had come down to 49% from 51% by sale of 40,413 equity shares constituting 2% paid up share capital of the company. However the financials of Star Transformers Limited have been taken in the consolidated financial statement of the Company as the Company is having control over the composition of the board of directors of Star Transformers Limited.

h) Amalgamation of A2Z Infra Management & Services Limited, Imatek Solutions Private Limited, CNCS Facility Solutions Private Limited, subsidiary Companies with A2Z InfraserVICES Limited, a subsidiary company

During the year under review a Scheme of Arrangement for Amalgamation of M/s. A2Z Infra Management & Services Limited, M/s. Imatek Solutions Private Limited and M/s. CNCS Facility Solutions Private Limited with A2Z InfraserVICES Limited on a going concern basis was filed with Hon'ble High Court of Punjab & Haryana at Chandigarh.

Further after the Financial year under review, the Hon'ble High Court has approved the said Scheme of Arrangement vide its order dated 19th July, 2012 w.e.f. 1st April, 2011 (the appointed date) and as ordered by the Hon'ble High Court the copy of the said order has also been filed with the Registrar of Companies, NCT of Delhi & Haryana (ROC) vide E-Form no. 21 on 6th August, 2012 and as per the provisions of Companies Act, 1956, the said Scheme has been effective from 6th August, 2012 w.e.f the appointed date i.e. 1st April, 2011.

10. A2Z STOCK OPTION PLAN, 2010

Your Company pursuant to a special resolution of the shareholders of the Company at an extraordinary general meeting held on 30th March, 2010 adopted the Employee Stock Options Plan ("A2Z ESOP") for the grant of options.

The said option was granted on 2nd June, 2010 ("Grant Date") and the 20% of the granted option get vested to each of the eligible employee on each anniversary of the Grant Date.

The plan shall be administered and supervised by the Remuneration-cum-Compensation Committee under the powers delegated by Board. Each option shall entitle the Option Grantee to apply for and get Equity Shares of the company transferred to his account on

exercise of option. The maximum number of options that can be granted to any employee in any year under the A2Z ESOP shall be less than 5% of the issued share capital of the Company (excluding any outstanding warrants or other securities convertible into Equity Shares) at the time of grant of options, subject to the overall ceiling of 2,865,056 options in the aggregate. However no option has been exercised under ESOP till date. Auditor's Certificate under clause 14.1 of SEBI (ESOP) Guidelines 1999 shall be placed at ensuing Annual General Meeting.

Complete detail & Status of A2Z ESOP as on 31st March, 2012 is attached as Annexure I to Director's Report.

11. CREDIT RATING

CARE has assigned 'CARE A' (Single A) to long term bank facilities of Rs. 6394.2 Million of your Company as per their rating letter dated 02nd December, 2011 and respective rationale rating letter dated 19th December, 2011. This rating is applicable to facilities having tenure of more than one year. Instruments with this rating are considered to offer adequate safety for timely servicing of financial obligations. Such instruments carry low credit risk.

CARE has assigned CARE A1 (A One) rating to the short term facilities of Rs. 15,580 Million of your Company as per their rating letter dated 2nd December, 2011 and respective rationale rating letter dated 19th December, 2011. This rating is applicable to facilities having a tenure up to one year. Instruments with this rating are considered to have strong degree of safety regarding timely payment of financial obligations and carry lowest credit risk.

Further CARE has also assigned CARE A (Single A) rating to Non Convertible Debenture of Rs. 2000.00 Million and CARE A1 (A One) for Commercial Paper /short term debt of Rs. 250.0 Million (carved out of working capital limits) of the Company as per their rating letter dated 19th December, 2011.

12. UTILIZATION OF ISSUE PROCEEDS

During the year under review, the Board of directors have decided to vary the objects as stated in the prospectus and for this purpose a postal ballot was conducted in order to get consent of the members by way of ordinary resolution. The said ordinary resolution was successfully passed. The result of the said postal ballot was declared on Tuesday, the 30th day of August, 2011 at the registered office of the company. The result of the same was displayed on company's website i.e. www.a2zgroup.co.in and

were intimated to Bombay Stock Exchange and National Stock Exchange.

Pursuant to the provisions of Clause 43 of listing Agreement with the Exchanges, the utilization of the net proceeds of IPO as on 31st March, 2012 is as follows:

(Rs. in Million)

Particulars of funds utilized for	Objects as per prospectus*	Actual Utilisation till 31 st March, 2012	Unutilised Funds
Investment in three biomass (bagasse)-based power cogeneration projects of 15 MW each in the State of Punjab	680.31	680.31	–
Investment in five biomass-based power generation projects of 15 MW each in the State of Rajasthan	101.54	101.54	–
Investment in two biomass-based power generation projects of 10 MW each in the State of Uttar Pradesh & Madhya Pradesh	344.56	135.89	208.67
Investment in subsidiaries			
(i) Share capital in A2Z Infrastructure Limited for the 15 MW biomass-based power generation project in Kanpur for 10 MW biomass-based power plant at Ramraj in Uttar Pradesh and MSW projects being undertaken by A2Z Infrastructure and its subsidiaries.	1782.38	1782.38	–
(ii) Share capital in Mansi Bijlee & Rice Mills Limited, the subsidiary that will implement rice mill and associated rice-husk based biomass power generation project in the State of Punjab	258.26	149.98	108.28
Repayment of loan granted by L&T Infrastructure Finance to the Company	416.67	416.67	–
Acquisition of stake held by IL&FS in A2Z InfraserVICES Limited & Imatek Solutions Private Limited	410.00	410.00	–
Working capital requirements	1,250.00	1,250.00	–
General corporate purposes	1217.77	1217.77	–
Issue (IPO) related expenses	288.51	288.51	–
Total	6,750.00	6433.05	316.95

*revised pursuant to the resolution passed on August 30, 2011.

13. SHARES HELD IN SUSPENSE ACCOUNT

At the time of public issue 1,035 Equity Shares were transferred to suspense account as were unclaimed. At the end of last year i.e as on 31st March, 2011, 225 shares were lying in the suspense account. During the year the same has been transferred from suspense account to shareholders. Detail of Shares in Suspense Account is as follows:

Particulars	No. of Cases	No. of Shares
Aggregate No. of Shareholders and outstanding shares in suspense account lying at the beginning of the year-01/04/2011	02	225
Number of Shareholders who approached to issuer/registrar for transfer of shares from suspense account during the year -01/04/2011- 31/03/ 2012	02	225
Number of Shareholders to whom shares were transferred from suspense account during the year-01/04/2011-31/03/2012	02	225
Aggregate No. of Shareholders and outstanding shares in the suspense account lying at the end of the year-01/04/2011-31/03/2012	0	0

14. SUBSIDIARY COMPANIES

DIRECT SUBSIDIARIES

The Company is having following 17 (Seventeen) direct subsidiaries :-

- **A2Z Infrastructure Limited("A2Z Infrastructure")**

A2Z Infrastructure Limited was incorporated on 22nd March, 2007 with the name and style of a2z Infrastructure Private Limited as a wholly owned subsidiary of the Company. With effect from 30th August, 2010, A2Z Infrastructure became a public limited company under the Companies Act, 1956. A2Z Infrastructure was established to carry on the business of collection, segregation and transportation of municipal solid wastes on design, renovate, operate, maintain and transfer or on commercial basis for municipal corporations/local authorities/ governmental authorities.

- **A2Z Infraservices Limited ("A2Z Infraservices")**

A2Z Infraservices Limited was incorporated on 15th April, 2008 with the name and style of a2z Infraservices Private Limited as a subsidiary of the Company and with effect from 30th August, 2010, A2Z Infraservices became a public company under the Companies Act, 1956. A2Z Infraservices was established to provide back-end management services for efficient functioning of shopping malls, airport, multiplexes, corporate and business establishments like housekeeping services, security services etc., upkeep of railway trains and stations and to provide transportation services.

- **A2Z Powercom Limited ("A2Z Powercom")**

A2Z Powercom Limited was incorporated on 28th April, 2008 with the name and style of a2z Powercom Private Limited as a subsidiary of the Company and with effect from 30th August, 2010, A2Z Powercom became a public company under the Companies Act, 1956. A2Z Powercom was established to manufacture, produce and distribute power transformers, transmission line conductors, establish power plants and undertake associated activities of engineering, drawing, installation and commissioning in India and abroad.

- **A2Z Powertech Limited ("A2Z Powertech")**

A2Z Powertech was incorporated on 28th April, 2008 with the name and style of a2z Powertech Private Limited as a subsidiary of the Company and with effect from 30th August, 2010, A2Z Powertech became a public company under the Companies

Act, 1956. A2Z Powertech was established to carry on the business of system integrators in the power sector using IT applications, autoreclosers with magnetic actuators, RMUs, CSS, sub-station automation, network energy management solution etc.

- **Selligence Technologies Services Private Limited ("Selligence")**

Selligence was incorporated on 12th August, 2008 and became subsidiary of the Company on 9th March, 2009. Selligence was established to provide appropriate cost-effective and efficient technological solutions to accelerate implementation of quality ERP for development, and to provide a variety of efficient and effective services for implementation of development programs.

- **Mansi Bijlee & Rice Mills Limited ("Mansi Bijlee")**

Mansi Bijlee was incorporated on 10th June, 2010 with name and style of Mansi Bijlee Private Limited. With effect from 25th October, 2010, the name of the company was changed to Mansi Bijlee & Rice Mills Private Limited. Mansi Bijlee was established to carry on the business of generating, distributing, transmitting, supplying and dealing in any manner in electricity and all forms of energy and to generate power through conventional and/or non-conventional sources, including biomass and waste materials. It has become the subsidiary of the Company with effect from 20th July, 2010. Mansi Bijlee got converted into Public Limited Company with effect from 28th March, 2012.

- **A2Z Maintenance Engineering Services (Uganda) Private Ltd.("A2Z Uganda")**

A2Z Maintenance & Engineering Services (Uganda) Private Limited was incorporated under the laws of the Republic of Uganda on 27th August, 2010 as a wholly owned subsidiary of the Company. A2Z Uganda was established to carry on the business to generate, accumulate, transmit, commission, maintain, distribute, purchase, sell and supply electricity power or any other energy from conventional/non-conventional energy sources on a commercial basis and to construct, lay down, establish, operate and maintain power/energy generating stations including buildings, structures, works, machineries, equipments, cables and to undertake or to carry on the business of managing, owing, controlling, erecting, commissioning, operating, running, leasing or transferring to third person/s, power plants and

plants based on conventional or non-conventional energy sources, bio-mass, solar energy plants, wind energy plants, mechanical, electrical, hydel and to deal all kinds of energy systems and products.

- **Mirage Bijlee Private Limited (“Mirage Bijlee”)**

Mirage Bijlee was incorporated on 11th June, 2010. Mirage Bijlee was established to carry on in India or abroad the business to generate, accumulate, transmit, commission, maintain, distribute, buy, sell, supply and deal in any manner in electricity and all forms of energy and to generate power through conventional and/or non-conventional sources. It has become a subsidiary of the Company with effect from 15th September, 2010.

- **Madhya Bijlee Private Limited (“Madhya Bijlee”)**

Madhya Bijlee was incorporated on 14th June, 2010. Madhya Bijlee was established to carry on in India or abroad the business to generate, accumulate, transmit, commission, maintain, distribute, buy, sell, supply and deal in any manner in electricity and all forms of energy and to generate power through conventional and/or non-conventional sources. It has become a subsidiary of the Company with effect from 18th October, 2010.

- **Star Transformers Limited (“Star Transformers”)**

Star Transformers was Incorporated on 21st January, 2011 as a Part IX Company under the provision of Companies Act, 1956 and subsequently it became a subsidiary of the Company. The company basically deals in, either directly or in partnership, high tension and low tension transformers and transformer equipments of all types. Also business of service, execution, and repair or otherwise of power distribution projects.

The Company was holding 51% stake in the Star Transformer during the year under review. However on 16th March, 2012 the company's stake has come down to 49% of the total paid up capital and Star Transformer is treated as subsidiary company of the Company as the Company is having control over the composition of the board and as per Accounting Standard 21 shall be treated as subsidiary of the Company.

- **Chavan Rishi International Limited (“Chavan”)**

Chavan Rishi International Limited, is a wholly owned subsidiary of the Company. The Company is engaged in the business of build, contract,

establish, own, purchase, sell, take on lease, acquire hold or maintain and manage industrial, commercial or residential buildings, apartment, hotels, motels, restaurant etc.

- **A2Z E Waste Management Limited (“A2Z E Waste”)**

A2Z E waste Management Limited was incorporated on 10th February, 2011 as a subsidiary of the Company. The company is engaged in the business of managing, processing and scientific disposal of Computer waste, electronic waste and all other types of waste, including collection, de-manufacturing, remarketing and recycling, collection, storage, dismantling, segregation transportation trading, processing, extraction of valuable metals, reuse and recycling, treatment and disposal of all types computer and electronic waste (E-waste), hazardous waste and to bid for obtaining rights to implement electronic waste and related projects.

- **A2Z Water Solutions Limited (“A2Z Water”)**

A2Z Water Solutions Limited was incorporated on 10th February, 2011 as a subsidiary of the Company. The company provides integrated water and waste water solutions including ways to control water pollution through various technologies and is basically engaged in the field of water and waste water management.

- **A2Z Singapore Waste Management Holdings Private Limited (“A2Z Singapore”)**

A2Z Singapore is a company incorporated on 1st September, 2011 as per the laws in the Republic of Singapore. A2Z Singapore is a company engaged, in the business of investment holding and to purchase, subscribe for or otherwise acquire and hold shares, stocks, debentures, debenture stocks, bonds, deposits, obligations and securities issued or guaranteed by any company whether constituted or carrying on business in Singapore or elsewhere and debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, municipal, local or otherwise, whether at home or abroad and to carry on the business of dealing in solid waste in all manners. The company is a wholly owned subsidiary of the Company and has its Registered Office at 3 Shenton Way, #22-09A, Shenton House, Singapore (068805).

- **A2Z Disaster Management and Innovative Response Education Private Limited (“ADMIRE”)**

ADMIRE was incorporated on 14th June, 2010 with the name and style of Mithila Bijlee Private Limited. The Company acquired 100% stake in it on 15th November, 2011 and its name was changed to A2Z Disaster Management and Innovative Response Education Private Limited with effect from 17th November, 2011. The Company is engaged in the business of providing services & consultancy in the area of disaster management, risk mitigation, emergency response, rehabilitation, infrastructure creation and restoration of drains & embankments, roads, storm shelters and electricity transmission and distribution with an objective of preparing, supporting, rebuilding society to achieve quick/speedy recovery and rehabilitation of affected communities immediately after disaster strikes whether natural, industrial or man-made and to provide consultancy and solutions for awareness and management of natural disasters in meteorological, hydrological, seismological, environmental including knowledge product, high end technology such as Management information system (MIS), Geographical information system (GIS), IT solutions and Focus on protection of the environment.

- **Pioneer Waste Management Private Limited (“Pioneer”)**

The Company acquired 100% stake in Pioneer on 15th November, 2011. The Company is engaged in the business of collection, segregation, and transportation of municipal solid wastes on Design, Renovate, Operate, Maintain and Transfer (DPRONT) or on commercial basis for Municipal Corporations/ Local authorities/ Govt. Agencies and Semi Govt. Agencies and to dispose municipal solid waste at designated sites, implement a scientific solid waste management system as per guideline issued by Municipal Corporation Local authority/ Govt. Agency and Semi Govt. Agency or on such innovative commercial collection system.

- **A2Z Waste Management (Nainital) Private Limited (“A2Z Nainital”)**

The Company is having 48 % stake in A2Z Waste Management (Nainital) Private Limited directly effective from 23rd December, 2011 and 26% through A2Z Infrastructure Limited, a direct subsidiary company. A2Z Nainital is a Special Purpose Vehicle

Company for development of integrated solid waste management facilities in Nainital city for Nagar Palika Parishad, Nainital, Uttarakhand and is engaged in the business of collection, segregation, and transportation of municipal solid wastes on Design, Procure, Renovate, Operate, Maintain and Transfer (DPRONT) or on commercial basis and also dispose of the Municipal solid waste at the designated sites, implement a scientific solid waste management system in the City of Nainital as per the guidelines issued by Nagar Palika Parishad, Nainital, Uttarakhand

INDIRECT SUBSIDIARIES

The Company is having following 23 (Twenty Three) indirect subsidiaries :-

- **A2Z Waste Management (Aligarh) Limited: (“A2Z Aligarh”)**

A2Z Aligarh was incorporated on 4th December, 2009 as a subsidiary of the A2Z Infrastructure Limited. A2Z Aligarh was established for the development of integrated solid waste management facilities in Aligarh city for Aligarh Municipal Corporation, Uttar Pradesh.

- **A2Z Waste Management (Varanasi) Limited: (“A2Z Varanasi”)**

A2Z Varanasi was incorporated on 4th December, 2009 as a subsidiary of the A2Z Infrastructure Limited. A2Z Varanasi was established for the development of integrated solid waste management facilities in Varanasi city for the Varanasi Municipal Corporation, Uttar Pradesh.

- **A2Z Waste Management (Merrut) Limited: (“A2Z Merrut”)**

A2Z Merrut was incorporated on 4th December, 2009 as a subsidiary of the A2Z Infrastructure Limited. A2Z Merrut was established for the development of integrated solid waste management facilities in Meerut for the Meerut Municipal Corporation, Uttar Pradesh.

- **A2Z Waste Management (Moradabad) Limited: (“A2Z Moradabad”)**

A2Z Moradabad was incorporated on 4th December, 2009 as a subsidiary of the A2Z Infrastructure Limited. A2Z Moradabad was established for the development of integrated solid waste management facilities in Moradabad city for the Moradabad Municipal Corporation, Uttar Pradesh.

- **A2Z Waste Management (Badaun) Limited: (“A2Z Badaun”)**
 A2Z Badaun was incorporated on 10th November, 2010 as a subsidiary of the A2Z Infrastructure Limited. A2Z Badaun was established for the development of integrated solid waste management facilities in Badaun city for Badaun Municipal Corporation, Uttar Pradesh.
 - **A2Z Waste Management (Balua) Limited: (“A2Z Balua”)**
 A2Z Balua was incorporated on 10th November, 2010 as a subsidiary of the A2Z Infrastructure Limited. A2Z Balua was established for the development of integrated solid waste management facilities in Balua city for Balua Municipal Corporation, Uttar Pradesh.
 - **A2Z Waste Management (Basti) Limited: (“A2Z Basti”)**
 A2Z Basti was incorporated on 10th November, 2010 as a subsidiary of the A2Z Infrastructure Limited. A2Z Basti was established for the development of integrated solid waste management facilities in Basti city for Basti Municipal Corporation, Uttar Pradesh.
 - **A2Z Waste Management (Fatehpur) Limited: (“A2Z Fatehpur”)**
 A2Z Fatehpur was incorporated on 10th November, 2010 as a subsidiary of the A2Z Infrastructure Limited. A2Z Fatehpur was established for the development of integrated solid waste management facilities in Fatehpur city for Fatehpur Municipal Corporation, Uttar Pradesh.
 - **A2Z Waste Management (Jaunpur) Limited: (“A2Z Jaunpur”)**
 A2Z Jaunpur was incorporated on 9th November, 2010 as a subsidiary of the A2Z Infrastructure Limited. A2Z Jaunpur was established for the development of integrated solid waste management facilities in Jaunpur city for Jaunpur Municipal Corporation, Uttar Pradesh.
 - **A2Z Waste Management (Loni) Limited: (“A2Z Loni”)**
 A2Z Loni was incorporated on 10th November, 2010 as a subsidiary of the A2Z Infrastructure Limited. A2Z Loni was established for the development of integrated solid waste management facilities in Loni city for Loni Municipal Corporation, Uttar Pradesh.
 - **A2Z Waste Management (Mirzapur) Limited: (“A2Z Mirzapur”)**
 A2Z Mirzapur was incorporated on 10th November, 2010 as a subsidiary of the A2Z Infrastructure Limited.
- A2Z Mirzapur was established for the development of integrated solid waste management facilities in Mirzapur city for Mirzapur Municipal Corporation, Uttar Pradesh.
 - **A2Z Waste Management (Sambhal) Limited: (“A2Z Sambhal”)**
 A2Z Sambhal was incorporated on 10th November, 2010 as a subsidiary of the A2Z Infrastructure Limited. A2Z Sambhal was established for the development of integrated solid waste management facilities in Sambhal city for Sambhal Municipal Corporation, Uttar Pradesh.
 - **A2Z Waste Management (Ranchi) Limited; (A2Z Ranchi”)**
 A2Z Ranchi was incorporated on 01st March, 2011 as a subsidiary of the A2Z Infrastructure Limited. A2Z Ranchi was established for the development of integrated solid waste management facilities in Ranchi city for Ranchi Municipal Corporation, Jharkhand.
 - **A2Z Waste Management (Ludhiana) Limited: (“A2Z Ludhiana”)**
 A2Z Ludhiana was incorporated on 14th July, 2011 as a subsidiary of the A2Z Infrastructure Limited. A2Z Ludhiana was established for the development of integrated solid waste management facilities in Ludhiana city for Ludhiana Municipal Corporation, Punjab.
 - **Shree Hari Om Utensils Private Limited (“Shree Hari Om”)**
 A2Z Waste Management (Varanasi) Limited, an indirect subsidiary company, had acquired 100 % stake in Shree Hari Om Utensils Private Limited with effect from 30th April, 2012. The Company’s main objects are to carry on the business as manufacturers, processors, sellers, dealers, importers and exporters in all kinds of ferrous and non-ferrous metals, particularly stainless steel in the form of all kinds of utensils, cutlery, hospitalware, canteen.
 - **Shree Balaji Pottery Private Limited (“Shree Balaji”)**
 A2Z Waste Management (Moradabad) Limited, an indirect subsidiary company, had acquired 100% stake in Shree Balaji Pottery Private Limited with effect from 30th April, 2012. The Company’s main objects are to manufacture, produce, buy, sell, dispose of and deal in all kind of glassware, cups, saucers, plates, crockery, fire bricks, fire blocks, potteries, refectories, earthen and pottery works of

all kinds, glass, sand, silica, soda, potash, lime and chemicals and substance of all kinds and all the residuary products resulting from the manufacture of glass and pottery and other substances to carry on all the allied business that are usually or may be conveniently carried on by the Company.

- **A2Z Waste Management (Haridwar) Private Limited: (“A2Z Haridwar”)**

A2Z Infrastructure Limited had acquired 100 % stake in Mahrishi Bijiilee Private Limited on 17th November, 2011. The name and object of the Company were changed with effect from 21st November, 2011 and the new name of the Company is A2Z Waste Management (Haridwar) Private Limited. The Company is a Special Purpose Vehicle Company for development of integrated solid waste management facilities in Haridwar city for Nagar Nigam Haridwar, Uttarakhand and is engaged in the business of collection, segregation, and transportation of municipal solid wastes on Design, Procure, Renovate, Operate, Maintain and Transfer (DPROMT) or on commercial basis and also dispose of the Municipal solid waste at the designated sites, implement a scientific solid waste management system in the City of Haridwar as per the guidelines issued by Nagar Nigam Haridwar, Uttarakhand.

- **A2Z Waste Management (Dhanbad) Private Limited: (“A2Z Dhanbad”)**

A2Z Infrastructure Limited had acquired 100 % stake in Mahanadi Bijiilee Private Limited on 28th October, 2011. The name and object of the Company were changed with effect from 15th November, 2011 and the new name of the Company is A2Z Waste Management (Dhanbad) Private Limited. The Company is a Special Purpose Vehicle Company for development of integrated solid waste management facilities in Dhanbad Municipal Corporation, Jharkhand, and is engaged in the business of collection, segregation, and transportation of municipal solid wastes on Design, Procure, Renovate, Operate, Maintain and Transfer (DPROMT) or on commercial basis and also dispose of the Municipal solid waste at the designated sites, implement a scientific solid waste management system in the City of Dhanbad as per the guidelines issued by Dhanbad Municipal Corporation, Jharkhand.

- **A2Z Waste Management (Jaipur) Limited (“A2Z Jaipur”)**

A2Z Infrastructure Limited, a subsidiary company

has incorporated a subsidiary company with the name and style of A2Z Waste Management (Jaipur) Limited which is a Special Purpose Vehicle Company for development of integrated solid waste management facilities in Jaipur city for Nagar Nigam Jaipur, Rajasthan. A2Z Infrastructure is having 80% stake and the Company is having 20% stake in it. The company was incorporated on 10th July, 2012 with the main object of carrying on the business of collection, segregation, and transportation of municipal solid wastes on Design, Build, Own, Operate and Transfer (DBOOT) basis or on commercial basis and also dispose of the Municipal solid waste at the designated sites, implement a scientific solid waste management system in the City of Jaipur as per the guidelines issued by Nagar Nigam Jaipur, Rajasthan.

- **A2Z Mayo SNT Waste Management (Nanded) Private Limited (“A2Z Nanded”)**

A2Z Infrastructure Limited, a subsidiary company has incorporated a subsidiary company with the name and style of A2Z Mayo SNT Waste Management (Nanded) Private Limited which is a Special Purpose Vehicle Company for processing & disposal of Municipal Solid Waste for Nanded Waghala City Municipal Corporation, Nanded, Maharashtra. A2Z Infrastructure is having 60% stake and M/s MAYO SNT Infrastructure Private Limited is having 40% stake in it. The company was incorporated on 7th August, 2012 with the main object of carrying on the business of processing and disposing of the Municipal solid waste at the designated sites, implement a scientific solid waste management system in the City of Nanded as per the guidelines issued by Nanded Waghala City Municipal Corporation, Nanded, Maharashtra.

- **A2Z Dataserv Limited (“A2Z Dataserv”)**

A2Z Dataserv Limited is a direct subsidiary of A2Z E Waste Management Limited and was incorporated on 15th December, 2011. A2Z Dataserv is engaged in the business of, whether within or outside India, of managing, processing and scientific disposal of electronic waste (which includes computer waste and electronic products) and all other types of waste, including collection, de-manufacturing, remarketing and recycling, collection, storage, dismantling, segregation transportation trading, processing, extraction of valuable metals, reuse and recycling, treatment and disposal of all types of electronic waste and hazardous waste and to bid for obtaining rights to manage electronic waste and related projects.

- **A2Z Waste Management Private Limited (“A2Z Waste”)**

A2Z Waste Management Private Limited is a wholly owned subsidiary of A2Z Singapore Waste Management Holdings Private Limited. A2Z Singapore has acquired 100% stake in A2Z Waste with effect from 16th January, 2012. The Company is engaged in the business of collection, segregation, and transportation of municipal solid wastes on Design, Renovate, Operate, Maintain and Transfer (DPROMT) or on commercial basis for Municipal Corporations/ Local authorities/ Govt. Agencies and Semi Govt. Agencies and to dispose municipal solid waste at designated sites, implement a scientific solid waste management system as per guideline issued by Municipal Corporation Local authority/ Govt. Agency and Semi Govt. Agency or on such innovative commercial collection system.

- **A2Z Dataserv JLT**

A2Z Dataserv Limited has incorporated a wholly owned subsidiary company in the Dubai Multi Commodities Centre in Dubai – United Arab Emirates with the name and style of A2Z Dataserv JLT on 31st July, 2012. The company shall trade in used Electrical and Electronic Appliances.

EXEMPTION UNDER SECTION 212 FOR SUBSIDIARIES

As per section 212 of the Companies Act, 1956 we are required to attach Balance Sheet, P & L A/c, Director’s Report and Auditor’s Report of the Subsidiary companies with the Balance Sheet of the Company. Ministry of Corporate Affairs vide its Circular No: 51/12/2007-CL-III dated 8th February, 2011, has, subject to compliance with certain conditions, granted general exemption to the companies from applicability of Section 212 of the Companies Act, 1956.

The members of the Board of Directors of the Company vide resolution passed in their meeting has decided not to attach the Balance Sheet, P & L A/c, Director’s Report and Auditor’s Report of the Subsidiary companies with the Balance Sheet of the Company and decided to complied the provisions of the said Circular, i.e. the consolidated Financial Statement of the Company for the Financial Year ended 31st March, 2012 duly audited by Statutory Auditors is included in the Annual Report. The Annual Accounts of these subsidiaries and the related detailed information will be made available to any Member of the Company/

its subsidiaries seeking such information at any point of time and are also available for inspection by any Member of the Company/its subsidiary (ies) at the Registered Office of the Company/its subsidiaries.

Further Pursuant to the Listing Agreement with the Stock Exchanges and the general exemption granted by the Ministry of Corporate Affairs, the Consolidated Financial Statements of the Company, including the financial details of all the subsidiary companies, which forms part of the Annual Report, has been prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India.

15. INTERNAL CONTROL SYSTEMS

The Company has a proper, efficient & adequate internal control system. It ensures that all the assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly.

An effective programme of internal audit and management review supplements the process of internal control. Properly documented policies, guidelines and procedures are laid down for this purpose. The internal control system has been designed so as to ensure that the financial and other records of the Company are reliable for preparing the financial and other statements and for maintaining accountability of assets of the Company.

The Company has also constituted an Audit Committee comprising of 4 (Four) professional qualified directors, who regularly interact with the Statutory Auditors and Internal Auditors in dealing with the matters specified within its terms of reference. The Committee mainly deals with accounting matters, financial reporting and internal controls.

16. AUDIT COMMITTEE RECOMMENDATION

During the year under review there was no such recommendation of the Audit Committee which was not accepted by the Board. Hence there is no need for disclosure of the same in this report.

17. RISK MANGEMENT SYSTEM

Your Company follows a comprehensive & effective system of Risk Management. The Company has adopted a procedure for risk assessment and its minimization. It ensures that all the risks are timely identified and mitigated in accordance with the well structured Risk Management process. The Board of directors & the Audit Committee periodically review the Risk management process.

18. PUBLIC DEPOSITS

During the year under review the company has not accepted any deposit from public within the meaning of section 58A of the Companies Act, 1956 and rules made there under.

19. AUDITORS AND AUDITOR'S REPORT

M/s. Walker Chandiook & Co. Chartered Accountants, Statutory Auditors of the Company will hold office up to the conclusion of the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

On recommendation of the Audit Committee the Board has suggested the re-appointment of M/s Walker, Chandiook & Co., Chartered Accountants as Statutory Auditors. M/s Walker, Chandiook & Co., Chartered Accountants, if appointed by members as Statutory auditor shall hold office from the conclusion of ensuing Annual General Meeting up to the next Annual General Meeting of the Company. A Certificate has been received from them as required under section 224(1B) of the Companies Act, 1956 to the effect that their appointment, if made, would be within the limits specified in the said section.

The auditor's report presented by M/s Walker Chandiook & Co., Statutory Auditors on the accounts of the company for the financial year ended 31st March, 2012 is self-explanatory and requires no comments and the Management replies to the audit observations are as under:

Explanation to para 5 of Auditor's report on Standalone Financials of A2Z Maintenance & Engineering Services Limited & para 5 of Auditor's report on Consolidated Financials of A2Z Maintenance & Engineering Services Limited, its subsidiaries and joint ventures.

- a) The Company has outstanding recoverable of Rs 64.38 Million and Rs 83.07 Million being deductions proposed/ made by the respective customers on invoices raised by Company for services rendered, price escalations on certain supply items and certain other items. In one of the cases, involving amount of Rs 64.38 Million, the Company had filed an application with the High Court for appointment of arbitrator in response to which the high court had appointed an arbitrator to settle the dispute. In the other case, involving outstanding receivables of Rs 83.07 Million, the Company has filed a Special leave petition with the Hon'ble Supreme Court against

the Hon'ble High Court's order for appointment of arbitrator, accordingly the Hon'ble Supreme Court has given stay on the proceedings of the arbitrator appointed by the customer. In the latter case, subsequent to March 31, 2012, the Company has recovered Rs 22.43 Million from the customer, however, no settlement has been arrived at with the customer.

- b) One of the subsidiary company, A2Z Infrastructure Limited, has outstanding recoverable of Rs 76.27 Million, being receivable from a customer for collection and transportation of municipal solid waste. The subsidiary company has filed a writ petition with High Court of Patna for recovery of dues. An interim order was passed directing the customer to release 75% of the amount recoverable. Against the interim order the customer has filed Letters Patent Appeal ('LPA') which has been dismissed, confirming the interim order. Subsequently, the writ petition has been allowed by the Court and customer has been directed to pay the entire amount along with the interest at the rate of 8% p.a from the due date.

The management, based on legal advice, believes that the outcome of above legal matters is likely to be in its favor and has thus classified the said amounts as recoverable in the books and no adjustments have been made with respect of the same in the financial results.

Explanation to para 4 of Auditor's report on Consolidated Financials of A2Z Maintenance & Engineering Services Limited, its subsidiaries and joint ventures.

During the year, the subsidiary company, A2Z Infrastructure Limited, has raised Rs 454.66 Million as external commercial borrowings (ECB) from banks for two municipal solid waste projects. However, pending the execution of these two projects Rs 373.10 Million has been utilised for capital expenditure of other projects in the subsidiary company and Rs 75.37 Million has been utilized for other business purposes. The subsidiary company intends to take appropriate steps to ensure the necessary compliances.

Explanation to Point No. (ix) (a) of the Annexure to the Auditor's Report on Standalone Financials of A2Z Maintenance & Engineering Services Limited

The Company has been depositing statutory dues regularly with the appropriate authorities though

there has been a slight delay in a few cases which will be taken care in future.

Explanation to Point No. (xxi) of the Annexure to the Auditor's Report on Standalone Financials of A2Z Maintenance & Engineering Services Limited

During the year theft by unidentified individual of materials amounting to Rs. 38.56 Millions and of cash amounting to Rs 0.02 Million has been reported against which the company has filed an insurance claim with the Insurance Company and received a sum of Rs. 6.51 Millions We have taken adequate safeguards to prevent theft of materials.

Branch Audit:

The Company has a branch office in Uganda to represent and to do the businesses of Company over there. Further the accounts of the said branch has been reviewed by M/s Hitesh Mehta & Co., Certified Public Accountants and has been consolidated in the Company's financials.

20. PARTICULARS OF EMPLOYEES

The information required under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, is set out in the Annexure II to the Director's Report.

21. CORPORATE GOVERNANCE REPORT

The company is regularly complying with the requirements of Corporate Governance as stipulated under clause 49 of the listing agreement. A detailed report on compliance of corporate governance along with Management Discussion & Analysis forms part of the Annual Report.

The requisite Certificate from the Practicing Company Secretary Mr. Ankit Bhatia, a partner of M/s. DR Associates, Company Secretaries regarding Compliance with the conditions of Corporate Governance as stipulated in Clause 49 is annexed as Annexure to Corporate Governance Report.

22. DIRECTOR'S RESPONSIBILITY STATEMENTS:

In accordance with the provisions of section 217(2AA) of the Companies Act, 1956, your directors state that:

1. In the preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures.

2. Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates are made so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2012 and of the profits of the Company for the year ended on that date.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The annual accounts of the company have been prepared on a going concern basis.

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

Particulars required to be furnished pursuant to section 217(1)(e) of the Companies act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988: '

- i. Part A and B of the Rules pertaining to conservation of energy and technology absorption are not applicable to the Company.
- ii. Foreign Exchange earnings and outgo:

Earnings: Revenue from Engineering Services	– Rs. 495.25 Million
Outgo - Expenditure in Foreign Currency	– Rs. 5.21 Million
CIF value of Imports	– Rs. 49.86 Million

24. ACKNOWLEDGEMENT

Your Directors would like to express their gratitude and appreciation for the co-operation and support extended by the Bankers, Vendors, Investors, Business Associates and various Government Agencies/Authorities during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services and untiring efforts of the executives, staff and workers of the Company at all the levels.

For and on behalf of Board of Directors

Date : August 23, 2012 Place : Gurgaon	Sd/- (Surender Kumar Tuteja) Chairman
-------------------------------------------	----------------------------------------------------

Annexure I to Directors' Report

A2Z STOCK OPTION 2010: STATUS AS ON 31.03.2012

S. No	Particulars	A2z Stock Option Plan 2010
1	Number of Stock options granted	9,47,250
2	Pricing Formula	Rs. 314.13
3	Option Vested	1,51,100
4	Number of Option exercised	NIL
5	Number of Shares arising as a result of exercise of option	NIL
6	Variation of terms of options	NONE
7	Number of option lapsed	1,91,750
8	Money realized upon exercise of options	NIL
9	Total number of option in force	7,55,500
10	(a) Options granted to senior managerial personnel	
	· Mr. Surender Kumar Tuteja	25,000
	· Mr. Rajeev Thakore	25,000
	· Mr. Vinod Sagar Wahi	25,000
	· Mr. Rakesh Gupta	33,750
	· Mr. Rajesh Kataria	12,500
	· Mr. Ashok Saini	33,750
	· Mr. Rajesh Jain	25,000
	· Mr. Amit Kumar Agrawal	25,000
	· Mr. Sunil B. Chhibar	25,000
	· Mr. Hemant Gupta	25,000
	· Mr. Atul Kumar Agarwal	5,000
	· Mr. Sanjeev Sharma	33,750
	· Mr. Manoj Gupta	33,750
	· Mr. Subhash Kumar Mehta	12,500
	(b) Any other employee who receives a grant in any one year of option amounting to 5% or more of options granted during the year	None
	c) Identified employees who were granted options during any 1 year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants & conversions) of the Company at the time of grant	None
11	(i) Method of calculation of employee compensation cost	Intrinsic Value Method
	(ii) Difference between the employee compensation cost so computed at 11(i) above and the employee compensation cost that shall have been recognised if it had used the fair value of the options	Rs. 31,522,827
	(iii) The impact of this difference on profits and on EPS of the Company	--

	Profit including extra-ordinary items, as reported	Rs. 201,396,191
	Add: Employee stock compensation under intrinsic value method	--
	Less: Employee stock compensation under fair value method*	Rs. 31,522,827
	Pro-forma profit	Rs. 169,873,364
	Earnings Per Share	
	Basic	
	As reported (including extra-ordinary items)	Rs. 2.72
	Pro-forma	Rs. 2.29
	Diluted	
	As reported (including extra-ordinary items)	Rs. 2.72
	Pro-forma	Rs. 2.29
12	a) Weighted average exercise prices of option granted	Rs. 314.13
	b) Weighted average fair value of options granted on the date of grant	Rs. 58.23
13	Method and significant assumptions used to estimate the fair values of options	Black Scholes Valuation Model
	(i) Weighted average share price / Fair value of share	Rs. 221.75
	(ii) Exercise Price	Rs. 314.13
	(iii) Annual Volatility (Standard Deviation – Annual)	34.93%
	(iv) Time To Maturity - in years	5.51
	(v) Dividend Yield	2.25%
	(vi) Risk free Rate – Annual	7.45%

Annexure II to Directors' Report

LIST OF PERSONS EMPLOYED THROUGHOUT THE FINANCIAL YEAR

Name	Designation	Gross Annual Remuneration in Rs.	Qualification	Years of Experience	Date of commencement of employment	Age	Last Employment	Last Designation
Mr. Rakesh Gupta	Group Chief Financial Officer	60,00,000	B.Com, FCA	28	16/05/2007	50	M/s Nahar Industrial Enterprises Limited	Vice President
Mr. Amit Sardana	Group CEO	84,00,000	Post Graduation in Management	19	01/07/2010	41	Infrastructure Professionals Enterprises (P) Ltd.	Whole Time Director

Notes:

- Remuneration includes Salary, allowances, taxable perquisites, commission payable and Company's contribution to provident fund.
- Mr. Rakesh Gupta and Mr. Amit Sardana are not in relation to any director of the Company.

Management Discussion & Analysis

Overview of the Company

The Company is operating in many business segments directly and through its subsidiaries. The A2Z group ("A2Z") is evolving from its historical businesses of FMS and EPC services to being an Infrastructure Company providing solutions that promote Clean and Green Energy.

Our main sources of revenue today are EPC Services, primarily in the Power Distribution segment where we help in expanding reach of power to villages not yet connected to the grid and also reducing Technical and Commercial losses. Our FMS business provides housekeeping, security, hospitality and related services.

In our re-engineered strategy, the group is attempting to build scale in Green Technology solutions in all areas of the power sector, starting from generation of power to its distribution to end consumers. Towards it, the company is taking significant steps for generation of power from renewable energy sources like biomass (Renewable Energy Generation). A2Z also operates in the areas of Municipal Solid Waste Management (MSW). A brief description of the environment and our business lines is provided below.

Macroeconomic Environment Overview

Global

The global economic environment continues to be affected by increased uncertainty. The 'Arab Spring' has resulted in successful regime change in Egypt, but has led other countries like Syria and Libya to a civil war. As, policymakers in Europe and the United States openly discuss Greece's exit from the European Union, they are increasingly worried about the sovereign debt crisis spreading to other countries. However, in the recent past, there has been increasing optimism about the economic recovery in the United States.

Indian

The Indian economy grew at a slower pace of just under 7% in financial year ending 31st March 2012 as compared to over 8% during the last year. While the services and the agricultural sector have performed well, the manufacturing sector has languished thereby affecting the GDP output. The Reserve Bank of India concerned with the high inflationary pressures and burgeoning fiscal deficit has been forced to adopt a strict monetary policy. A strict monetary policy starting at the end of financial year ending 31st March 2010 resulted in continuous interest rate hikes by Reserve Bank of India. Only recently, there have been policy rate cuts which show a reversal in monetary policy stance which bode well for the company and country on a whole.

Opportunities

EPC Business

Across the world, a large no. of countries are planning

huge investment in their T&D network. The world's electricity generation capacity has been increased by about 17% during 2005 to 2010, which would lead to increased investments in T&D segments. [Source: International Energy Outlook, 2011]. In the developed economies, the focus has been on modernizing the transmission and distribution infrastructure and to integrate the decentralized renewable energy resources into the grid. Africa is largely under-electrified and needs to build transmission networks and thus the distribution networks to increase reach of the end consumers.

The Indian power sector is expected to add nearly 45,000 megawatt (MW) to its total installed capacity by 2013-14. Demand for electricity is expected to grow at a CAGR of 7% over FY07-FY22 to 1,915 TWh, whereas the current production levels are not enough to meet the demand as the annual demand outstrips supply by 7% to 12%. [Source: www.ibef.org].

One of the most basic requirements for faster, inclusive and sustainable growth is adequate & continuous availability of power. To make this happen, access to energy in rural areas and to urban poor has to be ensured. Increase in energy efficiency is the only way to contain energy demand without jeopardising growth and it must therefore receive high priority in the next five year Plan.

The Company has been operating its EPC business since fiscal 2006 and has focused primarily on the Power Distribution sector. The EPC services provided for distribution sector include the installation of distribution line infrastructure with capacities of up to 33 KV, the construction of substations and participation in system strengthening projects and rural electrification projects. In the Power Transmission sector, our EPC services include the construction of extra high voltage (EHV) substations of up to 400 KV and EHV transmission lines of up to 765 KV. In the Power Generation sector, we are currently executing installing Power generation projects within the group companies and intend to grow this further. During the year, the company has increased its presence in the Sub-Saharan African countries by winning further distribution projects in Uganda, Kenya & Zambia.

The capabilities of the Company, its execution skills and the push from Indian government for reforms in the power sector and additional investments in the power sector across the globe, present a great opportunity in front of the Company.

Power IT Solutions business

Distribution segment is considered as the weakest link in the power sector due to the large Aggregate Technical and Commercial (AT&C) losses occurring at the distribution end.

The company has diversified into the Power IT Solutions business, where it is executing projects as a systems integrator by developing solutions for AT&C loss reduction in India. The Company has been empanelled by Power Finance Corporation (PFC), as a system integrator to provide IT applications for reduction in AT&C losses under R-APDRP, with consortium partner, Sterlite Technologies Limited.

FMS business

The share of services in India's GDP increased from 55.1% in 2010-11 to 56.3% in 2011-12. [Source: www.indiabudget.nic.in].

In the broader framework of a growing economy, sectors such as financing, insurance, real estate and business services grew at 9.20% in 2011-12. Growth in these sectors has led to a demand for supporting infrastructure and management of the same is emerging as a business model. Such management solutions have a place for organizations spread geographically such as the Indian Railways and also places such as offices, malls, commercial buildings etc.

The Company has been engaged in the FMS business since its incorporation in 2002. The Company differentiates itself by leveraging its engineering skills and assisting clients in adopting preventive maintenance and energy saving solutions. Its services in the FMS business include engineering maintenance (mechanical, plumbing, electrical, HVAC, DG Set), energy saving solutions, janitorial services, parking management, property lease management, telecommunications tower maintenance, railways and security services to both, public and private sector clients.

Renewable Energy Generation

The key drivers for the renewable energy sector in India include the huge demand-supply gap, especially with increase in population; tax related regulatory incentives; preferential tariffs; Renewable purchase obligations (RPO) of states and the availability of the Clean Development Mechanism (CDM) benefits and/or Indian renewable energy certificates (RECs), as implemented by the Indian government; a large untapped potential; environmental concerns regarding the use of fossil fuels; the desire to strengthen India's energy security; and a viable solution for rural electrification.

While the renewable energy has emerged as the new growth area in the Indian power sector, with most of the public and private players coming up with plans to tap the potential market, on back of favorable government policies and initiatives. A2Z has pioneered biomass based energy generation in the country by setting up 3 x 15MW biomass based power plants in the state of

Punjab. The plants at Nakodar and Fazilka have started generating power and are undergoing trial runs, whereas the plant at Morinda is in advanced stages of completion. The company has also set up a 15 MW power plant at Kanpur under A2Z Infrastructure Ltd. in Kanpur which has already generating Power.

MSW business

The waste generation is rapidly increasing in India with population expansion, increasing urbanisation and economic development. The proportion of urban population (which is primarily distributed in large towns and in metropolitan areas) to total population has increased from 17% in 1951 to 28 % in 2001 and this ratio is expected to cross 40% by 2021. More than 120,000 MT of MSW is generated daily in the country and per capita waste generation in major cities ranges from 0.20 kg to 0.60 kg. [Source: European Commission www.ec.europa.eu]. The collection efficiency ranges from 70% to 90% in major metro cities and below 50% in some smaller cities. The Government has initiated various schemes to address concerns of MSW management. These schemes include the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and the Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT). MSW management is one of the fastest growing businesses in India with continued focus and push from both the Central and State governments.

In the MSW business, the Company provides collection, transportation, processing, disposal and treatment of municipal solid waste. In a short span of time since 2008, the Company has been awarded contracts for (a) setting up Integrated Resource Recovery Facilities (IRRFs) on a BOOT basis with an aggregate MSW capacity of ~6,300 tons per day (TPD) in 13 cities; (b) the collection and transportation (C&T) of MSW of an aggregate capacity of ~1,300 TPD in 4 cities; and (c) the processing and disposal (P&D) of MSW of an aggregate capacity of ~1,000 TPD in 10 cities in India. These projects have been awarded by various urban local bodies (ULB) through competitive bidding under the JNNURM and UIDSSMT schemes and are annuity projects with tenure of 25 to 30 years with price escalation clauses.

Strengths

We believe that the following are our key competitive strengths:

- a. Proven project execution capabilities and demonstrated track record
- b. Ability to identify new business opportunities and scale businesses in high growth sectors
- c. In-house engineering capabilities and strong quality management systems

- d. Qualified and experienced management and motivated employee base
- e. Diversified business and operations

Based on our strengths as outlined above, our business strategy is focused on expanding our participation in the power, infrastructure and waste management sectors in a socially relevant manner. To this end, we intend to continue to provide high quality services to our clients and grow our business by leveraging our strengths and implementing the following strategies:

- a. Strengthen presence in the power sector
- b. Continue to diversify our EPC business geographically, MSW management, Renewable Energy Generation and FMS businesses
- c. Pursue strategic alliances and investments

Threats, Risks & Concerns

While the growth outlook remains strong there are few risks, challenges and concerns associated with business of the company, which can be enumerated as:

- a. Commodity price variation;
- b. Delays in execution of projects due to external factors;
- c. High rate of inflation;
- d. Government policies.
- e. Deployment and retention of competent employees

To mitigate these risks, the risk management strategies being adopted by the company are periodically reviewed by the management and appropriate actions are taken from time to time.

Internal control systems

The company has an internal control system commensurate with its size and nature of business, which covers the following areas:-

- a. Optimum utilization of resources;
- b. Accurate & prompt recording of transactions;
- c. Efficient communication system between the Projects and Head Office;
- d. Safeguarding of assets;
- e. Compliance with prevalent statutes, listing agreement provisions, management policies & procedures;
- f. Efficient management information system;
- g. Adherence to applicable accounting standards and policies;
- h. Review of IT and other systems; and
- i. The internal control system provides for adherence to approved procedures, policies, guidelines and authorization.

In order to ensure that all checks and balances are in place and all the internal control systems and procedures are in order, regular and exhaustive internal audit is conducted by the qualified Chartered Accountants.

Human Resources

To keep pace with the organic growth of A2Z Group's fast growing business segments; hiring strategy employs a mix of sourcing resources to attract the right talent. Utmost diligence is employed in choosing the right sourcing resource to cater to the diversified business dynamics. We believe in hiring the best talent - talent that can think out of the box and is driven by values. We align our people by cascading visions into goals and business goals into team and individual goals. We have a structured Performance management system that sets specific objectives and measures performance achievement while identifying development opportunities.

Corporate Social Responsibility (CSR)

The Company believes in conducting its operations in a socially relevant manner. It provides employment opportunities to persons in the unorganized sector in the MSW business and aims to enhance their quality of life and dignity of service. The Company intends to improve the standard of living by providing housing facilities to rag pickers employed in its MSW business. With the aim of protecting the environment, the Company's CSR initiative is emphasizing on people's cooperation under its brand "Sahyog". Through its CSR initiative, the Company has taken steps towards spreading clean and green awareness in communities and schools. In schools, environment protection messages are inculcated through sensitization programs, rallies, quizzes, posters, skits and street marches. In communities, awareness is extended through regular awareness drives and meetings.

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

REPORT ON CORPORATE GOVERNANCE

Annexure to the Director's Report

Company policies on the Corporate Governance and compliance report on specific areas wherever applicable for the financial year ended March 31, 2012 are given hereunder:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes in maintaining the highest standards of corporate governance not as matter of mere formality but of substance. The philosophy of corporate governance as manifested in the Company's working is to achieve business excellence by enhancing long-term shareholders value. Efficient conduct of the business of the Company through commitment to transparency and business ethic in discharging its corporate responsibilities are hallmarks of the best practices already followed by the Company.

We, at A2Z are dedicated to uphold the highest standards of corporate governance, compliance and administration by integrity, stability, determination towards value system, responsible decision making and continued trust and support of all the stakeholders.

2. BOARD OF DIRECTORS

2.1 Composition and Category of Directors

The Company's Board is an optimum combination of Executive, Non-Executive and Independent Directors presenting the judicious mix of professionalism, knowledge and experience. The Board comprises of Nine (9) Directors and two (2) Alternate Directors. Among them One (1) Non-Executive Independent Chairman, Two (2) Executive Directors one of whom is Managing Director, Four (4) Non-Executive Non Independent Directors and Two (2) Non Executive Independent Directors. The independent directors do not have any pecuniary

relationship or transactions with the company, promoters, and management, which may affect independence or judgment of the directors in any manner.

The members of our Board are from diverse back grounds with skills and experience in critical areas like technology, finance, entrepreneurship and general management. Many of them have worked extensively in senior management positions in global corporations and others are industrialists of repute with a deep understanding of the Indian business environment. The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory as well as business requirements.

The composition of the Board of Directors of the Company is in conformity with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges.

2.2 Board functioning and procedure

The Boards of Director oversee the overall functioning of the Company and take the strategic decision and define the management policies in the best interest of the Company and its stakeholders.

The information as required under Clause 49 of the Listing Agreement is being made available to the Board in their respective meetings. The members of the Board always have complete liberty to express their opinion and decisions are taken on the basis of consensus arrived at after detailed discussion. They are also free to bring up any matter for discussion at the Board Meetings.

During the financial year ended 31st March, 2012 the Board met Six (6) times i.e. on 30th May, 2011, 25th July, 2011, 12th August, 2011, 29th August, 2011, 12th November, 2011 and 8th February, 2012. Requisite information as per the requirement of Clause 49 of the Listing Agreement is provided in the following table:

Name of Director	Director Identification Number	Category	Number of Other Directorship ¹ and Committee ² Memberships and Chairmanships			No. of Board Meeting held	No. of Board Meeting attended	Whether attended last AGM
Mr. Surender Kumar Tuteja	00594076	Independent and Non-Executive Director	12	6	3	6	5	Yes
Mr. Amit Mittal	00058944	Non-Independent and Executive Director	4	Nil	Nil	6	6	Yes
Mrs. Dipali Mittal	00872628	Non-Independent and Executive Director	5	Nil	Nil	6	4	Yes
Mr. Rakesh Radheyshyam Jhunjhunwala	00777064	Non-Independent and Non- Executive Director	7	Nil	Nil	6	1	No
Mr. Manish Gupta ³	00604556	Non-Independent and Non-Executive Director	1	1	Nil	6	6	Yes

Name of Director	Director Identification Number	Category	Number of Other Directorship ¹ and Committee ² Memberships and Chairmanships			No. of Board Meeting held	No. of Board Meeting attended	Whether attended last AGM
Mr. Brij Raj Singh ⁴	01446886	Non-Independent and Non-Executive Director	Nil	Nil	Nil	6	6	No
Mr. Gaurav Mathur ⁵	00016492	Non-Independent and Non- Executive Director	3	1	Nil	6	4	No
Mr. Vinod Sagar Wahi	01899217	Independent and Non-Executive Director	3	2	Nil	6	6	Yes
Mr. Rajeev Thakore	00001732	Independent and Non-Executive Director	2	2	Nil	6	6	Yes

- Directorships held by directors as mentioned above, do not include directorship held in foreign companies, private limited companies and companies under section 25 of the Companies Act, 1956.
- Committees considered for the purpose are those prescribed under clause 49(I)(C)(ii) of the listing agreement(s) viz. audit committee and shareholders/ investors grievance committee of Indian public limited companies. Committee membership details provided do not include chairmanship of committees as it has been provided separately.
- Nominee Director of Mr. Rakesh Radheyshyam Jhunjhunwala.
- Nominee Director of Beacon India Investors Limited. Attended 1 Board meetings through Alternate Director Mr. Anshuman Goenka and attended 3 Board meetings through Alternate director Mr. Arjun Balan.
- Nominee Director of Lexington Equity Holdings Limited. Attended all Board meetings through Alternate Director Mr. Supratim Banerjee.
- Except Mr. Amit Mittal and Mrs. Dipali Mittal, who are husband and wife, none of the directors are relative of any other directors.
- The details of the shareholding of Directors as on 31.03.2012 are as follow:

S. No	Name of the Director	No. of Shares	Percentage (%) of Holding
1	Mr. Amit Mittal	26,884,301	36.24
2	Mr. Rakesh Radheyshyam Jhunjhunwala	12,773,351	17.22
3	Mrs. Dipali Mittal	1,170,000	1.58
4	Mr. Manish Gupta	129,000	0.17

No other director is holding any shares in the company.

2.3 Code of Conduct

The Board has laid down a Code of Business Conduct and Ethics for all Board Members and Officer/Senior Management Personnel of the Company. The said Code has been communicated to the Directors and Officer/Senior Management Personnel and is also posted on the web-site of the company viz. www.a2zgroup.co.in.

Declaration from the Chief Executive Officer confirming that the Company has received affirmations from the Board Members and the Senior Management Personnel regarding compliance of Code of Conduct during the Financial Year ended 31st March, 2012 is attached as **Annexure-I**.

3. BOARD COMMITTEES

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

3.1 Audit Committee

(a) Constitution and Terms of Reference

The Audit Committee comprises of four (4) Non -Executive Directors, three (3) of them are Independent Directors. The Chairman of the Audit Committee is an Independent Director. The Company Secretary acts as the Secretary to the Audit Committee.

The terms of reference and scope of the activities of the Audit Committee are as set out in Clause 49 of the Listing Agreement with the Stock Exchanges, as well as in Section 292A of the Companies Act, 1956.

The Audit Committee provides directions to and reviews functions of the Company's audit department. The Committee evaluates internal audit policies, plans,

procedures and performance and reviews the other functions through various internal audit reports. Quarterly and annual accounts are placed before the Audit Committee, prior to being presented to the Board along with the recommendations of the Audit Committee.

(b) Composition, Meeting and Attendance

During the financial year ended 31st March, 2012, the Committee met six (6) times i.e. on 30th May, 2011, 25th July, 2011, 12th August, 2011, 29th August, 2011, 12th November, 2011 and 8th February, 2012.

The composition and the attendance of members at the meetings held during the financial year ended 31st March, 2012, are given below:

Member	Designation	Category of Directorship	Number of Meeting attended
Mr. Surender Kumar Tuteja	Chairman	Independent	5
Mr. Rajeev Thakore	Member	Independent	6
Mr. Vinod Sagar Wahi	Member	Independent	6
Mr. Manish Gupta	Member	Nominee – Director	6

3.2 Remuneration cum Compensation Committee

(a) Constitution and Terms of Reference

The Remuneration Committee comprises of (3) Three Non-Executive Independent Directors, constitution of which is non mandatory requirement. The Committee was constituted by the Board to recommend/review remuneration package of executive directors, including the Managing Director and matters related to the Company's Employee Stock Option Plan ('ESOP').

(b) Composition, Meeting and Attendance

During the financial year ended 31st March, 2012, as there was no transaction which requires approval of Remuneration cum Compensation Committee, no meeting was held during the financial year. The composition of the Committee during financial year ended 31st March, 2012 is given below:

Member Director	Designation	Category of Directorship
Mr. Surender Kumar Tuteja	Chairman	Independent
Mr. Rajeev Thakore	Member	Independent
Mr. Vinod Sagar Wahi	Member	Independent

(c) Remuneration Policy

The Directors' Remuneration Policy of your Company is in conformity with the provisions under the Companies Act, 1956; subject to the approval of the Company's shareholders in general meeting and such other approvals as may be necessary.

The present remuneration structure of Executive Directors comprises of salaries, perquisites, allowances, commission (if any) and contribution to provident fund and gratuity.

The Non-executive directors including the Independent Directors are paid the sitting fees of Rs. 20,000/- for attending each Board and Committee meeting respectively. Further in terms of the shareholders approval obtained at the Annual General Meeting held on 7th December, 2010, the Non Executive Directors are entitled for a commission not exceeding 1% per annum of the net profits of the Company (computed in accordance with section 309(5) of the Companies Act, 1956) in such manner as the Board of Directors of the Company may from time to time determine.

The sitting fees paid for attending the Board/committee meeting held during the year and commission payable for financial year ended 31st March, 2012 is as under:

(Amount In Rs.)

S. No	Name	Sitting Fees paid	Commission payable
1	Mr. Surender Kumar Tuteja	360,000	1,000,000
2	Mr. Vinod Sagar Wahi	380,000	1,000,000
3	Mr. Rajeev Thakore	460,000	1,000,000
4	Mr. Rakesh Radheyshyam Jhunjhunwala	20,000	N.A
5	Mr. Brij Raj Singh ¹	120,000	N.A
6	Mr. Manish Gupta	240,000	N.A
	Total	1,580,000	3,000,000

1. Mr. Brij Raj Singh is the Nominee Director of Beacon India Investors Limited.

Remuneration paid to Managing Director and Whole Time Director and commission payable for financial year ended 31st March, 2012 is as follows:

(Amount in Rs.)

S. No	Name	Category	Salaries	Commission	Term
1	Mr. Amit Mittal	Managing Director	13,198,800	3,677,031	5 years (till 31 st December, 2014)
2	Mrs. Dipali Mittal	Whole time Director	1,537,989	N.A	5 years (31 st March, 2015)

3.3 Shareholders and Investors Grievance Committee

The Shareholders and Investors Grievance Committee comprises of two (2) Executive Non Independent Directors and One (1) Non Executive Independent Director, who is the Chairman of the Committee. The functions of the Committee are to review and look into redress of shareholders' and investors' complaints in relation to transfer of shares, non-receipt of balance sheets or declared dividend etc.

During the financial year ended 31st March, 2012, the Committee met three (3) times i.e. on 12th August, 2011, 12th November, 2011 and 8th February, 2012.

The composition and the attendance of members at the meetings held during the financial year ended 31st March, 2012, are given below:

S. No.	Name of the Director	Designation	Category	No of meetings Attended
1.	Mr. Vinod Sagar Wahi	Chairman	Independent	3
2.	Mr. Amit Mittal	Member	Non Independent	3
3.	Mrs. Dipali Mittal	Member	Non Independent	2

Mr. Atul Kumar Agarwal is the Company Secretary cum Compliance Officer of the Company. During the year under review, 8 complaints were received and resolved. No complaint was pending at the end of the year under review.

3.4 Other Committee of the Board of Directors

In addition to the above referred committees which are constituted pursuant to the corporate governance code, the Board has constituted Finance Committee, Share Transfer Committee to consider various business matters and delegated their powers and responsibilities with respect to specific purposes.

4. SUBSIDIARIES COMPANIES

The Company has 17 Direct and 23 Indirect subsidiaries. None of the subsidiary is material non listed subsidiaries in term of Explanation 1 to sub clause III of clause 49 of the Listing Agreement.

The minutes of the Board Meeting of the subsidiaries companies and statements of significant transaction and arrangement entered into by the subsidiaries are placed at the Board Meetings of the Company.

5. CEO/CFO CERTIFICATION

The Managing Director and Group CFO have certified, in terms of revised clause 49 of the Listing Agreement, to the Board that the financial statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards. The above certification about the financial statements is enclosed as Annexure -II to this report.

6. GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as follows:

Financial Year ended 31 st March	Venue	Date	Time	Special Resolution passed
2011	Convention cum Exhibition Hall, Epicentre at Apparel House, Sector-44, Gurgaon-122003, Haryana	29 th September, 2011	10.30 A.M	N.A
2010	O-116, 1 st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase I, Gurgaon-122 002 Haryana	7 th December, 2010	11:30 A.M.	Approval for payment of Commission on net profits to directors other than whole time director and Managing Director under section 309 for three years starting from F.Y 2010-11.
2009	O-116, 1 st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase I, Gurgaon-122 002 Haryana	30 th September, 2009	11:00 A.M.	No Special Resolution was passed

7.1 POSTAL BALLOT

The details of special resolutions passed through postal ballot during the financial year ended 31st March, 2012.

Date of Passing	Special Resolution Passed
30/08/2011	The company conducted the postal ballot during the year for Change in Utilization of IPO Proceeds. The notice of postal ballot was sent to all the members on 29 th July, 2011 and the result was declared on 30 th August, 2011.

Mr. Deepak Gupta, Practicing Company Secretary, (a partner of DR Associates, Company Secretaries) was appointed as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner. He scrutinized the postal ballot forms and submitted his report in following manner:

Particulars	No. of Postal Ballot Forms	No. of Shares	Paid-up value of the Equity Shares (Rs.)
-Total Postal ballot Forms received	54	59,663,739	596,637,390
-Less : Invalid Postal Ballot Forms	3	385	3850
- Net Valid Postal Ballot Forms	51	59,663,354	596,633,540
-Assent (Out of Valid Postal Ballots)	46	57,855,379	578,553,790
-Dissent (Out of Valid Postal Ballots)	5	1,807,975	18,079,750

The vote cast 'FOR' the Resolution were 96.9697% of the total valid votes cast and vote cast 'AGAINST' the Resolution were 3.0303% of the total valid votes cast.

7.2 Proposed Special Resolution through Postal Ballot

There is no special resolution which is proposed to be passed through postal ballot in the ensuing Annual General Meeting for the Financial Year ended 31st March, 2012.

8. DISCLOSURES

8.1. There were no materially significant related party transactions, i.e. transactions of the Company of material nature with its promoter, directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large. The related party transactions are duly disclosed in the Notes to the Accounts.

8.2. There was no case of non-compliance by the Company, penalties, stricture imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three year.

8.3. No treatment different from the Accounting standard, prescribed by the Institute of Chartered Accountant of India has been followed in the preparation of financial statements.

8.4. The company has not adopted any whistle blower policy. However the company has not denied access of any personnel to approach the management or the audit committee on any issue.

8.5. The company has complied with mandatory requirements of clause 49 of the listing agreements.

8.6. The company at present has adopted the non mandatory requirement with regards to constitution of Remuneration Cum Compensation Committee which has been constituted to determine the remuneration package

of the Executive Directors including Managing Director and to administer matters related to Employee Stock option Plan.

9. SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL

Mr. Deepak Gupta, Practicing Company Secretary, (a partner of DR Associates, Company Secretaries) have carried out quarterly secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited(CDSL) and the total issued and listed capital. The audit confirmed that the total issued/paid up capital was in agreement with aggregate of the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

10. MEANS OF COMMUNICATION

10.1. The Quarterly and Annual Results are published in prominent daily newspapers, viz. Financial Express & Business Standard (English dailies) and in Jansatta & Business Standard (Hindi dailies), the local newspapers published in the language of the region in which Registered Office is situated.

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

10.3. Up-to date financial results, shareholding pattern, official news release and other general information and events about the Company are available on the Company's web-site, viz. www.a2zgroup.co.in.

11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management Discussion and Analysis forms part to this Annual Report.

12. GENERAL SHAREHOLDERS INFORMATION

12.1 11th Annual General Meeting

Date : 29th September, 2012

Day : Saturday

Time : 10.30 A.M

Venue : HSIIDC Hall, Phase-V, Udyog Vihar, Gurgaon-122016, Haryana, India

12.2 Financial Calendar (Tentative, subject to change)

Financial year : April 1 to March 31

Results for the

quarter ending : Tentative Date for approval

30th June, 2012 : 13th August, 2012 (Monday)

30th September, 2012 : Mid of November, 2012

31st December, 2012 : Mid of February, 2013

31st March, 2013 : End of May, 2013

12.3 Date of Book Closure

The Register of members and Share Transfer books of the Company will remain closed from Monday, 24th September, 2012 to Saturday, 29th September, 2012 (both days inclusive) for the purpose of Annual General Meeting.

12.4 Listing on Stock Exchanges

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

Name and Address of the Stock Exchange	Scrip Name/ Code	Status of fee paid
National Stock Exchange of India Limited Exchange Plaza, Plot no. C/1,G Block, Bandra- Kurla Complex, Bandra (E), Mumbai - 400 051	A2ZMES	Paid
The Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001	533292	Paid

12.5 International Securities Identification Numbers (ISIN)

ISIN is a unique identification number of traded scrip. This number has to be quoted in each transaction relating to the dematerialized equity shares of the company. The ISIN number of the shares of A2Z Maintenance & Engineering Services Ltd. is INE619I01012.

12.6 Market Price Data

The details of monthly highest and lowest closing price of the equity of the Company and its comparison to broad based indices Sensex (BSE) and Nifty (NSE) during financial year 2011-12 are as under

Month & Year	BSE		Sensex	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2011	322.00	253.30	19811.14	18976.19
May, 2011	258.80	214.60	19253.87	17786.13
June, 2011	284.00	212.50	18873.39	17314.38
July, 2011	286.40	237.55	19131.70	18131.86
August, 2011	267.90	165.00	18440.07	15765.53
September, 2011	242.90	170.00	17211.80	15801.01
October, 2011	209.65	173.15	17908.13	15745.43
November, 2011	177.95	115.00	17702.26	15478.69
December, 2011	133.50	84.15	17003.71	15135.86
January, 2012	132.55	85.65	17258.97	15358.02
February, 2012	144.50	112.10	18523.78	17061.55
March, 2012	123.95	109.00	18040.69	16920.61

Month & Year	NSE		Nifty	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2011	322.00	253.20	5944.45	5693.25
May, 2011	259.05	214.00	5775.25	5328.70
June, 2011	284.40	212.00	5657.90	5195.90
July, 2011	286.50	237.00	5740.40	5453.95
August, 2011	267.80	165.00	5551.90	4720.00
September, 2011	242.50	173.85	5169.25	4758.85
October, 2011	210.00	174.10	5399.70	4728.30
November, 2011	176.70	114.50	5326.45	4639.10
December, 2011	137.00	84.10	5099.25	4531.15
January, 2012	132.4	85.25	5217.00	4588.05
February, 2012	144.65	112.30	5629.95	5159.00
March, 2012	123.80	109.05	5499.40	5135.95

12.7 (a) Registrar and Share Transfer Agents

The Company has engaged M/s Alankit Assignments Limited a SEBI registered Share Transfer Agent, as Registrar and Share Transfer Agent (RTA) for processing the transfer of securities issued by the Company. RTA acknowledges and execute, transfer of securities, arranges for issue of dividend. RTA also accepts deals with and resolve complaints of shareholders. The address of RTA is as follow:

M/s Alankit Assignments Limited

2E/21, Alankit House,
Jhandewalan Extension
New Delhi – 110 055
Ph.: +91 11 42541234
Fax: +91 11 42541967
Email: info@alankit.com

(b) Share Transfer System

All the transfer are processed by the registrar and share transfer agent and approved by the Company. Pursuant to clause 47(c) of listing agreement with the stock exchanges, certificate on half yearly basis have been issued by the company secretary in practice for due compliance of share transfer formalities by the company. Pursuant to SEBI (Depositories and Participant) Regulations, 1996 certificate has also been received from a Company Secretary in practice for timely dematerialization and rematerialization of the shares of the Company and for conducting secretarial audit on the quarterly basis for reconciliation of the share capital of the Company.

12.8 Distribution of Shareholding

 (a) By number of shareholder & shares as on 31st March, 2012

S. No.	Range of Shares	No. of Shareholders	% to Total Shareholders	No. of Shares	% of Shares to total shares
1	1-100	11,487	69.136	473,228	0.638
2	101-500	4,156	25.014	1,059,104	1.428
3	501-1000	423	2.547	343,678	0.463
4	1001-5000	390	2.347	869,218	1.172
5	5001-10000	57	0.343	420,788	0.567
6	10001-20000	29	0.175	417,550	0.563
7	20001-30000	12	0.072	310,048	0.418
8	30001-40000	6	0.036	228,937	0.309
9	40001-50000	8	0.048	361,162	0.486
10	50001-100000	10	0.060	752,659	1.015
11	100001-500000	22	0.132	3,999,586	5.392
12	500001 and Above	15	0.090	64,941,736	87.549
		16,615	100.000	74,177,694	100.000

 (b) By category of shareholders as on 31st March, 2012:

S. No.	Category	No. of Shares	% of holding
I	Promoter and Promoter Group		
	(a) Indian	33,141,640	44.68
	(i) Foreign	Nil	Nil
	Total Shareholding of Promoter & Promoter Group	33,141,640	44.68
II	Public Shareholding		
	(A) Institutions		
	(i) Mutual Fund /Unit Trust of India	0	0
	(ii) Financial Institutions/ Bank	3,720	0.01
	(ii) Insurance Company	0	0.0
	(iii) Foreign Institutional Investors	5,035,704	6.79
	(iv) Foreign Venture Capital Investors	5,449,627	7.35
	(B) Others		
	(i) Bodies Corporate	5,089,638	6.86
	(ii) Trust	480	0.0
	(iii) Non-resident Indian	72,197	0.10
	(iv) Foreign Corporate Bodies	4,393,085	5.92
	(v) Indian Public & Others	20,991,603	28.29
	Total Public Shareholding (A+B)	41,036,054	55.32
Total Shareholding (I+ II)	74,177,694	100.00	

12.9 Dematerialization of Shares

Your Company's equity shares are compulsorily traded in dematerialised form by all categories of investors. Equity shares of your Company are available for trading in the depository systems of both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Particulars of Shares	Equity Shares of Rs 10 each		Shareholders	
	Number	% of Total Shares	Number	% of Total Shareholders
Dematerialised				
NSDL	68,392,614	92.20	10,154	61.48
CDSL	5,751,699	7.75	6,341	38.39
Sub total	74,144,313	299.95	16,495	99.87
Physical form	33,381	0.05	21	0.13
Total	74,177,694	100.00	16,516	100.00

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

NIL

12.11 Green Initiative

GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs (MCA) has vide its circular Nos. 17/2011, followed by Circular No.18/2011 dated 21st April, 2011 and 29th April, 2011 respectively has undertaken a “Green Initiative in Corporate Governance” by allowing paperless Compliances by the Companies through electronic mode and introduced e-mail address as one of the modes of sending General Meeting Notices, Annual Reports (including Director’s Report, Financial Statements, Auditors Report) etc., to the shareholders under Section 53 of the Companies Act, 1956. This will also ensure prompt receipt of communication(s) and avoid loss in postal transit.

Accordingly, as an initiative to comply with better Corporate Governance Practice and to implement the said Circulars, the Board has proposed to send the Notices, Annual Reports (including Director’s Report, Financial Statements, Auditors Report etc.) from the financial year ended 31st March, 2011 onwards in electronic form to the e-mail addresses of the shareholders registered with their respective Depositories (NSDL/CDSL). A communication in this regard was sent to all the members on 29th July, 2011 and they were requested to update their e-mail ids with their respective Depository Participant.

All communications to members shall be sent via e-mail and shall also be pasted at the website of the company www.a2zgroup.co.in. The members who wish to receive the Annual Report in physical form are requested to inform the compliance officer at address or id given below.

12.12 Plant Locations

The location of company’s plants are as mentioned below:

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

12.13 Address for Correspondence

The shareholder may address their queries for corporate

governance and other Secretarial related matters to;

Mr. Atul Kumar Agarwal
 Company Secretary & Compliance Officer
 A2Z Maintenance & Engineering Services Limited
 Corporate Office
 Plot no.-44, Institutional Area,
 Sector-32, Gurgaon-122001, Haryana
 Telephone No.: +91 124 4517600
 Fax No.: +91 124 4380014
 E-mail: complianceofficer@a2zemail.com
 Website: www.a2zgroup.co.in

The shareholder may address their queries for transfer and other grievances to;

M/s Alankit Assignments Limited
 2E/21, Alankit House,
 Jhandewalan Extension
 New Delhi – 110 055
 Ph.: +91 11 42541957
 Fax: +91 11 42541967
 Email: info@alankit.com

12.14 Nomination Facility

Pursuant to the provisions of section 109A of the Companies Act, 1956, Members are entitled to make nominations in respect of shares held by them. Members holding shares in physical form and intending to make/change the nomination in respect of their shares in the Company’s, may submit their request in Form No. 2B to Company Registrar, Alankit Assignment Limited. Members holding shares in electronic form are requested to give the nomination request to their respective DPs directly.

Form 2B can be obtained from Company’s Registrar Alankit Assignment Limited.

12.15 Certificate on Corporate Governance

A Certificate from Mr. Ankit Bhatia, Practicing Company Secretary, (a partner of DR Associates, Company Secretaries), regarding compliance of Corporate Governance practices by the Company is attached as Annexure III to CG Report which is based upon their detailed examination of Corporate Governance practices adopted by the Company.

Annexure – I to CG Report

DECLARATION

I, hereby confirm that the Company has obtained from all the members of the Board and Senior Management team, affirmation of compliance with the Code of Conduct for Directors and Senior Management in respect of financial year ended March 31, 2012.

For A2Z Maintenance & Engineering Services Limited
Sd/-

Place: Gurgaon
Date: 23.08.2012

Ashok Saini
Chief Executive Officer

Annexure-II to CG Report

CERTIFICATE PURSUANT TO CLAUSE 49(V) OF THE LISTING AGREEMENT

We, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the Financial Year ended 31st March, 2012 and to the best of our knowledge and belief:
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - these statements together present a true and fair view of the Company's affairs and are in Compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the Financial Year ended 31st March, 2012 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We have established and maintained internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and there are no deficiencies in the design or operation of internal controls, which we have already disclosed to the auditors and Audit committee.
- (d) We have informed to the auditors and the Audit Committee:
 - That there is no significant changes in internal control over financial reporting during the year;
 - That there is no changes in accounting policies during the year; and
 - That there is no instance of significant fraud.

Place : Gurgaon
Date : 23.08.2012

Sd/-
Amit Mittal
Managing Director

Sd/-
Rakesh Gupta
Group Chief Financial Officer

Annexure-III to CG Report

CORPORATE GOVERNANCE CERTIFICATE

To the Shareholders of
A2Z Maintenance & Engineering Services Limited

We have examined the compliances of conditions of Corporate Governance by A2Z Maintenance & Engineering Services Limited, for the year ended on 31st March 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s) where equity shares of the Company are listed.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. Our examination may not be construed as an audit or an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

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

For DR Associates,
Company Secretaries

Place : New Delhi
Date : 23rd August, 2012

Sd/-
(Ankit Bhatia) Partner
CP No. 10492

Auditors' Report

To

To the Members of A2Z Maintenance & Engineering Services Limited

1. We have audited the attached Balance Sheet of A2Z Maintenance & Engineering Services Limited ('the Company'), as at March 31, 2012, and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto (collectively referred as the 'financial statements'). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 ('the Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. We did not audit the financial statements of a branch, included in these financial statements, whose financial statements reflect total assets of Rs. 192,074,450 as at March 31, 2012, total revenues of Rs 496,020,017 and cash outflows of Rs 9,227,717 for the year ended March 31, 2012. These financial statements have been audited by the branch auditor whose report has been furnished to us and our opinion in respect thereof is based solely on his report.
5. Without qualifying our opinion, we draw attention to Note 20.2 to the financial statements regarding outstanding recoverable of Rs 64,381,729 and Rs 60,639,340, being deductions proposed/ made by the respective customers on invoices raised by the Company for services rendered, price escalations on certain supply items and certain other items. There exists however material uncertainty in respect of the collectability of the above receivables. Pending the final outcome of the matter, no adjustments have been made in these financial statements.
6. Further to our comments in the Annexure referred to above, we report that:

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branch not visited by us. The branch auditors' report has been forwarded to us and has been appropriately dealt with;
- (c) The financial statements dealt with by this report are in agreement with the books of account and with the returns received from the branch not visited by us;
- (d) On the basis of written representations received from the directors, as on March 31, 2012 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- (e) In our opinion and on consideration of report of the other auditor on the branch's separate financial statements and on the other financial information and to the best of our information and according to the explanations given to us, the financial statements dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act and 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, in the case of:
 - (i) the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - (ii) the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (iii) the Cash Flow Statement, of the cash flows for the year ended on that date.

For Walker, Chandio & Co
Chartered Accountants
Firm Registration No.: 001076N

Sd/-
per Rajesh Jain
Partner

Place : Gurgaon
Date : August 23, 2012

Membership No.: 81203

Annexure to the Auditors' Report of even date to the members of A2Z Maintenance & Engineering Services Limited, on the financial statements for the year ended March 31, 2012

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion, a substantial part of fixed assets has not been disposed off during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) The Company has granted unsecured loans to three parties covered in the register maintained under Section 301 of the Act. The maximum amount outstanding during the year is Rs. 632,500,000 and the year-end balance is Rs. Nil.
- (b) In our opinion, the rate of interest and other terms and conditions of such loans are not, *prima facie*, prejudicial to the interest of the Company.
- (c) In respect of loans given, the principal and interest amounts are repayable on demand and since the repayment of such loans and interest thereon has been made whenever demanded, in our opinion, repayment of the principal and interest amounts is regular.
- (d) There is no overdue amount in respect of loans granted to such companies.
- (e) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(f) and 4(iii)(g) 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 entered into any contracts or arrangements referred to in Section 301 of the Act. Accordingly, the provisions of clause 4(v) of the Order are not applicable.
- (vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the Companies (Acceptance of Deposits) Rules, 1975. Accordingly, the provisions of clause 4(vi) of the Order are not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- (viii) According to the information and explanations provided to us, the Companies (Cost Accounting Records) Rules 2011 have become applicable to the Company during the current year; however, no specific formats for the maintenance of the cost records have been prescribed under the said rules. The management believes that the cost records currently maintained by the Company provide the information required under the said rules. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service-tax, custom duty, excise duty, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though there has been a slight delay in a few cases. No undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) The dues outstanding in respect of sales-tax, income-tax, custom duty, wealth-tax, excise duty, cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Gross amount of dispute (Rs)	Amount deposited (Rs)	Period to which the amount relates	Forum where dispute is pending
West Bengal Value Added Tax Act, 2003	Works Contract tax	5,874,275	5,000,000	2009-10	Joint Commissioner, Sales Tax
West Bengal Value Added Tax Act, 2003	Works Contract tax	40,718,046	17,500,000	2010-11	Joint Commissioner, Sales Tax
Bihar Value Added Tax Act, 2005	Bihar Value Added Tax	8,354,879	2,160,881	2010-11	Joint commissioner, commercial tax (Appeal), Bihar
Jharkhand Value Added Tax Act, 2005	Jharkhand Value Added Tax	10,650,909	-	2008-09 to 2011-12	Commissioner. Commercial tax, Ranchi, Jharkhand
Andhra Pradesh Value Added Tax Act, 2005	Andhra Pradesh Value Added Tax	6,294,816	1,335,764	2010-11	Appellate Deputy commissioner (CT), Vishakhapatnam

- (x) In our opinion, the Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year.
- (xi) In our opinion, the Company has not defaulted in repayment of dues to a financial institution or a bank or debenture-holders during the year.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Accordingly, the provisions of clause 4(xiii) of the Order are not applicable.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.
- (xv) In our opinion, the terms and conditions on which the Company has given guarantee for loans taken by others from banks or financial institutions are not, *prima facie*, prejudicial to the interest of the Company.
- (xvi) In our opinion, the Company has applied the term loans for the purpose for which these loans were obtained.
- (xvii) In our opinion, no funds raised on short-term basis have been used for long-term investment.
- (xviii) During the year, the Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under

- Section 301 of the Act. Accordingly, the provisions of clause 4(xviii) of the Order are not applicable.
- (xix) The Company has neither issued nor had any outstanding debentures during the year. Accordingly, the provisions of clause 4(xix) of the Order are not applicable.
- (xx) The Company has not raised any money by public issues during the year. The management of the Company has disclosed the end use of monies raised by public issue in the previous year / earlier years in the current year financial statements and the same has been verified by us.
- (xxi) We have been informed that *theft by unidentified individuals of materials amounting to Rs. 38,560,431 and of cash amounting to Rs. 21,500 has been reported during the year as referred to in Note No. 23.1 of the financial statements.* Other than this, based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For Walker, Chandio & Co
Chartered Accountants
Firm Registration No.: 001076N

Sd/-
per Rajesh Jain
Partner

Place : Gurgaon
Date : August 23, 2012

Membership No.: 81203



A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

Balance Sheet as at March 31, 2012 (Unless otherwise stated, all amounts are in Indian Rupees)

	Notes	As at March 31, 2012	As at March 31, 2011
EQUITY AND LIABILITIES			
Shareholders' fund			
Share capital	3	741,776,940	741,776,940
Reserves and surplus	4	10,842,426,880	10,645,083,989
		11,584,203,820	11,386,860,929
Non-current liabilities			
Long-term borrowings	5	1,367,671,971	756,724,226
Long-term provisions	6	41,595,595	32,736,363
		1,409,267,566	789,460,589
Current liabilities			
Short-term borrowings	7	4,566,073,828	2,413,102,431
Trade payables	8	2,750,108,184	2,029,032,752
Other current liabilities	9	1,519,386,404	1,284,638,167
Short-term provisions	10	35,486,147	338,679,514
		8,871,054,563	6,065,452,864
		21,864,525,949	18,241,774,382
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets			
Tangible assets	11	563,889,053	507,366,313
Intangible assets	12	39,726,183	48,911,627
Capital work in progress	13	2,869,118,831	998,686,496
Intangible assets under development	14	12,099,173	3,199,757
		3,484,833,240	1,558,164,193
Non-current investments	15	2,971,739,223	1,681,773,645
Deferred tax assets (net)	31	52,917,426	95,954,360
Long-term loans and advances	16	474,586,323	570,392,902
Other non-current assets	17	780,363,491	750,784,939
		4,279,606,463	3,098,905,846
Current assets			
Current investments	18	-	500,000,000
Inventories	19	197,830,990	279,511,536
Trade receivables	20	7,784,386,397	7,887,946,864
Cash and cash equivalents	21	164,296,737	645,560,874
Short-term loans and advances	22	1,158,300,287	1,301,411,703
Other current assets	23	4,795,271,835	2,970,273,366
		14,100,086,246	13,584,704,343
		21,864,525,949	18,241,774,382

The accompanying notes form an integral part of the financial statements.

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

For and on behalf of the Board of Directors

For Walker, Chandio & Co
Chartered Accountants

Sd/-
Amit Mittal
Managing Director

Sd/-
Dipali Mittal
Director

Sd/-
per Rajesh Jain
Partner

Sd/-
Rakesh Gupta
Group Chief Financial Officer

Sd/-
Atul Kumar Agarwal
Company Secretary

Place : Gurgaon
Date : August 23, 2012

Statement of Profit and Loss for the year ended March 31, 2012

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

	Notes	For the year ended March 31, 2012	For the year ended March 31, 2011
Revenue			
Revenue from operations	24	9,682,308,564	11,073,440,782
Other income	25	83,552,993	89,863,580
Total revenue		9,765,861,557	11,163,304,362
Expenses			
Cost of material and services	26	7,274,198,347	7,600,320,895
Purchases of stock-in-trade	45 (e)	23,277,391	193,132,390
Changes in inventories of finished goods and stock-in-trade	27	68,647,617	(92,503,753)
Employee benefits expense	28	595,919,009	508,712,727
Finance costs	29	741,153,313	744,420,027
Depreciation and amortisation expense	11, 12	69,903,463	111,839,503
Other expenses	30	667,327,423	680,100,255
Total expenses		9,440,426,564	9,746,022,044
Profit before exceptional and extraordinary items and tax		325,434,993	1,417,282,318
Extra-ordinary items (Previous year - Gross Rs 130,016,796, net of deferred tax credit of Rs 43,188,329)	43	-	86,828,467
Profit for the year before tax		325,434,993	1,330,453,851
Tax expense:			
Current income tax	44	120,213,697	483,847,620
Deferred tax charge / (credit)	31	43,036,934	(5,709,711)
Current tax expense relating to prior years		(35,158,529)	4,007,056
Deferred tax credit relating to prior years		-	(5,209,649)
Total tax expense		128,092,102	476,935,316
Net Profit for the year after tax		197,342,891	853,518,535
Earnings per share			
Basic earning per share			
- Computed on the basis of earnings excluding extra - ordinary items		2.66	15.12
- Computed on the basis of earnings including extra - ordinary items		2.66	13.72
Diluted earning per share			
- Computed on the basis of earnings excluding extra - ordinary items		2.66	15.12
- Computed on the basis of earnings including extra - ordinary items		2.66	13.72

The accompanying notes form an integral part of the financial statements.

This is the statement of profit and loss referred to in our report of even date For and on behalf of the Board of Directors

 For Walker, Chandiook & Co
Chartered Accountants

 Sd/-
Amit Mittal
Managing Director

 Sd/-
Dipali Mittal
Director

 Sd/-
per Rajesh Jain
Partner

 Sd/-
Rakesh Gupta
Group Chief Financial Officer

 Sd/-
Atul Kumar Agarwal
Company Secretary

 Place : Gurgaon
Date : August 23, 2012

Cash Flow Statement for the year ended March 31, 2012

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

	For the year ended March 31, 2012	For the year ended March 31, 2011
A Cash Flow From/ (used in) Operating Activities		
Net profit before tax and extra-ordinary items	325,434,993	1,417,282,318
Adjustment for		
Depreciation and amortisation expense	69,903,463	111,839,503
Interest expense	559,750,923	530,150,306
Loss on sale of fixed assets	3,847,029	27,963,655
Provision for bad and doubtful debts / advances	18,077,782	-
Provision for doubtful debts / advances written back	(130,016,796)	(40,622,817)
Amortisation of loan processing fees	5,765,857	43,001,456
Bad debts / advances written off	7,751,837	2,120,324
Bad debts / liability written back	(504,060)	(1,362,450)
Rental income from operating leases	(1,140,000)	(176,667)
Dividend income	(1,359,954)	(13,899,772)
Interest income	(75,811,991)	(71,504,625)
Operating profit before working capital changes	781,699,083	2,004,791,231
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	81,680,546	(271,729,221)
Trade receivables	78,889,663	29,028,303
Short term loans and advances	63,692,601	(467,518,662)
Long term loans and advances	(1,569,775)	49,128,020
Other current assets	(1,826,153,599)	(1,175,426,221)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payable	851,596,288	(891,102,644)
Other current liability	190,178,241	(637,966,223)
Short term provision	4,083,920	(700,533)
Long term provision	8,859,232	10,497,041
	232,956,200	(1,350,998,909)
Current taxes paid (net of refunds)	(219,337,091)	(674,785,328)
Net cash flow before extraordinary items	13,619,109	(2,025,784,237)
Extra-ordinary items (Gross of tax)	-	(130,016,796)
Net cash generated from / (used in) operating activities	13,619,109	(2,155,801,033)
B Cash flow from / (used in) investing activities		
Purchase of fixed assets (including Capital work in progress)	(1,898,048,268)	(1,581,381,987)
Proceeds from sale of fixed assets	10,002,946	24,949,510
Purchase of long term investment in subsidiaries	(1,296,144,801)	(1,063,569,292)
Proceeds from sale of long term investment in subsidiaries	6,179,223	-
Purchase of current investment in mutual funds	-	(2,000,000,000)
Proceeds from sale of current investment in mutual funds	500,000,000	1,500,000,000
Share application money given pending allotment	-	(78,260,000)
Share application money refunded	78,260,000	-
Purchase consideration for business purchased	-	(10,500,000)
Fixed deposits placed	(186,561,063)	(3,409,894,647)
Fixed deposits matured	154,441,557	3,588,498,468
Rental income from operating leases	1,140,000	176,667
Dividend received	1,359,954	13,899,772
Interest received	76,599,995	73,377,919
Net cash used in investing activities	(2,552,770,457)	(2,942,703,590)

Cash Flows Statement for the year ended March 31, 2012

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

	For the year ended March 31, 2012	For the year ended March 31, 2011
C Cash flow from/ (used in) financing activities		
Proceeds from issuance of equity share capital	-	168,765,690
Proceeds from securities premium	-	6,581,234,310
Dividend and corporate dividend tax paid	(172,907,506)	-
Proceeds from long term borrowings	1,090,012,036	504,472,124
Repayment of long term borrowings	(279,108,482)	(508,156,824)
Proceeds from short term borrowings (net)	2,152,971,397	(273,306,377)
Share issue expenses paid	(187,247,191)	(141,765,548)
Loan processing fees paid	(7,999,999)	(113,761,386)
Interest paid	(537,833,044)	(539,649,923)
Net cash generated from financing activities	2,057,887,211	5,677,832,066
Net increase in cash and cash equivalents (A+B+C)	(481,264,137)	579,327,443
Cash and cash equivalents at the beginning of the year	645,560,874	66,227,509
Cash and cash equivalents on acquisition / business purchase	-	5,922
Cash and cash equivalents at the end of the year	164,296,737	645,560,874
Components of cash and cash equivalents	As at	As at
	March 31, 2012	March 31, 2011
Cash on hand	81,671	414,382
Balances with banks		
- in current accounts	145,312,751	304,121,320
- in exchange earners foreign currency (EEFC) account	18,787,808	-
- in cash credit accounts	26,649	141,025,172
- in unpaid dividend account*	87,858	-
- in public issue account*	-	200,000,000
	164,296,737	645,560,874

* The company can utilise these balances only towards settlement of the respective unpaid dividend and public issue account

Notes:

- Figures in brackets indicate cash outflow.
- The figures of the previous year have been regrouped/reclassified, where necessary, to confirm with the classification of the current year.
- The cash flow statement for the previous year is adjusted by the following amounts of assets and liabilities to give effect to the acquisitions of partnership firms:
Fixed assets of Rs 931,119, Trade receivable of Rs 101,100, Cash on hand of Rs 5,922 and Unsecured short term borrowings of Rs 14,500,000.

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

For and on behalf of the Board of Directors

For Walker, Chandio & Co
Chartered Accountants

Sd/-
Amit Mittal
Managing Director

Sd/-
Dipali Mittal
Director

Sd/-
per Rajesh Jain
Partner

Sd/-
Rakesh Gupta
Group Chief Financial Officer

Sd/-
Atul Kumar Agarwal
Company Secretary

Place : Gurgaon
Date : August 23, 2012

Notes forming part of the financial statements

Note 1 NATURE OF OPERATIONS

A2Z Maintenance & Engineering Services Limited ('A2Z or the Company') was incorporated at National Capital Territory of Delhi on January 7, 2002 for providing maintenance and engineering services. The Company commenced its business with the facility management services and entered into engineering business during the year 2005-06.

The Company's engineering business segment primarily includes supply, erection and maintenance of electrical transmission lines and allied services to power distribution companies. The Company has also entered into collaboration with sugar mills for setting up 3 Cogeneration (Cogen) power plants on Built, Own, Operate and Transfer (BOOT) basis for a period of 15 years.

Note 2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

The Financial Statements are prepared under historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India and to comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government in exercise of the power conferred under sub-section (I) (a) of section 642 and the relevant provisions of the Companies Act, 1956 (the "Act"). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company as per the guidance as set out in the Revised Schedule VI to the Companies Act, 1956.

b) Use of estimates

The preparation of financial statements in conformity with Indian 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) Fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment loss (if any). The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Assets acquired for contracts on BOOT basis have been capitalised as fixed assets in accordance with terms of respective contracts.

d) Depreciation

Depreciation is provided using the Straight Line Method (SLM) rates as per the useful lives of the fixed assets as estimated by the management or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. The Company has used following rates to provide depreciation on its fixed assets:

Particulars	Rate of Depreciation (SLM)
Building	1.63%
Office equipment	4.75%
Plant and equipment	4.75% - 11.31%
Computers	4.75% - 16.21%
Furniture and fixtures	6.33%
Vehicles	9.50% - 11.31%
Leasehold land	Over the lease term on straight line basis.
Assets costing less than Rs 5,000	Fully depreciated in the year of acquisition

e) Intangible assets and amortisation

Softwares which are not integral part of the hardware are classified as intangibles and are stated at cost less accumulated amortisation. These are being amortised on a straight line basis over lower of license period or a period of 5 to 6 years, being the estimated useful life.

Goodwill arising on acquisition and purchase of business is amortised on a straight line basis over a period of five years.

Notes forming part of the financial statements

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 using the pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying 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 qualifying asset. Borrowing costs consist of interest and other ancillary costs that an entity incurs in connection with the borrowing of funds. Ancillary costs related to borrowings are amortised over the tenure of loan. All other borrowing costs are expensed in the year they occur.

h) 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 statement of profit and loss 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 statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

i) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are stated at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

j) Inventories

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

k) 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.

(i) Revenue from engineering services

Revenue from engineering services is recognised by reference to the stage of completion of the project at the balance sheet date. The stage of completion of project is determined by the proportion that the contract cost incurred for work performed up to the balance sheet date bear to the estimated total contract costs as assessed by project managers and validated by independent project managers and the management. Materials purchased specifically for the projects and identifiable to the project are considered as part of contract costs in accordance with AS-7, "Construction Contracts".

If it is expected that a contract will make a loss, the estimated loss is provided in the books of accounts. Such losses are based on technical assessments. Contract revenue earned in excess of billing has been reflected under "Other current assets" and billing in excess of contract revenue has been reflected under "Other current liabilities" in the Balance Sheet.

As the outcome of the contracts cannot be measured reliably during the early stages of the project, contract revenue is recognised only to the extent of costs incurred in the statement of profit and loss unless the actual cost reaches a minimum threshold of 10% of total estimated cost of the project.

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

Notes forming part of the financial statements

- (ii) **Revenue from operation and maintenance services**
Revenues from maintenance contracts and renting of equipments are recognised pro-rata over the period of the contract as and when services are rendered in accordance with the terms of the respective contract.
 - (iii) **Income from professional and data processing services**
Income from professional and data processing services is recognized on the basis of services rendered in accordance with the terms of the agreement.
 - (iv) **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 goods. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company.
 - (v) **Interest**
Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
 - (vi) **Dividends**
Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.
- l) **Foreign currency translation**
- (i) **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.
 - (ii) **Translation of integral foreign operation**
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.
- m) **Retirement and other employment benefits**
- i) 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.
 - 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) 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.
 - iv. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the year in which such gains or losses arise

Notes forming part of the financial statements

n) 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.

o) Segment reporting

Identification of segments:

The Company's operating businesses are organized and managed separately according to the nature of services, with each segment representing a strategic business unit that offers different services to different markets. The analysis of geographical segments is based on the areas in which major operating division of the Company operate.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

p) 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.

q) Derivative instruments

As per the guidance provided in the Announcement of the Institute of Chartered Accountants of India dated March 29, 2008, accounting for derivative contracts, other than those covered under AS-11, are marked to market on individual portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the statement of profit and loss. Net gains are ignored.

r) Cash and cash equivalents

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

s) Accounting for joint ventures

Accounting for joint ventures undertaken by the Company has been done in accordance with Accounting Standard

Notes forming part of the financial statements

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

-27 "Financial Reporting of Interests in Joint Ventures" of the Companies (Accounting Standard) Rule 2006 as follows:

<u>Type of Joint ventures</u>	<u>Accounting treatment</u>
Jointly controlled operations	The Company's share of revenues, expenses, assets and liabilities are included in the financial statements as revenues, expenses, assets and liabilities respectively.

t) **Employee stock compensation cost**

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

u) **Contingent liability and provisions**

Depending upon the facts of each case and after due evaluation of legal aspects, claims against the Company are accounted for as either provisions or disclosed as contingent liabilities. In respect of statutory dues disputed and contested by the Company, contingent liabilities are provided for and disclosed as per original demand without taking into account any interest or penalty that may accrue thereafter. The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made. Possible future or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, is disclosed as contingent liability in the financial statements.

	As at March 31, 2012		As at March 31, 2011	
	Number of shares	Amount	Number of shares	Amount
Note 3 SHARE CAPITAL				
Authorised				
Equity shares of Rs 10 each	100,000,000	1,000,000,000	100,000,000	1,000,000,000
Issued, subscribed and fully paid up				
Equity shares of Rs 10 each	74,177,694	741,776,940	74,177,694	741,776,940
	74,177,694	741,776,940	74,177,694	741,776,940

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

	As at March 31, 2012		As at March 31, 2011	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs 10 each fully paid up				
Opening balance	74,177,694	741,776,940	57,301,125	573,011,250
Add: Shares issued during the year*	-	-	16,876,569	168,765,690
Closing balance	74,177,694	741,776,940	74,177,694	741,776,940

* During the previous year, the Company had made an Initial Public Offer (IPO) and allotted 16,845,189 equity shares of face value Rs 10 each, at a premium of Rs 390 per equity share and has also allotted 31,380 equity shares of face value Rs 10 each, at a premium of Rs 370 per equity share to employees aggregating to Rs 6,750,000,000. Consequently, the paid up Equity Share Capital and Share Premium Account has been increased by Rs 168,765,690 and Rs 6,581,234,310 respectively. The Company's shares were listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE) on December 23, 2010.

Note 3.2: 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.

During the year, the amount of per share dividend recognised as distributions to equity shareholders was Rs Nil (Previous year - Rs 2)

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED
Notes forming part of the financial statements

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

Note 3.3 : Details of shares held by shareholder holding more than 5% equity shares of the Company:

	As at March 31, 2012		As at March 31, 2011	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of Rs 10 each fully paid up				
Amit Mittal	26,884,301	36.24%	28,759,301	38.77%
Rakesh Radheshyam Jhunjhunwala	12,773,351	17.22%	12,773,351	17.22%
Beacon India Investors Limited	5,210,862	7.02%	5,449,627	7.35%
Lexington Equity Holdings Limited	4,393,085	5.92%	4,393,085	5.92%
	49,261,599	66.40%	51,375,364	69.26%

Note 3.4: As at March 31, 2012, 755,500 equity shares (As at March 31, 2011, 947,250 equity shares) were reserved for issuance towards outstanding employee stock options available for grant.

Note 3.5: Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash and bonus shares issued for the period of 5 years immediately preceding the Balance Sheet date:

	As at March 31, 2012	As at March 31, 2011
	Number of shares	Number of shares
Equity shares of Rs 10 each fully paid up		
Fully paid up by way of bonus shares issued during:		
Financial year 2009-10	34,380,675	34,380,675
Financial year 2007-08	17,509,481	17,509,481
Fully paid up pursuant to contracts without payment being received in cash:		
Financial year 2008-09*	2,510,687	2,510,687
Financial year 2007-08**	47,766	47,766

* shares were allotted on conversion of 75,000,000 0.001% cumulative mandatorily convertible preference shares of Rs 10 each fully paid up.

** shares were allotted on conversion of share warrant.

	As at March 31, 2012	As at March 31, 2011
Note 4 RESERVES AND SURPLUS		
Securities premium account		
Opening balance	7,714,859,233	1,422,138,766
Add: Receipt during the year (Refer note 3.1)	-	6,581,234,310
Less: Share issue expenses written off (Refer note 4.1)	-	288,513,843
Closing balance	7,714,859,233	7,714,859,233
Surplus in statement of profit and loss		
Opening balance	2,866,210,866	2,249,701,585
Add: Transfer from statement of profit and loss	197,342,891	853,518,535
Less: Proposed dividend on equity shares	-	148,355,388
Less: Tax on dividend	-	24,639,976
Less: Transfer to general reserve	-	64,013,890
Closing balance	3,063,553,757	2,866,210,866
General reserve		
Opening balance	64,013,890	-
Add: Transfer from statement of profit and loss	-	64,013,890
Closing balance	64,013,890	64,013,890
	10,842,426,880	10,645,083,989

Notes forming part of the financial statements

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

Note 4.1 (a) : During the previous year, the Company had incurred Rs 318,851,232 towards share issue expenses for its Initial Public Offer (IPO). Same has been shared on pro rata basis between the Company and the selling shareholders, who offered the shares in the offer for sale of the Company's IPO. An amount of Rs 30,337,389 (excluding printing, advertisement and media expenses with respect to the IPO which are borne entirely by the Company) has been recovered from selling shareholders as their share of share issue expenses and the balance of Rs 288,513,843 has been adjusted against the securities premium received on the issue of shares in terms of Section 78 of the Companies Act, 1956.

Note 4.1 (b) : includes payment to erstwhile auditors of Rs Nil (Previous year - Rs 11,045,900).

	As at March 31, 2012		As at March 31, 2011	
	Non Current	Current	Non Current	Current
Note 5 LONG-TERM BORROWINGS				
Term loans (Secured)				
From banks	1,332,640,647	232,972,017	691,708,320	25,000,000
From financial institution	22,479,335	24,817,120	44,155,102	21,460,274
Other Loans (Secured)				
Vehicle loan from banks	12,551,989	20,073,932	20,797,274	31,373,565
Vehicle loan from financial institution	-	62,996	63,530	136,417
	1,367,671,971	277,926,065	756,724,226	77,970,256

Details of terms of repayment for the long-term borrowings and security provided in respect of the secured long-term borrowings:

Term loans from banks:

1. Term loan from bank amounting to Rs 880,000,000 (Previous year - Rs Nil) having an interest rate of bank base rate plus 4% per annum (varying between 13.5% to 15.05% during the year) is repayable in 28 quarterly installments first installment being due in June 2012.
2. Term loan from bank amounting to Rs 663,904,344 (Previous year - Rs 650,000,000) having an interest rate of bank PLR less 5.5% per annum (varying between 13% to 14.25 % per annum during the year) is repayable in 28 quarterly installments first installment being due in June 2012.

The above loans are secured against:

- (a) First charge on pari - passu basis: (i) by way of hypothecation of all current assets of the Company including but not limited to receivables and inventory, relating to the projects both present and future; (ii) on all intangible assets including but not limited to goodwill pertaining to the projects (to the extent permissible by the Punjab state Co-operative sugar mills).
- (b) First charge (i) on all the insurance contracts with respect to the projects together with any receivables thereunder; (ii) on all the accounts (including but not limited to the project accounts) with respect to the projects
- (c) An assignment of: (i) all rights and interest by way of first charge on pari passu basis on the book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, relating to the projects, present and future; (ii) the rights and interest in the project site to the extent permissible by law; (iii) all its rights and obligations under the assignment orders and memorandum of understandings and; (iv) the rights and interest by way of first charge on pari passu basis into and under each of the project documents, and all the rights under each letter of credit/ guarantee or performance bond that may be posted by any party to a project document for the Company's benefit and all the rights under the approvals in connection with the project (having value above Rs 100,000,000) to the extent permissible by law
- (d) Personal guarantee of Mr Amit Mittal (Managing Director).

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

Notes forming part of the financial statements

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

3. Term loan from bank amounting to Rs 21,708,320 (Previous year - Rs 66,708,320) is secured against:
- exclusive charge by way of earmark on commercial office at 7th Floor, Tower B, Medicity, Gurgaon;
 - personal guarantee of Mr Amit Mittal, Ms Dipali Mittal, Ms Suman Goel and Mr Manoj Gupta.

The loan is having an interest rate of bench mark prime lending rate (BPLR) less 3.75% per annum (varying between 13% to 14% during the year) and is repayable in 16 equal quarterly installments and first installment became due in March 2011.

Term loans from financial institution:

The loans amounting to Rs 47,296,455 (Previous year - Rs 65,615,376) is secured against hypothecation of equipments acquired out of loan. The interest rate is 11.50% to 12.69% per annum and the loans are repayable in 12 quarterly and 48 monthly installments.

Other Loans (Vehicle loans)

Vehicle loans amounting to 32,688,917 (Previous year - Rs 52,370,786) is secured against hypothecation of Vehicles. The loans are having interest rate of 8.25% - 14.00% per annum and are repayable in 35 - 60 monthly installments.

	As at March 31, 2012	As at March 31, 2011
Note 6 LONG-TERM PROVISIONS		
Provision for warranty (Refer note 6.1)	41,595,595	32,736,363
	41,595,595	32,736,363

Note 6.1 : Provision for warranty

	For the year ended March 31, 2012	For the year ended March 31, 2011
Opening provision	32,736,363	22,239,322
Additions during the year	8,859,232	10,497,041
Closing provision	41,595,595	32,736,363

The estimated liability for warranties is recorded when contract revenue is recognised. The Company accounts for the provision for warranty on the basis of the information available with the management duly taking into account the current and past technical estimates. These estimates are established using historical information on the nature and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

	As at March 31, 2012	As at March 31, 2011
Note 7 SHORT-TERM BORROWINGS		
From banks (secured) (Refer note 7.1)		
- Working capital loans	1,752,777,776	1,596,391,111
- Cash credit facilities	2,711,123,559	581,121,678
- Vendor financing	102,172,493	233,089,642
Other loans (Unsecured) (Refer note 7.2)		
- Loan from others	-	2,500,000
	4,566,073,828	2,413,102,431

Note 7.1 : Secured loans from bank

The working capital loans, cash credit facilities and vendor financing facilities from banks are secured against whole of the assets (both current as well as fixed) of the Company, namely stock of raw material, stock in process, semi-finished and finished goods, stores and spares (consumable stores and spares), bills receivables and book debts

Notes forming part of the financial statements

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

and all other movables and fixed assets (except fixed assets exclusively financed by other lenders) both present and future stored or to be stored at the Company's godown, premises and division at O-116, First floor shopping mall, Arjun Marg, DLF city Phase - I, Gurgaon or wherever else the same may be by way of first pari - passu charge amongst the consortium members. The charge is also additionally secured by first charge over Company's immovable properties i.e. part of Plot / House No 740-A, Block- B, Scheme No 40, Panki, Kanpur Nagar admeasuring 7031.56 sq mts with 74 constructed flats. The rate of interest vary from 11.50% per annum to 15.75% per annum and these loans are repayable on demand.

Note 7.2 : Unsecured loan

During the year ended March 31, 2010, the Company had entered into business transfer agreement dated May 1, 2010 to purchase, as a going concern, the entire business of M/s Surender Chowdhury & Brothers, a partnership firm, engaged in the business of construction of electrical substations and railway electrification work for a consideration of Rs 20,000,000. Out of this Rs 17,500,000 was paid till March 31, 2011 and the balance was disclosed as unsecured loan.

	As at March 31, 2012	As at March 31, 2011
Note 8 TRADE PAYABLES		
Acceptances	660,218,661	641,831,195
Other than acceptances:		
(a) total outstanding dues of micro and small enterprises (Refer note 8.1)	4,189,923	7,650,355
(b) total outstanding dues of creditors other than micro and small enterprises*	2,085,699,600	1,379,551,202
	2,750,108,184	2,029,032,752
* includes commission payable to managing director and to directors other than whole time and managing director	6,677,031	16,394,725

Note 8.1: Disclosures under Micro, Small and Medium Enterprises Act, 2006

The micro and small enterprises have been identified by the Company from the available information. According to such identification, the disclosures in respect to Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 is as follows:

	As at March 31, 2012	As at March 31, 2011
Details of dues to micro and small enterprises as per MSMED Act, 2006		
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- principal amount	4,055,292	7,515,724
- interest amount	134,631	134,631
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	134,631	134,631
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

Notes forming part of the financial statements

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

	As at March 31, 2012	As at March 31, 2011
Note 9 OTHER CURRENT LIABILITIES		
Current maturities of long-term debt (Refer note 5)	277,926,065	77,970,256
Interest accrued but not due on borrowings and advances	15,454,666	5,358,559
Interest accrued and due on borrowings	22,293,937	10,472,165
Payable on purchase of fixed assets	93,411,989	83,556,348
Payable against share issue expenses	-	177,085,684
Book overdrafts	5,104,577	-
Advance from customers	700,339,731	667,756,707
Payable to shareholders	-	10,161,507
Unclaimed dividend*	87,858	-
Billing in excess of contract revenue	157,892,306	104,186,385
Statutory dues payable	246,875,275	148,090,556
	1,519,386,404	1,284,638,167

* not due for deposit with investor education and protection fund.

	As at March 31, 2012	As at March 31, 2011
Note 10 SHORT TERM PROVISIONS		
Provision for corporate tax (net of advance tax)	31,402,227	165,684,150
Provision for proposed equity dividend	-	148,355,388
Provision for tax on proposed equity dividend	-	24,639,976
Provision for gratuity (Refer note 28.2)	929,581	-
Provision for compensated leave absences (Refer note 28.3)	3,154,339	-
	35,486,147	338,679,514

Notes forming part of the financial statements

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

Note 11 TANGIBLE ASSETS

Assets	GROSS BLOCK					ACCUMULATED DEPRECIATION				NET BLOCK	
	As at April 1, 2011	Additions	Adjustment on account of acquisition	Sale / Adjustments	As at March 31, 2012	As at April 1, 2011	Charge for the year*	Deletion / Adjustment	As at March 31, 2012	As at March 31, 2012	As at March 31, 2011
Tangible assets - owned unless otherwise specified											
Leasehold land (Refer note 11.1)	1,136,692	-	-	-	1,136,692	55,525	17,278	-	72,803	1,063,889	1,081,167
Freehold land	62,042,312	32,778,894	-	-	94,821,206	-	-	-	-	94,821,206	62,042,312
Leasehold improvement	-	2,599,316	-	-	2,599,316	-	199,947	-	199,947	2,399,369	-
Building - given under operating lease (Refer note 11.2)	4,237,967	-	-	-	4,237,967	138,158	69,079	-	207,237	4,030,730	4,099,809
Building	8,829,097	-	-	-	8,829,097	287,828	143,915	-	431,743	8,397,354	8,541,269
Furniture and fixtures	11,224,312	1,436,302	-	296,013	12,364,601	6,284,277	2,094,581	69,612	8,309,246	4,055,355	4,940,035
Office equipments	50,101,377	3,559,016	-	4,225,088	49,435,305	2,600,569	2,393,530	270,145	4,723,954	44,711,351	47,500,808
Plant and equipments	192,492,191	61,450,890	-	15,593,265	238,349,816	35,944,864	32,703,092	7,911,527	60,736,429	177,613,387	156,547,327
Computer	40,242,393	11,862,439	-	120,238	51,984,594	10,903,332	7,213,264	103,691	18,012,905	33,971,689	29,339,061
Vehicles	231,755,246	27,788,886	-	2,166,823	257,377,309	38,480,721	26,269,917	198,052	64,552,586	192,824,723	193,274,525
Total	602,061,587	141,475,743	-	22,401,427	721,135,903	94,695,274	71,104,603	8,553,027	157,246,850	563,889,053	507,366,313
Previous year figures	268,064,205	440,934,036	931,119	107,867,773	602,061,587	46,951,270	102,698,612	54,954,608	94,695,274	507,366,313	221,112,935

*Includes depreciation of Rs 11,810,565 (Previous year - Rs Nil) charged on assets used in construction of power plant. Accordingly, the depreciation has been carried under capital work in progress (Refer note 13).

Note 11.1: Leasehold land represents land acquired on lease from Orissa Industrial Infrastructure Development Corporation for the lease period of 66 years.

Note 11.2 : Disclosure of assets given under operating leases:

- The Company had entered into operating lease agreement for leasing its plant and equipments set up on the leasehold land at Medinipur (West Bengal) at a consideration of Rs. 200,000 per annum each. The lease agreement for Medinipur (West Bengal) was terminated with effect from July 1, 2010. The Gross rental income aggregate to Rs Nil (Previous Year – Rs 66,667).
- During the year, the Company has entered into operating lease agreement for leasing its 24 Flats at Kanpur to one of its subsidiaries, A2Z Infrastructure Limited at a consideration of Rs 100,000 per month with effect from July 1, 2011. The Gross rental income aggregate to Rs 900,000 (Previous year – Rs Nil).

Note 12 INTANGIBLE ASSETS

Assets	GROSS BLOCK					ACCUMULATED AMORTISATION				NET BLOCK	
	As at April 1, 2011	Additions	Adjustment on account of acquisition	Sale / Adjustments	As at March 31, 2012	As at April 1, 2011	Charge for the year	Deletion / Adjustment	As at March 31, 2012	As at March 31, 2012	As at March 31, 2011
Intangible assets											
Computer software	34,891,358	1,425,556	-	5,900	36,311,014	5,149,217	5,817,053	4,325	10,961,945	25,349,069	29,742,141
Goodwill (Refer note 12.1)	23,961,858	-	-	-	23,961,858	4,792,372	4,792,372	-	9,584,744	14,377,114	19,169,486
Total	58,853,216	1,425,556	-	5,900	60,272,872	9,941,589	10,609,425	4,325	20,546,689	39,726,183	48,911,627
Previous year figures	23,500,146	11,391,212	23,961,858	-	58,853,216	800,698	9,140,891	-	9,941,589	48,911,627	22,699,448

Note 12.1: During the year ended March 31, 2010, the Company had entered into three business transfer agreement to purchase the entire business of M/s Surender Chowdhury & Brothers, M/s Mohd. Rashid Contractors and En-Tech Engineers and Contractors for a consideration of Rs 20,000,000, Rs 2,000,000 and Rs 3,000,000 respectively. The difference between the carrying values of Investment and value of net assets acquired amounting to Rs 23,961,858 was carried as goodwill.

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED
Notes forming part of the financial statements

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

	As at March 31, 2012	As at March 31, 2011
Note 13 CAPITAL WORK IN PROGRESS*		
Building under construction	66,032,025	-
Power plant equipments	2,311,151,722	893,423,662
Leasehold improvement	-	926,887
Borrowing costs capitalised (Refer note 13.1)		
- Interest	281,532,785	67,640,578
- Amortisation of ancillary borrowing cost	10,467,592	5,325,370
Other expenses (directly attributable to construction / erection of fixed assets)		
- Legal and professional charges	44,963,996	16,889,076
- Employee benefits expense	48,389,355	14,480,923
- Depreciation	11,810,565	-
- Insurance charges	5,070,397	-
- Power and fuel	8,659,702	-
- Test run expenses	80,217,743	-
- Other miscellaneous expenses	822,949	-
	2,869,118,831	998,686,496

*Includes Rs 2,797,944,981 (Previous year – Rs 997,759,609) represents expenditure incurred on setting up 3 cogeneration power plants of 15 MW each on Built, Own, Operate and Transfer (BOOT) basis with the respective cooperative sugar mills for a period of fifteen years at Fazilka, Morinda and Nakodar in Punjab.

Note 13.1: Borrowing cost capitalised during the year amounting to Rs 219,034,429 (Previous year - Rs 71,986,496)

	As at March 31, 2012	As at March 31, 2011
Note 14 INTANGIBLE ASSETS UNDER DEVELOPMENT		
Software under implementation	12,099,173	3,199,757
	12,099,173	3,199,757

	As at March 31, 2012	As at March 31, 2011
Note 15 NON CURRENT INVESTMENT		
Long term investments in equity shares of subsidiary Companies (at cost)		
Trade, Unquoted		
2,539,810 (Previous year -2,000,000) equity shares of Rs 10 each fully paid up in A2Z Infraservices Limited	460,390,513	119,540,513
20,250,000 (Previous year -20,250,000) equity shares of Rs 10 each fully paid up in A2Z Infrastructure Limited	202,500,000	202,500,000
100,000 (Previous year-100,000) equity shares of Rs 10 each fully paid up in A2Z Powercom Limited	1,000,000	1,000,000
1,330,000 (Previous year -1,330,000) equity shares of Rs 10 each fully paid up in A2Z Powertech Limited	13,300,000	13,300,000

Notes forming part of the financial statements

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

	As at March 31, 2012	As at March 31, 2011
Note 15 NON CURRENT INVESTMENT (Contd.)		
591,250 (Previous year - 473,000) equity shares of Rs 10 each fully paid up in Imatek Solutions Private Limited	146,838,840	76,663,840
800,000 (Previous year -800,000) equity shares of Rs 10 each fully paid up in Selligence Technologies Services Private Limited	8,000,000	8,000,000
50,000 (Previous year - 10,000) equity share of Rs 10 each fully paid up in Mansi Bijlee & Rice Mills Limited	500,000	100,000
70,000 (Previous year - 10,000) equity share of Rs 10 each fully paid up in Mirage Bijlee Private Limited	700,000	100,000
9,000 (Previous year - 9,000) equity share of Rs 10 each fully paid up in Madhya Bijlee Private Limited	90,000	90,000
989,996 (Previous year - 1,030,409) equity share of Rs 10 each fully paid up in Star Transformers Limited	149,941,313	156,120,536
89,999 (Previous year - 50,000) equity share of Rs 10 each fully paid up in A2Z E Waste Management Limited	899,990	500,000
60,000 (Previous year - 50,000) equity share of Rs 10 each fully paid up in A2Z Water Solutions Limited	600,000	500,000
1,146,326 (Previous year - 1,146,326) equity share of Rs 10 each fully paid up in Chavan Rishi International Limited	103,169,340	103,169,340
100,000 (Previous year - 100,000) equity share of Uganda Shilling 100 each fully paid up in A2Z Maintenance & Engineering Services (Uganda) Private Limited	189,416	189,416
30,375 (Previous year - Nil) equity share of Singapore Dollar 1 each fully paid up in A2Z Singapore Waste Management Holdings Private Limited	1,199,811	-
10,000 (Previous year - Nil) equity share of Rs 10 each fully paid up in A2Z Disaster Management and Innovative Response Education Private Limited	100,000	-
10,000 (Previous year - Nil) equity share of Rs 10 each fully paid up in Pioneer Waste Management Private Limited	100,000	-
24,000 (Previous year - Nil) equity share of Rs 10 each fully paid up in A2Z Waste Management (Nainital) Private Limited	240,000	-
	1,089,759,223	681,773,645
Long term investments in preference shares of subsidiary companies (at cost)		
Trade, Unquoted		
171,200,000 (Previous year - 100,000,000) 0.01% Non Participative Cumulative Redeemable Preference Share of Rs 10 each fully paid up in A2Z Infrastructure Limited	1,712,000,000	1,000,000,000
14,958,000 (Previous year - Nil) 0.01% Non Participative Cumulative Redeemable Preference Share of Rs 10 each fully paid up in Mansi Bijlee & Rice Mills Limited	149,580,000	-
2,040,000 (Previous year - Nil) 0.01% Non Participative Cumulative Redeemable Preference Share of Rs 10 each fully paid up in A2Z E Waste Management Limited	20,400,000	-
	1,881,980,000	1,000,000,000
	2,971,739,223	1,681,773,645

Notes forming part of the financial statements

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

Note 15.1 : The management has committed to provide continued operational and financial support to its subsidiary Companies for meeting their working capital and other financing requirements and based upon approved future projections of the subsidiaries, believes that the diminution (if any) is temporary and there is no need to carry any provision against the investments.

Note 15.2 : During the year, the Company has acquired (i) 100% stake in A2Z Disaster Management and Innovative Response Education Private Limited, Pioneer Waste Management Private Limited and A2Z Singapore Waste Management Holdings Private Limited (ii) 48% stake in A2Z Waste Management (Nainital) Private Limited, (iii) additional 20% stake in A2Z Infraserivces Limited and Imatek Solutions Private Limited and (iv) the Company has sold its 2% stake in Star Transformers Limited.

Note 15.3 : The Board of Directors of A2Z Infraserivces Limited in its meeting held on January 21, 2012 pursuant to Section 391 & 394 of the Companies Act, 1956 (the "Act") approved the Scheme of Arrangement for the Amalgamation ("the Scheme") of A2Z Infra Management & Services Limited, Imatek Solutions Private Limited and CNCS Facility Solutions Private Limited ("Transferor Companies") with A2Z Infraserivces Limited (i.e. Transferee Company) on a going concern basis.

The Hon'ble High Court of Punjab and Haryana vide its order dated July 19, 2012 has approved the Scheme with effect from April 1, 2011 (i.e. the appointed date). The order has been filed with Registrar of Companies on August 6, 2012 (i.e. the effective date). As the amalgamation was in process as on March 31, 2012, therefore, no effect of the amalgamation has been given in these financial statements in accordance with the Accounting Standard -14 "Accounting for amalgamations" of the Companies (Accounting Standard) Rule 2006.

	As at March 31, 2012	As at March 31, 2011
Note 16 LONG-TERM LOANS AND ADVANCES (UNSECURED CONSIDERED GOOD)		
Capital advances	410,668,939	508,045,293
Advance recoverable in cash or in kind	24,731,789	23,227,957
Security deposits	32,680,842	29,816,052
Loan to director of subsidiary Companies	4,769,753	7,500,000
Loans to employees*	1,735,000	1,803,600
	474,586,323	570,392,902
* Due from an officer - Mr. Atul Kumar Agarwal (Company secretary)	850,000	-

(Maximum outstanding during the year - Rs 1,250,000 (Previous year - Rs 200,000))

	As at March 31, 2012	As at March 31, 2011
Note 17 OTHER NON CURRENT ASSETS		
Balance in fixed deposit account*	671,251,445	639,131,939
Interest accrued but not due on fixed deposits	4,641,860	5,790,592
Unamortised loan processing fee	104,470,186	105,862,408
	780,363,491	750,784,939

*held as margin money against bank guarantee and letter of credit and as debt service reserve account against term loans from banks.

Notes forming part of the financial statements

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

	As at March 31, 2012	As at March 31, 2011
Note 18 CURRENT INVESTMENT (AT LOWER OF COST OR MARKET VALUE)		
Other than trade, Unquoted		
Nil (Previous year - 49,985,004.499) units of mutual fund of Rs 10 each in Birla Sun Life Cash Manager IP - Daily Dividend - Reinvestment	-	500,000,000
	-	500,000,000

	As at March 31, 2012	As at March 31, 2011
Note 19 INVENTORIES (VALUED AT LOWER OF COST OR MARKET VALUE)		
Project stores and spares	173,974,854	187,007,783
Finished goods for trading (material in transit)	23,856,136	92,503,753
	197,830,990	279,511,536

	As at March 31, 2012	As at March 31, 2011
Note 20 TRADE RECEIVABLES (UNSECURED)		
Receivables due for a period exceeding six months when they became due for payment		
- Considered good	5,271,541,266	4,177,239,685
- Considered doubtful	108,516,942	90,439,160
Other receivables		
- Considered good	2,512,845,131	3,710,707,179
- Considered doubtful	-	-
	7,892,903,339	7,978,386,024
Less: Provision for doubtful receivables	108,516,942	90,439,160
	7,784,386,397	7,887,946,864

Note 20.1: Trade receivables include retention money of Rs 3,689,747,586 (Previous year- Rs 3,947,983,164) which are due on completion of erection / contracts / final acceptance by the customers. The management is confident of recovering these amounts upon erection / contract completion.

Note 20.2: The Company has outstanding recoverables of Rs. 64,381,729 and Rs. 83,071,884, being deductions proposed/ made by the respective customers on invoices raised by Company for services rendered, price escalations on certain supply items and certain other items. In one of the cases, involving amount of Rs. 64,381,729, the Company had filed an application with the High Court for appointment of arbitrator in response to which the high court had appointed an arbitrator to settle the dispute. In the other case, involving outstanding receivables of Rs. 83,071,884, the Company has filed a Special leave petition with the Hon'ble Supreme Court against the Hon'ble High Court's order for appointment of arbitrator, accordingly the Hon'ble Supreme Court has given stay on the proceedings of the arbitrator appointed by the customer. In the latter case, subsequent to March 31, 2012, the Company has recovered Rs 22,432,544 from the customer, however, no settlement has been arrived at with the customer. The management, based on legal advice, believes that the outcome of legal matters is likely to be in its favor and has thus classified the said amounts as recoverable in the books and no adjustments have been made with respect of the same in the financial statements of the Company.

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED
Notes forming part of the financial statements

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

	As at March 31, 2012	As at March 31, 2011
Note 21 CASH AND CASH EQUIVALENTS		
Cash on hand	81,671	414,382
Balances with banks		
- in current accounts	145,312,751	304,121,320
- in exchange earners foreign currency (EEFC) account	18,787,808	-
- in cash credit accounts	26,649	141,025,172
- in unpaid dividend account*	87,858	-
- in public issue account*	-	200,000,000
	164,296,737	645,560,874

*The Company can utilise these balances only towards settlement of the respective unpaid dividend and public issue account.

	As at March 31, 2012	As at March 31, 2011
Note 22 SHORT-TERM LOANS AND ADVANCES (UNSECURED CONSIDERED GOOD)		
Advances recoverable in cash or in kind or for value to be received*	462,275,540	372,086,837
Prepaid expenses	99,544,188	100,393,337
Earnest money deposit with customers	100,518,771	143,965,571
Security deposits	17,339,472	43,967,608
Loan to employees**	5,993,836	5,405,910
Loan to director of subsidiary	3,773,439	5,174,796
Loans and advances to subsidiaries (Refer note 36)	72,011,846	232,244,636
Share application money given to a subsidiary	-	78,260,000
Balances with government authorities:		
- CENVAT credit receivable	7,341,719	5,707,876
- Service tax credit receivable	85,570,372	76,500,393
- WCT / VAT input credit receivable	303,931,104	237,704,739
	1,158,300,287	1,301,411,703
*Due from a director of the Company- Mr. Amit Mittal (Maximum outstanding during the year Rs 992,393 (Previous year - Rs 617,930))	992,393	-
*Due from a director of the Company- Mrs. Dipali Mittal (Maximum outstanding during the year Rs 235,541 (Previous year - Rs 134,805))	235,541	-
*Due from a relative of director of the Company- Mr. Manoj Gupta (Maximum outstanding during the year Rs 700,000 (Previous year - Rs Nil))	700,000	-
** Due from an officer of the Company- Mr. Atul Kumar Agarwal (Maximum outstanding during the year Rs 1,250,000 (Previous year - Rs 200,000))	300,000	200,000

Notes forming part of the financial statements

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

	As at March 31, 2012	As at March 31, 2011
Note 23 OTHER CURRENT ASSETS		
Interest accrued:		
- on fixed deposits	4,159,449	3,529,439
- on loans given to subsidiary companies	313,339	582,621
Insurance claim recoverable (Refer note 23.1)	24,757,977	3,738,713
Contract revenue in excess of billing	4,758,382,402	2,952,932,819
Unamortised loan processing fee	7,658,668	9,174,526
Unamortised premium on forward contract	-	315,248
	4,795,271,835	2,970,273,366

Note 23.1: During the year, the Company has incurred a loss of Rs 38,560,431 (Previous Year – Rs 19,292,915) due to theft of material at various sites of projects against which the Company has filed an insurance claim with the insurance Company. Out of the same, the Company has received an amount of Rs 3,287,649 and accounted for an advance recoverable of Rs 24,757,977 (Previous Year – Rs 3,738,713) in its books, while the balance amount of Rs 10,514,805 (Previous Year – Rs 10,421,536) have been accounted for as an expense in the financial statements. Out of the total amount of Rs 3,738,713 shown as recoverable as on March 31, 2011, the Company has received Rs 3,219,926 from insurance Company, while an amount of Rs 518,787 has been written off in the financial statement. The management believes that it has made reasonable judgement and no further adjustment is expected in the financial statements.

	For the year ended March 31, 2012	For the year ended March 31, 2011
Note 24 REVENUE FROM OPERATIONS		
Revenue from engineering services (Refer note 34)	9,350,184,704	10,586,991,194
Revenue from operation and maintenance services	50,246,040	-
Income from professional services	1,709,990	2,745,674
Revenue from data processing services	9,166,119	851,242
Sale of traded goods (Refer note 45 (f))	139,906,394	128,249,682
Renting of equipments	-	164,238,160
House keeping services	-	148,379,563
Other operating revenue		
- Bad debts / liability written back	504,060	1,362,450
- Provision for doubtful debts / advances written back	130,016,796	40,622,817
- Duty drawback	520,844	-
- Scrap sale	53,617	-
	9,682,308,564	11,073,440,782

Notes forming part of the financial statements

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

	For the year ended March 31, 2012	For the year ended March 31, 2011
Note 25 OTHER INCOME		
Interest income:		
- on fixed deposits	51,874,634	61,556,868
- on loan given to subsidiaries	22,393,961	6,007,955
- on other loans and advances	1,543,396	3,939,802
Dividend income from Mutual fund investments (Current investments, other than trade)	1,359,954	13,899,772
Rent income from operating leases	1,140,000	176,667
Foreign exchange fluctuation (net)	1,598,690	-
Miscellaneous income	3,642,358	4,282,516
	83,552,993	89,863,580

	For the year ended March 31, 2012	For the year ended March 31, 2011
Note 26 COST OF MATERIAL AND SERVICES		
Opening stock	187,007,783	7,782,315
Add: Material purchased	5,092,654,020	5,849,937,332
Less: Recovery from contractors	29,870,125	13,399,751
Less: Theft/damage of material (Refer note 23.1)	38,560,431	19,292,915
Less: closing stock	173,974,854	187,007,783
Material consumed (Refer note 45 (d))	5,037,256,393	5,638,019,198
Freight and cartage	391,251,745	351,377,167
Sub contractor / erection expenses	1,394,434,974	1,094,454,203
Labour charges	119,254,943	150,390,165
Fabrication expenses	5,729,733	2,630,595
Site expenditure	69,433,100	46,085,498
Deduction and demurrage	-	8,082,313
Technical consultancy for projects	114,027,875	93,937,817
House keeping subcontractor expenses	-	141,121,972
Other direct cost	142,809,584	74,221,967
	7,274,198,347	7,600,320,895

Notes forming part of the financial statements

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

	For the year ended March 31, 2012	For the year ended March 31, 2011
Note 27 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE		
Opening inventory of finished goods for trading	92,503,753	-
Less: Closing inventory of finished goods for trading	23,856,136	92,503,753
(Increase) / decrease in inventory	68,647,617	(92,503,753)

	For the year ended March 31, 2012	For the year ended March 31, 2011
Note 28 EMPLOYEE BENEFITS EXPENSE		
Salaries and bonus including directors' remuneration (Refer note 35)	543,166,914	462,595,616
Contribution to provident and other funds (Refer note 28.1)	19,993,054	17,743,849
Gratuity expense (Refer note 28.2)	2,067,996	4,105,253
Compensated leave absences (Refer note 28.3)	3,154,339	-
Staff welfare expenses (Refer note 28.1)	27,536,706	24,268,009
	595,919,009	508,712,727

Note 28.1: Defined contribution plans

	For the year ended March 31, 2012	For the year ended March 31, 2011
Employer's contribution to provident fund	11,147,891	11,098,310
Employer's contribution to employee state insurance	8,845,163	6,645,539
Insurance premium for basic life cover	223,035	458,906
Total	20,216,089	18,202,755

Note 28.2: Defined benefit plans

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

Statement of profit and loss

Net employee benefit expense

	For the year ended March 31, 2012	For the year ended March 31, 2011
Current service cost	11,160,962	9,451,948
Interest cost on benefit obligation	1,754,906	1,354,890
Expected return on plan assets	(1,811,148)	(1,298,847)
Net actuarial (gain) / loss recognised in the year	(9,036,724)	(5,402,738)
Net benefit expense	2,067,996	4,105,253
Actual return on plan assets	(2,272,043)	(852,530)

Notes forming part of the financial statements

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

Amount recognised in the balance sheet

	As at March 31, 2012	As at March 31, 2011
Defined benefit obligation	(24,757,257)	(21,271,586)
Fair value of plan assets	23,827,676	21,953,304
Surplus/(deficit)	(929,581)	681,718
Less: Unrecognised past service cost	-	-
Plan asset / (liability)	(929,581)	681,718

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

	For the year ended March 31, 2012	For the Year ended March 31, 2011
Opening defined benefit obligation	21,271,586	16,936,119
Interest cost	1,754,906	1,354,890
Current service cost	11,160,962	9,451,948
Benefits paid	(854,368)	1,082,744
Actuarial (gains) / losses on obligation	(8,575,829)	(7,554,115)
Closing defined benefit obligation	24,757,257	21,271,586

Changes in the fair value of plan assets are as follows:

	For the year ended March 31, 2012	For the Year ended March 31, 2011
Opening fair value of plan assets	21,953,304	16,235,586
Expected return	1,811,148	1,298,847
Contributions by employer	456,697	5,487,504
Benefits paid	(854,368)	1,082,744
Actuarial gains / (losses)	460,895	(2,151,377)
Closing fair value of plan assets	23,827,676	21,953,304

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

	For the year ended March 31, 2012	For the Year ended March 31, 2011
Discount rate	8.25%	8.25%
Expected rate of return on assets	8.25%	8.25%
Expected rate of increase in compensation level	5%	5%
Expected average remaining working life of employees	27.74 years	28.50 years

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

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

The Company expects to contribute Rs 8,261,060 (Previous year - Rs 8,500,000) to gratuity during next year.

Notes forming part of the financial statements

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

Amounts for the current and previous year are as follows:

	For the year ended March 31, 2012	For the Year ended March 31, 2011
Defined benefit obligation	24,757,257	21,271,586
Plan Assets	23,827,676	21,953,304
Surplus / (deficit)	(929,581)	681,718
Experience (gain)/loss on plan liabilities	(7,337,966)	(7,538,358)
Experience gain / (loss) on plan assets	460,895	(2,151,377)

Note 28.3: Other employee benefits-compensated leave absences

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

	For the year ended March 31, 2012	For the Year ended March 31, 2011
Discount rate*	8.50%	-
Rate of increase in compensation levels*	5.00%	-

*Since there was no liability for compensated leave absences for the financial year 2010-11, no corresponding rates for have been presented.

	For the year ended March 31, 2012	For the Year ended March 31, 2011
Note 29 FINANCE COSTS		
Interest	559,750,923	530,150,306
Other borrowing costs:		
- Loan processing fees	29,034,104	70,430,295
- Bank charges	152,368,286	143,839,426
	741,153,313	744,420,027

	For the year ended March 31, 2012	For the Year ended March 31, 2011
Note 30 OTHER EXPENSES		
Electricity	19,022,182	15,541,424
Rent (Refer note 30.1)	106,411,903	82,811,354
Rates and tax	2,377,668	6,883,912
Insurance	39,731,111	35,824,211
Repair and maintenance		
- Building	493,244	4,349,603
- Plant and machinery	115,213	-
- Others	16,411,414	13,854,595
Brokerage	413,159	1,669,791
Commission to managing director	3,677,031	12,794,725

Notes forming part of the financial statements

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

	For the year ended March 31, 2012	For the Year ended March 31, 2011
Commission to Directors other than Whole Time Directors and Managing Director	3,000,000	3,600,000
Travelling and conveyance	152,588,788	124,590,868
Communication expenses	23,541,077	21,674,156
Printing and stationery	11,975,478	17,983,618
Legal and professional	103,239,479	146,541,756
Director sitting fees	1,580,000	1,620,000
Payment to auditors		
As auditor (Refer note 30.2):		
- Statutory audit fees	1,953,440	4,000,000
- Audit fees for consolidated financial statements	300,000	1,000,000
- Limited review fees	3,400,000	800,000
- Reimbursement of expenses	329,500	63,800
In other manner		
- Certification	726,940	421,655
Premium on forward contracts	315,248	7,071,842
Foreign exchange fluctuation (net)	-	2,019,098
Loss on commodity forwards (Refer note 41(b))	23,369,140	8,494,515
Loss on sale of fixed assets	3,847,029	27,963,656
Donation and contribution other than political party	994,105	4,886,886
Provision for bad and doubtful debts	18,077,782	-
Tender expenses	7,146,525	9,583,881
Fees and subscription / inspection charges	9,588,485	19,495,714
Business promotion	19,322,859	22,833,497
Warranty expense (Refer note 6)	8,859,232	10,497,041
Bad debts written off	6,593,022	-
Advances/ earnest money deposit written off	1,158,815	2,120,324
Theft of material (Refer note 23.1)	11,033,592	16,875,984
Miscellaneous expenses	65,733,962	52,232,349
	667,327,423	680,100,255

Note 30.1 : The Company has entered into various short-term cancellable lease agreements at a notice period up to three months for leased premises. Gross rental expenses aggregate to Rs 106,411,903 (Previous Year – Rs. 82,811,354).

Note 30.2 : It includes amount paid to erstwhile auditor Rs 1,698,440 (Previous year - Rs 6,285,455).

Notes forming part of the financial statements

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

Note 31 DEFERRED TAX

Break-up of deferred tax assets / (liabilities):

Timing difference on account of	Deferred tax assets/ (liability) as at April 1, 2011	Current year charge / (credit)	Deferred tax assets/ (liability) as at March 31, 2012
Deferred tax liabilities			
Depreciation	1,024,609	6,504,880	(5,480,271)
Sub Total (A)	1,024,609	6,504,880	(5,480,271)
Deferred tax assets			
Expenditure debited to statement of profit and loss in the current year but allowable for tax purposes in the following years	54,013,922	44,320,237	9,693,685
Provision for warranty	10,874,201	(2,621,489)	13,495,690
Provision of doubtful debts	30,041,628	(5,166,694)	35,208,322
Sub Total (B)	94,929,751	36,532,054	58,397,697
Net Deferred tax assets (A+B)	95,954,360	43,036,934	52,917,426

Note 32 EARNINGS PER SHARE (EPS)

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

	For the year ended March 31, 2012	For the Year ended March 31, 2011
Net profit as per profit and loss account excluding extra ordinary items	197,342,891	940,347,002
Less : Extra - ordinary items (net of tax)	-	86,828,467
Net profit as per profit and loss account including extra ordinary items	197,342,891	853,518,535
Face value of share	10	10
Weighted average number of equity shares in calculating basic EPS	74,177,694	62,202,266
Weighted average number of equity shares in calculating diluted EPS	74,177,694	62,202,266
Basic earnings per share		
- Computed on the basis of earnings excluding extra - ordinary items	2.66	15.12
- Computed on the basis of earnings including extra - ordinary items	2.66	13.72
Diluted earnings per share*		
- Computed on the basis of earnings excluding extra - ordinary items	2.66	15.12
- Computed on the basis of earnings including extra - ordinary items	2.66	13.72

*The effect of dilutive potential equity shares are considered whereas anti-dilutive potential equity shares are ignored in calculating diluted EPS.

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED
Notes forming part of the financial statements

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

Note 33 CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR

a) The details of contingent liabilities are as follows:

	As at March 31, 2012	As at March 31, 2011
Corporate guarantees given to banks on account of facilities granted by said banks to subsidiaries	6,269,041,842	2,532,300,000
Liquidated damages deducted by customers not accepted by the Company and pending final settlement*	14,073,312	14,073,312
Open letters of credit	883,671,986	588,624,262
Litigations under workmen compensation act**	1,177,120	1,177,120
Litigations with contractors and others**	4,240,128	3,787,536
Sales tax / VAT demand under dispute	71,892,925	9,700,000
	7,244,097,313	3,149,662,230

* Excludes possible liquidated damages which can be levied by customers for delay in execution of the projects. The management believes that there exist strong reasons why no liquidated damages shall be levied by these customers.

** Based on discussions with the solicitors / favourable decisions in similar cases/legal opinions taken by the Company, the management believes that the Company has a good chance of success in above-mentioned cases and hence, no provision is considered necessary.

b) Commitments outstanding:

(i) Estimated amount of contracts to be executed and not provided for:

	As at March 31, 2012	As at March 31, 2011
Capital commitments	104,379,728	1,137,981,618
Other commitments	490,044,000	441,376,000
	594,423,728	1,579,357,618

(ii) The management has committed to provide continued operational and financial support to its subsidiary Companies for meeting their working capital and other financing requirements.

**Note 34 DISCLOSURE PURSUANT TO ACCOUNTING STANDARD - 7
"CONSTRUCTION CONTRACTS"**

	For the year ended March 31, 2012	For the year ended March 31, 2011
Contract revenue recognized as revenue in the year	9,350,184,704	10,586,991,194
Aggregate Amount of cost incurred and recognized profits up to the reporting date on contract under progress	36,774,757,108	29,859,804,767
Amount of advance received on contract under progress and outstanding at year end	700,339,731	667,756,707
Amount of retentions on contract under progress	3,689,747,586	3,947,983,164
Gross amount due from customers for contract work as an asset	4,758,382,402	2,952,932,819
Gross amount due to customers for contract work as a liability	157,892,306	104,186,385

Notes forming part of the financial statements

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

Note 35 MANAGERIAL REMUNERATION

Remuneration to directors:

	For the year ended March 31, 2012	For the year ended March 31, 2011
Salaries (including allowances)	14,626,797	13,487,700
Perquisites	12,000	130,813
Commission to Managing Director	3,677,031	12,794,725
Commission to Directors other than whole time Directors and Managing Director	3,000,000	3,600,000
Contribution to provident fund	1,294,474	1,196,564
Sitting Fees	1,580,000	1,620,000
	24,190,302	32,829,802

Note 35.1: As the future liability for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors are not included above.

Note 36 The following are the details of loans and advances in the nature of loans given to subsidiaries and associates and firms / Companies in which directors are interested and are outstanding at the end of the year in terms of Securities and Exchange Board of India's circular dated January 10, 2003

Particulars	Outstanding amount as at		Maximum amount outstanding during the year ended	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Loans and advances to subsidiaries in the nature of loans				
- A2Z Infraservices Limited	-	80,000,000	130,000,000	83,697,398
- CNCS Facility solutions Private Limited	-	6,400,000	6,401,013	10,390,000
- A2Z Infrastructure Limited	-	67,000,000	495,500,000	67,024,904
- A2Z Powertech Limited	10,750,000	12,680,000	56,880,000	12,680,000
- Mirage Bijlee Private Limited	-	450,000	698,239	10,450,000
- Star Transformers Limited	-	65,026,173	115,000,000	65,359,542
- Chavan Rishi International Limited	-	-	12,000,000	-
- A2Z E Waste Management Limited	-	-	7,000,000	-

Note 36.1: All the above loans are repayable on demand and are interest bearing

Note 37 INTEREST IN JOINT VENTURES

a) The Company's interest and share in joint ventures in the jointly controlled operations as at March 31, 2012 are as follows:

S. No.	Name of joint venture partner	Description of interest	Nature of project	Ownership interest	Country of incorporation
1	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from June 18, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Maharashtra State Electricity Transmission Company Limited for Design, Manufacture and Supply of all materials, execution of relevant civil works, erection, testing and commissioning of new 220KV Sub-station at Airoli, Sonkhar & Vasai and 132 KV Substation at Jam, Patur, Ghatanji, Wardha, Akola, Pandharkawda, Elichpur and Kundalwadi on turnkey basis.	See Note 37(a).1 below	*
2	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from December 12, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Construction of 220/132KV Grid Sub-Station at Bishnah (J&K).	See Note 37(a).1 below	*
3	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from December 31, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Construction of 220/132KV Grid Sub-Station at Budgam (Pkg A) & Mir Bazar (Pkg B).	See Note 37(a).1 below	*

Notes forming part of the financial statements

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

S. No.	Name of joint venture partner	Description of interest	Nature of project	Ownership interest	Country of incorporation
4	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from June 14, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Bihar State Electricity Board for Turnkey Construction of 220/132/33 KV Grid station at Begusarai.	See Note 37(a).1 below	*
5	M/s Southern Petrochemical Industries Corporation Limited (SPIC - SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from January 21, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of 220kv D/C Wagoora-Budgam Zainakot Transmission Line in Kashmir Valley.	See Note 37(a).1 below	*
6	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from February 15, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of Construction of 1x20 MVA, 132/33 KV Grid Sub-Station at Chandak, District Poonch (J&K).	See Note 37(a).1 below	*
7	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from February 15, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of Construction of 1x50 MVA, 132/33 KV Grid Sub-Station at Battal, Manwal, District Udhampur (J&K).	See Note 37(a).1 below	*
8	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from November 15, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package for Survey, Engineering, Design, Fabrication of Lattice Type Structures Galvanisation Supply of Structures, Laying of foundation, Protection Works, Erection of Towers, laying & stringing of ACSR PANTHER Conductor, Testing and Commissioning of Transmission lines from Badampora – Bandipora and from Lassipora – Sopian.	See Note 37(a).1 below	*
9	M/s Linkwell Tele-systems Private Limited	Jointly Controlled Operations	Joint Venture Agreement effective from August 9, 2008. The principal activity of the Venture is to bid jointly and enter into contract with Madhya Pradesh Poorva Kshetra Vidyut Vitaran Co. Ltd. ('MPPKVCL'), Jabalpur for design, manufacture, supply, install, commission, operate and maintain Remote Metering of LT Consumers above 10 BHP.	See Note 37(a).1 below	Country of Incorporation
10	M/s Shyama Power (India) Private Limited	Jointly Controlled Operations	Joint Venture effective from August 22, 2008. The principal activity of the Venture is to submit a bid jointly and enter into contract with NHPC Ltd for the design manufacture, supply and erection, testing and commissioning of Equipment / Materials stipulated in the bidding documents for Rural Electrification works along with 66 KV Transmission Line each in Leh and Kargil District of Jammu & Kashmir.	See Note 37(a).1 below	*
11	M/s Cobra Instalaciones Y Servicios, S.A	Jointly Controlled Operations	Joint Venture agreement effective from December 12, 2008. The principal activity of the venture is to bid for tender and enter into contract with Maharashtra State Electricity Transmission Company Limited (MSETCL), Mumbai for Design, Manufacture and Supply of all materials execution of relevant civil works, erection, testing and commissioning for establishment of new 220 KV Sub-Station at Kudus, Talegaon, Jath, Patoda, Bhokardhan and 132 KV Sub-station at Badnapur on Turnkey basis.	See Note 37(a).1 below	*
12	M/s Karamtara Engineering Private Limited	Jointly Controlled Operations	Joint Venture agreement effective from July 10, 2009. The principal activity of the venture is to bid for tender and enter into contract with Power Grid Corporation of India Limited (PGCIL) for Design, Manufacture, Supply, Erection, Testing & Commissioning of Equipments/Materials for 765 KV S/C Meerut-Agra Transmission Line (Part-I) associated with 765 KV system for central part of Northern Grid.	See Note 37(a).1 below	*
13	M/S Richardson & Cruddas (1972) Limited	Jointly Controlled Operations	Joint Venture agreement effective from September 19, 2008. The principal activity of the venture is to bid for tender and enter into contract with Rajasthan Rajya Vidyut Prasaran Nigam Ltd. (RRVPL), Jaipur for Design, Manufacture and Supply of materials for construction of 220KV/132KV transmission lines on turnkey basis.	See Note 37(a).1 below	*
14	M/S Satya Builders	Jointly Controlled Operations	Joint Venture agreement effective from September 17, 2010. The principal activity of the venture is survey, design, supply of all material & labour, T & P and laying of Branch – lateral, Main and Trunk sewer lines and appurtenants works under Mussoorie sewerage in different Zones of Mussoorie, Dehradun under Urban Infrastructure Development Scheme for Small & Medium Towns (UIDSSMT) Programme.	See Note 37(a).1 below	*

*Country of Incorporation not applicable, as these are unincorporated Joint Ventures.

Note 37(a).1: As per joint venture agreements, the scope and value of work of each partner has been clearly defined and accepted by the clients. The Company's share in Assets, Liabilities, Income and Expenses are duly accounted for in the accounts of the Company in accordance with such division of work and therefore does not require separate disclosure. However, joint venture partners are jointly and severally liable to clients for any claims in these projects.

Note 37(b): The Company holds 60% interest in an Association of Person (AOP), formed between A2Z Maintenance and Engineering Services Limited and Satya Builders, a jointly controlled entity which is involved in waste water projects at Alwar and Chittorgarh, Rajasthan.

Note 38 RELATED PARTY

Names of related parties

Subsidiary Companies

A2Z Infraseservices Limited

A2Z Infrastructure Limited

A2Z Powertech Limited

A2Z Powercom Limited

Selligence Technologies Services Private Limited

Imatek Solutions Private Limited

Mansi Bijlee & Rice Mills Limited (formerly Mansi Bijlee & Rice Mills Private Limited)

Madhya Bijlee Private Limited (with effect from October 18, 2010)

Mirage Bijlee Private limited (with effect from September 15, 2010)

Star Transformers Limited (formerly Star Transformers Private Limited) (with effect from January 21, 2011)

Chavan Rishi International Limited (with effect from March 2, 2011)

A2Z Maintenance & Engineering Services (Uganda) Private Limited (with effect from August 27, 2010)

A2Z E Waste Management Limited (with effect from February 10, 2011)

A2Z Water Solutions Limited (with effect from February 10, 2011)

A2Z Singapore Waste Management Holdings Private Limited (with effect from September 1, 2011)

A2Z Disaster Management and Innovative Response Education Private Limited (formerly Mithila Bijlee Private Limited) (with effect from November 15, 2011)

Pioneer Waste Management Private Limited (formerly Mattri Bijlee Private Limited) (with effect from November 15, 2011)

A2Z Waste Management (Nainital) Private Limited (formerly Maratha Bijlee Private Limited) (with effect from October 28, 2011)

A2Z Maintenance & Engineering Services Limited and Satya Builders (Association of person)

Subsidiaries of A2Z Infrastructure Limited:

- a) A2Z Waste Management (Merrut) Limited
- b) A2Z Waste Management (Moradabad) Limited
- c) A2Z Waste Management (Varanasi) Limited
- d) A2Z Waste Management (Aligarh) Limited
- e) A2Z Waste Management (Badaun) Limited (with effect from November 10, 2010)
- f) A2Z Waste Management (Balua) Limited (with effect from November 10, 2010)
- g) A2Z Waste Management (Basti) Limited (with effect from November 10, 2010)
- h) A2Z Waste Management (Fatehpur) Limited (with effect from November 10, 2010)
- i) A2Z Waste Management (Jaunpur) Limited (with effect from November 9, 2010)
- j) A2Z Waste Management (Loni) Limited (with effect from November 10, 2010)
- k) A2Z Waste Management (Mirzapur) Limited (with effect from November 10, 2010)

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

- l) A2Z Waste Management (Ranchi) Limited (with effect from March 1, 2011)
- m) A2Z Waste Management (Sambhal) Limited (with effect from November 10, 2010)
- n) A2Z Waste Management (Haridwar) Private Limited (formerly Mahrishi Bijlee Private Limited) (with effect from November 17, 2011)
- o) A2Z Waste Management (Dhanbad) Private Limited (formerly Mahanadi Bijlee Private Limited) (with effect from October 28, 2011)
- p) A2Z Waste Management (Ludhiana) Limited (with effect from July 14, 2011)

Subsidiary of Imatek Solutions Private Limited:

- a) CNCS Facility Solutions Private Limited

Subsidiary of A2Z Infraserivices Limited:

- a) A2Z Infra Management & Services Limited (formerly IL&FS Property Management & Services Limited) (with effect from October 1, 2010)

Subsidiary of A2Z Singapore Waste Management Holdings Private Limited:

- a) A2Z Waste Management Private Limited (formerly Mandakini Bijlee Private Limited) (with effect from January 16, 2012)

Subsidiary of A2Z E Waste Management Limited:

- a) A2Z Dataserv Limited (with effect from December 15, 2011)

Joint venture partners

- M/s UB Engineering Limited
- M/s SPIC – SMO Limited
- M/s Shyama Power (India) Private Limited
- M/s Linkwell Telesystems Private Limited
- M/S Cobra Instalaciones Y Servicios, S.A
- M/S Karamtara Engineering Pvt. Ltd
- M/S Richardson & Cruddas (1972) Ltd.
- M/S Satya Builders

Individual having significant influence

- Mr. Rakesh Radheyshyam Jhunjhunwala

Enterprise over which individual having significant influence in the Company have substantial control

- Rare Enterprises

Key Management Personnel ('KMP')

- Mr. Amit Mittal (Managing director)
- Mrs. Dipali Mittal (Whole time director)

Relative of Key Management Personnel

- Mrs. Sudha Mittal (Mother of Mr. Amit Mittal)
- Mr. Manoj Gupta (Sister's husband of Mrs. Dipali Mittal)

Transactions with Related Parties during the year:

Particulars	For the year ended March 31, 2012					For the year ended March 31, 2011				
	Subsidiary Companies	Joint Ventures Partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control	Subsidiary Companies	Joint venture partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control
Sale of goods / services										
- UB Engineering Limited	-	523,700,653	-	-	-	-	945,057,102	-	-	-
- SPIC-SMO	-	101,471,898	-	-	-	-	7,666,450	-	-	-
- Star Transformers Limited	73,564,695	-	-	-	-	12,845,664	-	-	-	-
- A2Z Infrastructure Limited	19,832,592	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Varanasi) Limited	42,404,999	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Ludhiana) Limited	1,973,269	-	-	-	-	-	-	-	-	-
Sale of fixed assets										
- Star Transformers Limited	2,033,129	-	-	-	-	-	-	-	-	-
- A2Z Infrastructure Limited	232,195	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Merrut) Limited	188,659	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Aligarh) Limited	66,898	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Badaun) Limited	535,215	-	-	-	-	-	-	-	-	-
Rental income										
- A2Z Powercom Limited	30,000	-	-	-	-	-	-	-	-	-
- A2Z Powertech Limited	30,000	-	-	-	-	-	-	-	-	-
- A2Z InfraserVICES Limited	30,000	-	-	-	-	-	-	-	-	-
- Mansi Bilee & Rice Mills Private Limited	24,000	-	-	-	-	-	-	-	-	-
- A2Z Infrastructure Limited	930,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Moradabad) Limited	24,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Merrut) Limited	24,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Varanasi) Limited	24,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Aligarh) Limited	24,000	-	-	-	-	-	-	-	-	-
Interest income										
- CNCS Facility solutions Private Limited	202,338	-	-	-	-	1,003,301	-	-	-	-
- A2Z InfraserVICES Limited	6,972,678	-	-	-	-	4,108,220	-	-	-	-

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED


Particulars	For the year ended March 31, 2012					For the year ended March 31, 2011				
	Subsidiary Companies	Joint Ventures Partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control	Subsidiary Companies	Joint venture partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control
- A2Z Infrastructure Limited	6,776,912	-	-	-	-	27,671	-	-	-	-
- A2Z Powertech Limited	2,545,489	-	-	-	-	222,532	-	-	-	-
- Mirage Bijlee Private Limited	31,475	-	-	-	-	275,821	-	-	-	-
- Star Transformers Limited	5,622,228	-	-	-	-	370,410	-	-	-	-
- A2Z E Waste Management Limited	72,404	-	-	-	-	-	-	-	-	-
- Chavan Rishi International Limited	170,437	-	-	-	-	-	-	-	-	-
Purchase of goods or services										
- A2Z InfraserVICES Limited	28,099,845	-	-	-	-	151,003,313	-	-	-	-
- A2Z Powertech Limited	3,480,627	-	-	-	-	21,416,352	-	-	-	-
- Star Transformers Limited	206,677,454	-	-	-	-	26,934,437	-	-	-	-
- Linkwell Telesystems Private Limited	-	4,290,523	-	-	-	-	4,855,222	-	-	-
- Richardson & Cruddas (1972) Ltd.	-	7,527,211	-	-	-	-	46,659,995	-	-	-
- Karamtara Engineering private Limited	-	18,966,478	-	-	-	-	21,091,315	-	-	-
- Shyama Power India Limited	-	-	-	-	-	-	60,249,904	-	-	-
- Cobra Instalaciones Y Servicios, S.A	-	10,035,954	-	-	-	-	9,355,389	-	-	-
Purchase of fixed assets										
- A2Z Powertech Limited	420,000	-	-	-	-	-	-	-	-	-
- A2Z Powercom Limited	1,359,976,202	-	-	-	-	811,764,227	-	-	-	-
- Star Transformers Limited	107,445	-	-	-	-	-	-	-	-	-
Rent expense / equipment hiring charges										
- Amit Mittal	-	-	-	-	-	-	-	-	-	381,000
- Manoj Gupta	-	-	-	-	-	-	-	-	-	300,000
- Sudha Mittal	-	-	-	-	-	-	-	-	-	300,000
- Dipali Mittal	-	-	-	-	-	-	-	-	-	681,150
- Richardson & Cruddas (1972) Ltd.	-	1,308,872	-	-	-	-	-	-	-	-
- Chavan Rishi International Limited	2,400,000	-	-	-	-	-	-	-	-	-

Particulars	For the year ended March 31, 2012					For the year ended March 31, 2011				
	Subsidiary Companies	Joint Ventures Partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual Significant control	Subsidiary Companies	Joint venture partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual Significant control
Interest expense										
- A2Z Waste Management (Luchiana) Limited	243,169	-	-	-	-	-	-	-	-	-
- A2Z Infrastructure Limited	-	-	-	-	-	678,438	-	-	-	-
- Rare Enterprise	-	-	-	-	-	-	-	-	-	16,471,232
Fund transferred / includes expenses incurred on behalf of related party										
- A2Z Infrastructure Limited	6,620,386	-	-	-	-	2,188,857	-	-	-	-
- A2Z InfraserVICES Limited	13,259,251	-	-	-	-	17,655,733	-	-	-	-
- A2Z Powertech Limited	39,950	-	-	-	-	257,114	-	-	-	-
- A2Z Powercom Limited	2,130,454	-	-	-	-	39,000	-	-	-	-
- Selligence Technologies Service Private Limited	-	-	-	-	-	24,000	-	-	-	-
- A2Z E Waste Management Limited	3,545,965	-	-	-	-	158,705	-	-	-	-
- Star Transformers Limited	5,498,312	-	-	-	-	-	-	-	-	-
- A2Z Maintenance & Engineering Services (Uganda) Private Limited	128,567	-	-	-	-	-	-	-	-	-
- A2Z Maintenance & Engineering Services Limited and Satya Builders (AOP)	7,804,502	-	-	-	-	-	-	-	-	-
- A2Z Water Solutions Limited	-	-	-	-	-	158,705	-	-	-	-
- A2Z Waste Management (Aligarh) Limited	-	-	-	-	-	10,000	-	-	-	-
- A2Z Waste Management (Merrut) Limited	-	-	-	-	-	10,000	-	-	-	-
- A2Z Waste Management (Moradabad) Limited	-	-	-	-	-	10,000	-	-	-	-
- A2Z Waste Management (Dhanbad) Private Limited	337,682	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Varanas) Limited	-	-	-	-	-	10,000	-	-	-	-
Fund received / includes expenses incurred on behalf of Company										
- A2Z Infrastructure Limited	-	-	-	-	-	13,072,000	-	-	-	-
- A2Z Powertech Limited	-	-	-	-	-	500,000	-	-	-	-
Provision for doubtful debts expense										
- SPIC-SMO	-	-	-	-	-	-	8,913,370	-	-	-

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED



Particulars	For the year ended March 31, 2012					For the year ended March 31, 2011				
	Subsidiary Companies	Joint Ventures Partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control	Subsidiary Companies	Joint venture partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control
Provision for doubtful debts written back										
- UB Engineering Limited	-	-	-	-	-	-	48,305,657	-	-	-
Subscription to equity share capital										
- A2Z Powertech Limited	-	-	-	-	-	300,000	-	-	-	-
- A2Z E Waste Management Limited	400,000	-	-	-	-	500,000	-	-	-	-
- A2Z Water Solutions Limited	100,000	-	-	-	-	500,000	-	-	-	-
- A2Z Maintenance & Engineering Services (Uganda) Private Limited	-	-	-	-	-	189,416	-	-	-	-
- Mansi Bijlee & Rice Mills Private Limited	400,000	-	-	-	-	-	-	-	-	-
- Mirage Bijlee Private Limited	600,000	-	-	-	-	-	-	-	-	-
- A2Z Singapore Waste Management Holdings Private Limited	1,199,811	-	-	-	-	-	-	-	-	-
- Star Transformers Limited	-	-	-	-	-	156,020,536	-	-	-	-
Subscription to preference share capital										
- A2Z Infrastructure Limited	712,000,000	-	-	-	-	802,500,000	-	-	-	-
- A2Z E Waste Management Limited	20,400,000	-	-	-	-	-	-	-	-	-
- Mansi Bijlee & Rice Mills Private Limited	149,580,000	-	-	-	-	-	-	-	-	-
Share application money given										
- A2Z Infrastructure Limited	238,075,000	-	-	-	-	2,500,000	-	-	-	-
- Mansi Bijlee & Rice Mills Private Limited	-	-	-	-	-	78,260,000	-	-	-	-
Share application money refunded										
- A2Z Infrastructure Limited	238,075,000	-	-	-	-	2,500,000	-	-	-	-
- Mansi Bijlee & Rice Mills Private Limited	9,200,000	-	-	-	-	-	-	-	-	-
Loan taken / advances received										
- A2Z Infrastructure Limited	-	-	-	-	-	65,000,000	-	-	-	-
- A2Z Waste Management (Luchiana) Limited	40,000,000	-	-	-	-	-	-	-	-	-
- Rare Enterprise	-	-	-	-	-	-	-	-	-	350,000,000

Particulars	For the year ended March 31, 2012					For the year ended March 31, 2011				
	Subsidiary Companies	Joint Ventures Partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control	Subsidiary Companies	Joint venture partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control
Loan / advances repaid										
- A2Z Infrastructure Limited	-	-	-	-	-	65,000,000	-	-	-	-
- A2Z Waste Management (Ludhiana) Limited	40,000,000	-	-	-	-	-	-	-	-	-
- Rare Enterprise	-	-	-	-	-	-	-	-	-	350,000,000
Loan given / advances paid										
- A2Z Infraseservices Limited	50,000,000	-	-	-	-	80,000,000	-	-	-	-
- A2Z Powercom Limited	100,544,380	-	-	-	-	237,129,493	-	-	-	-
- Chavan Rishi International Limited	12,000,000	-	-	-	-	-	-	-	-	-
- A2Z Infrastructure Limited	428,500,000	-	-	-	-	67,000,000	-	-	-	-
- A2Z Powertech Limited	54,950,000	-	-	-	-	29,180,000	-	-	-	-
- Mirage Bijlee Private Limited	-	-	-	-	-	10,450,000	-	-	-	-
- A2Z E Waste Management Limited	7,000,000	-	-	-	-	-	-	-	-	-
- Star Transformers Limited	60,000,000	-	-	-	-	65,027,094	-	-	-	-
Loan / advances refunded										
- A2Z Infraseservices Limited	130,000,000	-	-	-	-	-	-	-	-	-
- A2Z Powertech Limited	56,880,000	-	-	-	-	-	-	-	-	-
- A2Z Infrastructure Limited	495,500,000	-	-	-	-	-	-	-	-	-
- CNCS Facility solutions Private Limited	6,401,013	-	-	-	-	3,600,000	-	-	-	-
- Star Transformers Limited	125,359,542	-	-	-	-	-	-	-	-	-
- A2Z E Waste Management Limited	7,000,000	-	-	-	-	-	-	-	-	-
- Chavan Rishi International Limited	12,000,000	-	-	-	-	-	-	-	-	-
- Mirage Bijlee Private Limited	698,239	-	-	-	-	10,000,000	-	-	-	-
Security deposit paid										
- Richardson & Cruddas (1972) Limited	300,000	-	-	-	-	-	-	-	-	-
- Chavan Rishi International Limited	1,200,000	-	-	-	-	-	-	-	-	-

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

Particulars	For the year ended March 31, 2012					For the year ended March 31, 2011				
	Subsidiary Companies	Joint Ventures Partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control	Subsidiary Companies	Joint venture partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control
Prepaid rent paid										
- Chavan Rishi International Limited	498,504	-	-	-	-	-	-	-	-	-
Guarantees given on behalf of subsidiaries										
- A2Z Infraseservices Limited	55,000,000	-	-	-	-	110,000,000	-	-	-	-
- A2Z Infrastructure Limited	1,086,000,000	-	-	-	-	51,500,000	-	-	-	-
- CNCS Facility solutions Private Limited	43,000,000	-	-	-	-	87,000,000	-	-	-	-
- A2Z Waste Management (Merrut) Limited	110,000,000	-	-	-	-	240,000,000	-	-	-	-
- A2Z Waste Management (Moradabad) Limited	48,000,000	-	-	-	-	135,000,000	-	-	-	-
- A2Z Waste Management (Aligarh) Limited	65,000,000	-	-	-	-	135,000,000	-	-	-	-
- A2Z Waste Management (Varanasi) Limited	200,000,000	-	-	-	-	240,000,000	-	-	-	-
- A2Z Infra management & Services Limited (formerly IL&FS Property Management & Services Limited)	50,000,000	-	-	-	-	218,800,000	-	-	-	-
- A2Z Waste Management (Ranchi) Limited	314,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Loni) Limited	70,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Basti) Limited	53,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Badaun) Limited	56,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Jaunpur) Limited	22,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Sambhal) Limited	55,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Fatehpur) Limited	41,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Mirzapur) Limited	56,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Balia) Limited	42,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Haridwar) Private Limited	3,412	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Ludhiana) Limited	891,000,000	-	-	-	-	-	-	-	-	-
- Star Transformers Limited	270,000,000	-	-	-	-	-	-	-	-	-
- A2Z E Waste Management Limited	19,741,842	-	-	-	-	-	-	-	-	-
- A2Z Dataserv Limited	190,000,000	-	-	-	-	-	-	-	-	-

Particulars	For the year ended March 31, 2012					For the year ended March 31, 2011				
	Subsidiary Companies	Joint Ventures Partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control	Subsidiary Companies	Joint venture partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control
Remuneration										
- Amit Mittal	-	-	-	18,072,313	-	-	-	-	26,288,542	-
- Dipali Mittal	-	-	-	1,537,989	-	-	-	-	1,321,260	-
Sitting fees										
- Rakesh Radheyshyam Jhunjhunwala	-	-	18,000	-	-	-	340,000	-	-	-
Balance outstanding at the end of the year										
Short term loans given										
- CNCS Facility solutions Private Limited	-	-	-	-	-	6,400,000	-	-	-	-
- A2Z Infraseservices Limited	-	-	-	-	-	80,000,000	-	-	-	-
- A2Z Infrastructure Limited	-	-	-	-	-	67,000,000	-	-	-	-
- A2Z Powertech Limited	10,750,000	-	-	-	-	12,680,000	-	-	-	-
- Mirage Bijlee Private Limited	-	-	-	-	-	450,000	-	-	-	-
- Star Transformers Limited	-	-	-	-	-	65,026,173	-	-	-	-
Advance from customer										
- UB Engineering Limited	-	488,255	-	-	-	-	3,828,760	-	-	-
Share application money given pending allotment										
- Mansi Bijlee & Rice Mills Private Limited	-	-	-	-	-	78,260,000	-	-	-	-
Other current assets										
- Chavan Rishi International Limited	153,393	-	-	-	-	-	-	-	-	-
- A2Z Powertech Limited	159,946	-	-	-	-	-	-	-	-	-
- CNCS Facility solutions Private Limited	-	-	-	-	-	1,013	-	-	-	-
- Mirage Bijlee Private Limited	-	-	-	-	-	248,239	-	-	-	-
- Star Transformers Limited	-	-	-	-	-	333,369	-	-	-	-
Trade receivable / advances recoverable										
- A2Z Infrastructure Limited	5,814,184	-	-	-	-	552,210	-	-	-	-
- A2Z Powercom Limited	100,544,380	-	-	-	-	237,129,493	-	-	-	-

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED



Particulars	For the year ended March 31, 2012					For the year ended March 31, 2011				
	Subsidiary Companies	Joint Ventures Partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control	Subsidiary Companies	Joint venture partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control
- A2Z Powertech Limited	-	-	-	-	-	16,625,233	-	-	-	-
- Linkwell Telesystems Private Limited	-	-	-	-	-	-	6,898	-	-	-
- Richardson & Cruddas (1972) Ltd.	-	1,615,790	-	-	-	-	6,147,904	-	-	-
- UB Engineering Limited	-	1,049,412,930	-	-	-	-	971,448,944	-	-	-
- SPIC-SMO	-	231,469,632	-	-	-	-	264,930,654	-	-	-
- Cobra Instalaciones Y Servicios, S.A	-	26,683	-	-	-	-	26,685	-	-	-
- A2Z E Waste Management Limited	-	-	-	-	-	510	-	-	-	-
- A2Z Waste Management (Meerut) Limited	188,659	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Aligarh) Limited	66,898	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Varanasi) Limited	43,298,503	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Badaun) Limited	675,861	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Ballia) Limited	321,117	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Basti) Limited	185,200	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Hardwar) Private Limited	3,412	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Jaunpur) Limited	533,598	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Loni) Limited	129,472	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Mirzapur) Limited	222,585	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Ludhiana) Limited	2,072,987	-	-	-	-	-	-	-	-	-
- A2Z Maintenance & Engineering Services Limited and Satya Builders (AOP)	5,084,546	-	-	-	-	-	-	-	-	-
- A2Z Singapore Waste Management Holdings Private Limited	256,265	-	-	-	-	-	-	-	-	-
- A2Z Water Solutions Limited	-	-	-	-	-	510	-	-	-	-
- Star Transformers Limited	-	-	-	-	-	12,845,664	-	-	-	-
- A2Z Dataserv Limited	1,942,310	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Dhanbad) Private Limited	337,682	-	-	-	-	-	-	-	-	-

Particulars	For the year ended March 31, 2012					For the year ended March 31, 2011				
	Subsidiary Companies	Joint Ventures Partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control	Subsidiary Companies	Joint venture partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control
- A2Z Maintenance & Engineering Services (Uganda) Private Limited	128,567	-	-	-	-	-	-	-	-	-
Security deposit given										
- Chavan Rishi International Limited	1,200,000	-	-	-	-	-	-	-	-	-
- Richardson & Cruddas (1972) Ltd.	300,000	-	-	-	-	-	-	-	-	-
Prepaid Rent										
- Chavan Rishi International Limited	498,504	-	-	-	-	-	-	-	-	-
Provision for doubtful debts										
- UB Engineering Limited	-	9,220,771	-	-	-	-	9,220,771	-	-	-
- SPIC-SMO	-	9,208,345	-	-	-	-	9,208,345	-	-	-
Remuneration payable										
- Amit Mittal	-	-	-	4,362,712	-	-	-	-	13,350,713	-
- Dipali Mittal	-	-	-	27,795	-	-	-	-	77,500	-
Trade payable										
- A2Z Powercom Limited	88,898,290	-	-	-	-	83,556,348	-	-	-	-
- A2Z Powertech Limited	652,349	-	-	-	-	-	-	-	-	-
- A2Z InfraserVICES Limited	77,999,003	-	-	-	-	70,694,437	-	-	-	-
- UB Engineering Limited	-	-	-	-	-	-	27,951,989	-	-	-
- Linkwell Telesystems Private Limited	-	2,192,745	-	-	-	-	-	-	-	-
- Karamtara Engineering Private Limited	-	2,331,164	-	-	-	-	6,164,841	-	-	-
- Sudha Mittal	-	-	-	-	-	-	-	-	45,000	-
- A2Z E Waste Management Limited	888,871	-	-	-	-	-	-	-	-	-
- Star Transformers Limited	55,459,818	-	-	-	-	26,171,629	-	-	-	-
Guarantees given on behalf of subsidiaries										
- A2Z InfraserVICES Limited	395,000,000	-	-	-	-	340,000,000	-	-	-	-
- A2Z Infrastructure Limited	2,222,500,000	-	-	-	-	1,136,500,000	-	-	-	-

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

Particulars	For the year ended March 31, 2012					For the year ended March 31, 2011				
	Subsidiary Companies	Joint Ventures Partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control	Subsidiary Companies	Joint venture partners	Individual having Significant Influence and their relatives	KMP/ Relative of KMP	Enterprises in control of Individual having Significant control
- CNCS Facility solutions Private Limited	130,000,000	-	-	-	-	87,000,000	-	-	-	-
- A2Z Waste Management (Merrut) Limited	350,000,000	-	-	-	-	240,000,000	-	-	-	-
- A2Z Waste Management (Moradabad) Limited	183,000,000	-	-	-	-	135,000,000	-	-	-	-
- A2Z Waste Management (Aligarh) Limited	200,000,000	-	-	-	-	135,000,000	-	-	-	-
- A2Z Waste Management (Varanas) Limited	440,000,000	-	-	-	-	240,000,000	-	-	-	-
- A2Z Infra management & Services Limited (formerly IL&FS Property Management & Services Limited)	268,800,000	-	-	-	-	218,800,000	-	-	-	-
- A2Z Waste Management (Ranchi) Limited	314,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Loni) Limited	70,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Basti) Limited	53,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Badaun) Limited	56,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Jaunpur) Limited	22,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Sambhal) Limited	55,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Fatehpur) Limited	41,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Mirzapur) Limited	56,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Ballia) Limited	42,000,000	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Ludhiana) Limited	891,000,000	-	-	-	-	-	-	-	-	-
- Star Transformers Limited	270,000,000	-	-	-	-	-	-	-	-	-
- A2Z E Waste Management Limited	19,741,842	-	-	-	-	-	-	-	-	-
- A2Z Dataserv Limited	190,000,000	-	-	-	-	-	-	-	-	-

Note: In the opinion of the management, the transactions reported herein are on arms' length basis.

39. Segmental information
Business segments

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) Engineering Service (ES), (ii) Power generation projects (PGP) and (iii) Others represents trading of goods, renting of equipments and providing housekeeping services.

Particulars	ES		PGP		PGP		Others		Others		Total	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Revenue												
Segment revenue	9,482,990,011	10,631,722,135	-	-	199,318,553	-	441,718,647	-	9,682,308,564	-	11,073,440,782	-
Other income	3,847,214	4,459,183	-	-	-	-	-	-	3,847,214	-	4,459,183	-
Intersegment revenue	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue	9,486,837,225	10,636,181,318	-	-	199,318,553	-	441,718,647	-	9,686,155,778	-	11,077,899,965	-
Costs												
Segment costs	(8,543,458,269)	(8,665,022,316)	(663,356)	(10,814,626)	(155,151,625)	(325,765,075)	(8,699,273,250)	-	(8,699,273,250)	-	(9,001,602,017)	-
Result												
Segment result	943,378,956	1,971,159,002	(663,356)	(10,814,626)	44,166,928	115,953,572	986,882,528	13,899,772	3,893,788	75,811,991	71,504,625	(744,420,027)
Unallocated income												
Interest income												
Financial expense												
Tax expenses												
Current income tax												
Deferred tax (charge)/credit												
Tax expense relating to prior years												
Net profit after tax before extraordinary items												
Extraordinary items (net of tax)												
Net profit after tax												
Other information												
Segment assets	15,202,783,514	14,236,933,992	3,327,947,296	1,524,299,724	237,126,644	392,308,025	18,767,857,454	-	3,096,668,495	-	2,088,232,641	-
Unallocable corporate assets												
Total assets	15,202,783,514	14,236,933,992	3,327,947,296	1,524,299,724	237,126,644	392,308,025	18,767,857,454	16,153,541,741	3,096,668,495	2,088,232,641	18,241,774,382	3,266,437,026
Segment liabilities	3,851,117,915	3,114,186,241	88,898,290	83,556,348	97,143,975	70,694,437	6,243,161,949	6,854,913,453	21,864,525,949	4,037,160,180	3,586,476,427	11,839,503
Unallocable corporate liabilities												
Total liabilities	3,851,117,915	3,114,186,241	88,898,290	83,556,348	97,143,975	70,694,437	6,243,161,949	6,854,913,453	21,864,525,949	4,037,160,180	3,586,476,427	11,839,503
Capital expenditure	207,399,040	145,875,634	1,717,457,656	1,379,695,439	-	144,072,520	1,924,856,696	-	69,903,463	-	2,120,324	-
Depreciation included in segment expenses	68,272,562	50,258,041	-	5,530,652	1,630,901	56,050,810	25,829,619	-	-	-	-	-
Other non cash expenditure												

Geographical segments*: The Secondary reporting segment of the Company has been performed on the basis of Geographical segment. The Company operates in two principal geographical areas of the world, in India, its home country, and the other countries.

The following table presents revenue and debtors regarding geographical segments as at March 31, 2012 and March 31, 2011.

Particulars	India		India		Other Countries		Other Countries		Total	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Segment revenue	9,287,255,477	11,077,585,228	478,606,090	85,719,134	9,765,861,557	11,163,304,362				
Segment debtors (including retention money)	7,681,481,183	7,785,192,781	102,905,214	102,754,083	7,784,386,397	7,887,946,864				

*The Company has common assets for domestic market and overseas market. Hence, separate figures for assets / additions to assets cannot be furnished.

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

Note 40 During the year ended March 31, 2010, the Company had formulated Employee Stock Option Scheme referred as 'A2Z Stock Option Plan 2010 ('the plan')' for all eligible employees/ directors of the Company except an employee who is promoter or belongs to the promoter group of the Company and its subsidiaries in pursuance of the special resolution duly approved by the shareholders on March 30, 2010.

The plan shall be administered and supervised by the Remuneration-cum-Compensation Committee under the powers delegated by Board. Each option shall entitle the option grantee to apply for and be transferred Equity Shares of the Company. On or from the time of the listing of the Equity Shares of the Company, the maximum number of options that can be granted to any employee in any year under the A2Z ESOP shall be less than 5% of the issued share capital of the Company (excluding any outstanding warrants or other securities convertible into Equity Shares) at the time of grant of options, subject to the overall ceiling of 2,865,056 options in the aggregate.

The Company has granted stock options on June 2, 2010, details of which are as follows:

Options granted	1,075,750			
Date of Grant	2-Jun-10			
Requirements of vesting, period of vesting and maximum period within which options shall be vested	The vesting schedule is set forth below:			
	Vesting	Number of months from the date of grant of options	% of options vested	Cumulative % of options vested
	1	12	20	20
	2	24	20	40
	3	36	20	60
	4	48	20	80
	5	60	20	100
Exercise price	Rs. 314.13			
Exercise period and process of exercise	5 years; by way of application			
Accounting method used by the Company to value its options	Intrinsic value method			
Method of settlement	Equity			
Vesting conditions	Eligibility based on employment			

The details of activity under the Plan have been summarized below:

Particulars	As at March 31, 2012		
	Number of options	Weighted Average Exercise Price (Rs.)	Weighted average remaining contractual life of options (in years)
Outstanding at the beginning of the year	947,250	314.13	6.16
Granted during the year	-	-	
Forfeited during the year	191,750	314.13	
Exercised during the year	-	-	
Expired during the year	-	-	
Outstanding at the end of the year	755,500	314.13	
Exercisable at the end of the year	151,100	314.13	
Weighted average fair value of options granted on the date of grant	-	-	

The fair value of the options granted was estimated on the date of grant using the Black-Scholes valuation model with the following assumptions:

Particulars	For the year ended March 31, 2012
Weighted average share price / Fair value of share	Rs. 221.75
Exercise Price	Rs. 314.13
Annual Volatility (Standard Deviation – Annual)	34.93%
Time To Maturity - in years	5.51
Dividend Yield	2.25%
Risk free Rate – Annual	7.45%

As the Company was unlisted at the time of granting of ESOP, the expected volatility was determined based on average of semi - annual volatility of stock price of peer group.

Effect of the employee share-based payment plans on the profit and loss account and on its financial position:

Particulars	For the year ended March 31, 2012
Total Employee Compensation Cost pertaining to share-based payment plans	Nil*
Compensation Cost pertaining to equity-settled employee share-based payment plan included above	Nil
Total Liability for employee stock options outstanding as at year end	Nil
Intrinsic Value of liability as at year end for which right to cash/other assets have vested (e.g. vested stock appreciation rights)	Nil

* As the exercise price is more than the fair value of the shares, under 'Intrinsic Value' Method.

Since the enterprise used the intrinsic value method the impact on the reported net profit and earnings per share by applying the fair value based method

In March 2005 the ICAI has issued a guidance note on "Accounting for Employees Share Based Payments" applicable to employee based share plan the grant date in respect of which falls on or after April 1, 2005. The said guidance note requires the Proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the financial statements. Applying the fair value based method defined in the said guidance note, the impact on the reported net profit and earnings per share would be as follows:

Particulars	For the year ended March 31, 2012
Profit including extra-ordinary items, as reported	197,342,891
Add: Employee stock compensation under intrinsic value method	-
Less: Employee stock compensation under fair value method*	21,096,872
Pro-forma profit	176,246,019
Earnings Per Share	
Basic	
- As reported (including extra-ordinary items)	2.66
- Pro-forma	2.38
Diluted	
- As reported (including extra-ordinary items)	2.66
- Pro-forma	2.38

* The Company has considered an attrition / lapsing rate of 10% for the purpose of above disclosure.

Note 41: Derivative instruments and unhedged foreign currency exposure:

a) Derivative instruments

Particulars	As at March 31, 2012	As at March 31, 2011
Forward purchase contract outstanding	-	US \$ 2,000,000*
Nature	-	Loan taken
Purpose	-	Hedge of Foreign Currency loans
Foreign exchange rate	-	1 USD = Rs 45.14 (TT Selling rate)

b) Disclosure of open derivative contracts:

In order to hedge its exposure to commodity price risk in purchase of fabricated steel and fabricated aluminium items used in its operations, the Company has entered into the commodity forwards for base commodities - steel and aluminium during the year.

As at year end, the net open position of futures commodity contracts is as follows:

Commodity	As at March 31, 2012		As at March 31, 2011	
	Buy Contracts (Qty in MT.)	MTM Loss/(Gain)*	Buy Contracts (Qty in MT.)	MTM Loss/(Gain)*
Aluminium	960	3,252,930	960	1,025,540
Steel	4,060	(2,182,326)	4,060	(4,191,315)
Total	5,020	1,070,604	5,020	(3,165,775)

* Net MTM gains are ignored and not accounted for.

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED



c) The detail of unhedged foreign currency exposure as at balance sheet date are as under:

Particulars	Amount in Rupees	Amount in Foreign currency	Currency	Exchange rate as on March 31, 2012
Foreign currency in hand	46,041	900	USD	1 USD = INR 51.1565
Foreign currency in hand	301	45	HKD	1 HKD = INR 6.678
Foreign currency in hand	117,750	17,470	ZAR	1 ZAR = INR 6.7402
Foreign currency in hand	1,835	130	Dirham	1 Dirham = INR 14.1144
Foreign currency in hand	207	15	Riyal	1 Riyal = INR 13.8244
Foreign currency in hand	864	490	Rubal	1 Rubal = INR 1.7633
Foreign currency in hand	6,911	4,120	Thai Bhat	1 Thai Bhat = INR 1.6775
Foreign currency in hand	45,399	555	GBP	1 GBP = INR 81.7992
Foreign currency in hand	3,148	384	CNY	1 CNY = INR 8.1983
Bank Balance with Standard chartered Bank (Uganda)	14,562,581	716,309,922	Uganda Shillings	1 UGX = Rs 0.02033

The detail of unhedged foreign currency exposure as at March 31, 2011 are as under:

Particulars	Amount in Rupees	Amount in Foreign currency	Currency	Exchange rate as on March 31, 2011
Foreign currency in hand	218,978	4,951	USD	1 USD = INR 44.23
Foreign currency in hand	83,979	14,785	HKD	1 HKD = INR 5.68
Foreign currency in hand	5,088	9,500	Kenya Shillings	1 KES = INR 0.5356
Foreign currency in hand	119,670	17,470	ZAR	1 ZAR = INR 6.85
Foreign currency in hand	7,198	610	Dirham	1 Dirham = INR 11.80
Foreign currency in hand	181	15	Riyal	1 Riyal = INR 12.07
Foreign currency in hand	779	490	Rubal	1 Rubal = INR 1.59
Foreign currency in hand	4,755	136	SGD	1 SGD = INR 34.96
Foreign currency in hand	31	1	EURO	1 EURO = INR 62.36
Foreign currency in hand	6,140	4,120	Thai Bhat	1 Thai Bhat = INR 1.490
Bank balance with Standard chartered Bank (Uganda)	22,426,310	1,206,364,165	Uganda Shillings	1 UGX = Rs 0.01859

Note 42: Trade receivable, trade payables, advance to suppliers and advances from customers are subject to confirmation / reconciliation as at year end or any time during the year. As explained, the Company follows a process of informal confirmation with its customers / suppliers and based on such informal confirmations/ discussions, believes that amount recoverable appearing as outstanding at year end are good of recovery, while the amounts payable are due. The management believes that no material adjustments are likely on formal confirmation / reconciliation of these balances.

Note 43: The Company is executing a EPC contract for its customer at Leh and Kargil. Material purchased specifically for the project is invoiced to the customer basis their approved delivery instructions. In accordance with its contract with the customer, the Company has taken a joint insurance policy for the project value awarded by the customer.

During the previous year, Leh had a massive cloudburst and certain inventories at site were got damaged and was lying submerged inside pile of debris. Even though the exact quantum of loss is yet to be assessed by the insurance Company, the management had assessed that inventories with estimated valuation of Rs. 130,016,796 invoiced to the customer was damaged.

Pending determination of insurance claim, the management has, in view of the constructive obligation upon the Company to execute the project and on account of prudence, recognised the cost of replacement material of Rs. 130,016,796 and deferred tax credit thereon of Rs. 43,188,329, thereby presenting net amount of Rs. 86,828,467 in the statement of profit and loss as an 'Extraordinary Item'.

Note 44 : Subsequent to the year ended March 31, 2012, the Income tax authorities conducted a search and survey at certain premises of the Company under section 132 and 133 of the Income Tax Act, 1961. Pending receipt of further communication from the authorities, management is of the opinion that the income tax provision carried in the books is adequate.

Note 45 (a) : Expenditure in foreign currency (on accrual basis):

	For the year ended March 31, 2012	For the year ended March 31, 2011
Professional charges	2,394,104	1,517,609
Fees and subscription	190,836	451,690
Interest on working capital loan	245,311	8,930,659
Operational expenses – Foreign tour	2,152,910	1,441,934
Share issue expenses	-	14,728,966
Conference Expenses	-	1,026,556
Tender expenses	103,506	92,838
Registration expense	-	253,766
Sitting fee expense	120,000	240,000
	5,206,667	28,684,018

Note 45 (b): Earnings in foreign currency

	For the year ended March 31, 2012	For the year ended March 31, 2011
Revenue from Engineering services	495,250,432	85,719,134
	495,250,432	85,719,134

Note 45 (c) : CIF value of imports

	For the year ended March 31, 2012	For the year ended March 31, 2011
Capital goods	3,442,657	675,490,763
Inventory for trading	13,095,600	193,132,390
Inventory for execution of projects	33,322,988	-
	49,861,245	868,623,153

Note 45 (d): Material consumed

These comprise of miscellaneous items meant for execution of projects. Since these items are of different nature and specifications, individually being less than 10% in value, it is not practicable to disclose the item wise break up of material consumed. These comprises:

	For the year ended March 31, 2012	For the year ended March 31, 2011
Indigenous - in value	5,003,933,405	5,638,019,198
Indigenous - in percentage (%)	99.34%	100.00%
Imported - in value	33,322,988	-
Imported - in percentage (%)	0.66%	-
	5,037,256,393	5,638,019,198

Note 45 (e): Purchase of trading goods

	For the year ended March 31, 2012	For the year ended March 31, 2011
Prime CRGO electrical steel sheets in Coil	1,024,802	145,305,854
Harvesting Machines	-	47,826,536
Biomass fuel processing machines / Chippers / Grinders	18,809,569	-
Transformer	3,443,020	-
	23,277,391	193,132,390

Note 45 (f): Sale of trading goods

	For the year ended March 31, 2012	For the year ended March 31, 2011
Prime CRGO electrical steel sheets in Coil	73,564,695	56,748,856
Harvesting Machines	-	61,298,063
Biomass fuel processing machines / Chippers / Grinders	19,832,592	-
Transformer	3,443,020	-
Distribution box	30,400,488	-
Others	12,665,599	10,202,763
	139,906,394	128,249,682

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

Note 46: Pursuant to the provisions of Clause 43 of listing Agreement with the Exchanges, the utilization of the net proceeds is as follows:

Particulars of funds utilised for	Objects as per prospectus#	Actual utilization	Unutilized funds
Investment in three biomass (bagasse)-based power cogeneration projects of 15 MW each in the State of Punjab	680,310,000	680,310,000	-
Investment in five biomass-based power generation projects of 15 MW each in the State of Rajasthan	101,540,000	101,540,000	-
Investment in two biomass-based power generation projects of 10 MW each in the states of Uttar Pradesh and Madhya Pradesh	344,560,000	135,894,000	208,666,000
Investment in subsidiaries			
Share capital in A2Z Infrastructure Limited for the 15 MW biomass-based power generation project in Kanpur, for 10 MW biomass-based power plant at Ramraj in Uttar Pradesh and MSW projects being undertaken by A2Z Infrastructure and its Subsidiaries*	1,782,376,000	1,782,376,000	-
Share capital in Mansi Bijlee and Rice Mills Limited, the subsidiary that will implement rice mill and associated rice-husk based biomass-based power generation project in the state of Punjab	258,260,000	149,980,000	108,280,000
Repayment of loan granted by L&T Infrastructure Finance to the Company	416,670,000	416,670,000	-
Acquisition of stake held by Infrastructure Leasing & Financial Services Limited (IL&FS) in A2Z Infrservices Limited and Imatek Solutions Private Limited	410,000,000	410,000,000	-
Working capital requirements	1,250,000,000	1,250,000,000	-
General corporate purposes	1,217,770,000	1,217,770,000	-
Share issue related expenses (on cash basis)	288,514,000	288,514,000	-
Total	6,750,000,000	6,433,054,000	316,946,000

revised pursuant to the resolution passed on August 30, 2011

* represents share capital invested in A2Z Infrastructure Limited, a subsidiary Company. A part of the said amount is yet to be spent by A2Z Infrastructure Limited and its Subsidiaries on relevant projects.

Pending utilization, net proceeds of the IPO have been used as mentioned herein below:

Particulars	Amount
Utilised against reducing availment in working capital facilities with banks	316,946,000
Total	316,946,000

Note 47: During the year ended March 31, 2012, the revised schedule VI notified under the Companies Act 1956, has become applicable to the company for the preparation and presentation of its financial statements, accordingly previous year figures have also been regrouped/recast wherever considered necessary.

For and on behalf of the Board of Directors

Sd/-
Amit Mittal
Managing Director

Sd/-
Dipali Mittal
Director

Sd/-
Rakesh Gupta
Group Chief Financial Officer

Sd/-
Atul Kumar Agarwal
Company Secretary

Place : Gurgaon
Date : August 23, 2012

Auditors' Report

To the Board of Directors of
A2Z Maintenance & Engineering Services Limited

1. We have audited the attached Consolidated Balance Sheet of A2Z Maintenance & Engineering Services Limited ('the Company'), its subsidiaries and joint ventures, (hereinafter collectively referred to as 'the Group'), as at March 31, 2012, and also the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on the date annexed thereto (collectively referred as the 'Consolidated Financial Statements'). These Consolidated Financial Statements are the responsibility of the Group's management and have been prepared by the Group's management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the Consolidated Financial Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Consolidated Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that:
 - (a) the Consolidated Financial Statements have been prepared by the Group's management in accordance with the requirements of Accounting Standard 21 on 'Consolidated Financial Statements' and Accounting Standard 27 on 'Financial Reporting of interests in Joint Ventures notified pursuant to the Companies (Accounting Standards) Rules, 2006.
 - (b) We did not audit the financial statements of certain subsidiaries and a branch, whose financial statements reflect total assets (after eliminating intra-group transactions) of Rs 6,322,552,538 as at March 31, 2012; total revenues (after eliminating intra-group transactions) of Rs 4,082,642,322 and net cash flows aggregating to Rs 368,868,561 for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management, and our opinion is based solely on the reports of the other auditors.
 - (c) the Consolidated Financial Statements also include the unaudited financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs 596,924 as at March 31, 2012, the total revenues of Rs Nil and net cash flows aggregating to Rs 422,365 for the year then ended. These financial statements have been certified by the management.
4. *As explained in note 45 to the consolidated financial statements, we report that A2Z Infrastructure Limited, a subsidiary of the Company, has utilized external commercial borrowings ('ECB') amounting to Rs. 448,473,173 for the purposes, which in our opinion are not in compliance with the guidelines issued by the Reserve Bank of India (the 'RBI') in relation to utilization of ECB. The said subsidiary is in the process of taking necessary steps to ensure the compliances with the RBI guidelines. The impact of such non compliances, if any, on the financial statements is presently not ascertainable and accordingly, no adjustment has been made in the consolidated financial statements.*
5. Without further qualifying our opinion, we draw attention to Notes 19.2 and 19.3 to the consolidated financial statements regarding outstanding recoverable of Rs 201,286,886, being deductions proposed/made by the respective customers on invoices raised by the Company for services rendered, price escalations on certain supply items and certain other items. There exists however material uncertainty in respect of the collectability of the above receivables. Pending the final outcome of the matter, no adjustments have been made in these consolidated financial statements.
6. Based on our audit and on consideration of reports of other auditors on the separate financial statements and on the other financial information of the subsidiaries, and to the best of our information and according to the explanations given to us, in our opinion, *subject to our comments in para 4 above*, the attached Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India, in case of:
 - (a) the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2012;
 - (b) the Consolidated Statement of Profit and Loss, of the loss for the year ended on that date; and
 - (c) the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For Walker, Chandio & Co
Chartered Accountants
Firm Registration No: 001076N

sd/-
per Rajesh Jain

Partner

Place : Gurgaon
Date : August 23, 2012

Membership No.: 81203

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

Consolidated Balance Sheet as at March 31, 2012

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

	Notes	As at March 31, 2012	As at March 31, 2011
EQUITY AND LIABILITIES			
Shareholders' fund			
Share capital	3	741,776,940	741,776,940
Reserves and surplus	4	10,345,216,078	10,779,199,217
		11,086,993,018	11,520,976,157
Minority interest		154,829,759	249,861,414
Non-current liabilities			
Long-term borrowings	5	5,199,858,223	1,604,457,555
Long-term provisions	6	292,474,946	33,595,411
		5,492,333,169	1,638,052,966
Current liabilities			
Short-term borrowings	7	5,373,516,237	2,884,949,839
Trade payables	8	3,347,841,393	2,736,302,370
Other current liabilities	9	2,858,143,633	1,900,156,699
Short-term provisions	10	27,088,037	175,972,423
		11,606,589,300	7,697,381,331
		28,340,745,246	21,106,271,868
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	2,383,856,628	1,633,439,140
Intangible assets	12	540,651,159	476,350,657
Capital work in progress	13	6,092,605,869	2,305,592,652
Intangible assets under development	14	22,910,112	3,199,757
		9,040,023,768	4,418,582,206
Deferred tax asset (net)	31	87,398,880	120,221,305
Long-term loans and advances	15	966,155,601	699,943,637
Other non-current assets	16	1,097,792,632	888,715,562
		2,151,347,113	1,708,880,504
Current assets			
Current investments	17	-	500,000,000
Inventories	18	528,539,941	376,614,935
Trade receivables	19	9,288,927,476	8,768,426,512
Cash and bank balances	20	841,954,015	794,417,777
Short-term loans and advances	21	1,489,782,516	1,356,779,824
Other current assets	22	5,000,170,417	3,182,570,110
		17,149,374,365	14,978,809,158
		28,340,745,246	21,106,271,868

The accompanying notes form an integral part of the consolidated financial statements.

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

 For Walker, Chandio & Co
Chartered Accountants

 Sd/-
per **Rajesh Jain**
Partner

 Place : Gurgaon
Date : August 23, 2012

 For and on behalf of the Board of Directors
Sd/-
Amit Mittal
Managing Director

 Sd/-
Rakesh Gupta
Group Chief Financial Officer

 Sd/-
Dipali Mittal
Director

 Sd/-
Atul Kumar Agarwal
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2012

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

	Notes	For the year ended March 31, 2012	For the year ended March 31, 2011
Revenue			
Revenue from operations	23	13,522,975,638	13,491,295,840
Other income	24	105,116,139	105,606,354
Total revenue		13,628,091,777	13,596,902,194
Expenses			
Cost of material and services	25	8,163,899,006	8,201,121,259
Purchases of stock-in-trade		83,561,677	193,132,390
Changes in inventories of finished goods and stock-in-trade	26	(109,856,066)	(142,797,909)
Employee benefits expense	27	3,274,291,533	2,014,512,418
Finance costs	28	982,083,729	840,219,186
Depreciation and amortisation expense	11, 12	192,790,014	194,710,345
Other expenses	29	1,089,643,228	916,929,717
Total expenses		13,676,413,121	12,217,827,406
(Loss) / profit before extra-ordinary and prior period items and tax		(48,321,344)	1,379,074,788
Less: Prior period items	32	(2,052,934)	-
Less: Extra-ordinary items (previous year - Gross of Rs 130,016,796, net of deferred tax credit of Rs 43,188,329)	42	-	86,828,467
(Loss) / profit before tax for the year		(46,268,410)	1,292,246,321
Tax expense			
Current income tax		143,027,528	530,500,722
Deferred tax charge / (credit)	31	32,822,425	(31,048,728)
Current tax expense relating to prior years		(45,227,036)	4,029,759
Deferred tax credit relating to prior years		-	(5,209,649)
Total tax expense		130,622,917	498,272,104
Net (loss) / profit before minority interest		(176,891,327)	793,974,217
Less: Share of minority interest		2,577,674	22,795,429
Net (loss) / profit for the year		(179,469,001)	771,178,788
Earnings per share			
30			
Basic earning per share			
- Computed on the basis of earnings excluding extra - ordinary and prior period items		(2.45)	13.79
- Computed on the basis of earnings including extra - ordinary and prior period items		(2.42)	12.40
Diluted earning per share			
- Computed on the basis of earnings excluding extra - ordinary and prior period items		(2.45)	13.79
- Computed on the basis of earnings including extra - ordinary and prior period items		(2.42)	12.40

The accompanying notes form an integral part of the consolidated financial statements.

This is the consolidated statement of profit and Loss referred to in our report of even date.

 For Walker, Chandio & Co
Chartered Accountants

 Sd/-
per **Rajesh Jain**
Partner

 Place : Gurgaon
Date : August 23, 2012

 For and on behalf of the Board of Directors
Sd/-
Amit Mittal
Managing Director

 Sd/-
Rakesh Gupta
Group Chief Financial Officer

 Sd/-
Dipali Mittal
Director

 Sd/-
Atul Kumar Agarwal
Company Secretary

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

Consolidated Cash Flow Statement for the year ended March 31, 2012

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

	For the year ended March 31, 2012	For the year ended March 31, 2011
A Cash Flow from/ (used in) Operating Activities		
Net (loss) / profit before extra-ordinary and prior period items and tax	(48,321,344)	1,379,074,788
Adjustment for		
Depreciation and amortisation expense	192,790,014	194,710,345
Preliminary expenses written off	248,555	3,064,005
Interest expense	745,343,368	618,275,744
Amortisation of loan processing fee	11,347,297	43,678,807
Loss on sale of fixed assets	4,566,163	28,698,999
Provision for bad and doubtful debts / advances	52,779,545	6,513,533
Provision for doubtful advances written back	(130,260,939)	(40,090,856)
Advances / earnest money deposit written off	2,886,251	13,655,247
Unrealised foreign exchange fluctuation (gain) / loss	(1,844,370)	(7,626,141)
Mark-to-market loss on derivatives	47,783,129	-
Bad debts recovered / liability written back	(6,483,798)	(1,995,743)
Foreign currency translation reserve	(6,053)	(3,257)
Dividend income	(1,359,954)	(13,899,772)
Bad debts written off	9,847,008	-
Premium on redemption of debentures amortised	32,236,900	-
Profit on sale of current investments	(16,198,944)	-
Interest income	(79,188,828)	(85,228,720)
Operating profit before working capital changes	816,164,000	2,138,826,979
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(151,925,006)	(273,909,876)
Trade receivables	(582,983,646)	(232,921,494)
Loans and advances	(185,116,345)	(475,830,213)
Other current and non current assets	(1,717,067,065)	(1,304,839,533)
Adjustments for increase / (decrease) in operating liabilities:		
Current liabilities	1,209,687,986	(940,193,214)
Provisions	40,777,669	7,211,604
	(570,462,407)	(1,081,655,747)
Current taxes paid (net of refunds)	(193,092,968)	(659,653,344)
Cash flow before extra ordinary and prior period items	(763,555,375)	(1,741,309,091)
Prior period items	2,052,934	-
Extra-ordinary items (Gross of tax)	-	(130,016,796)
Net cash generated from / (used in) operating activities	(761,502,441)	(1,871,325,887)
B Cash flow from / (used in) investing activities		
Purchase of fixed assets (including capital work in progress)	(4,747,485,585)	(3,439,670,845)
Proceeds from sale of fixed assets	10,731,300	35,548,170
Purchase of investment in subsidiaries	(488,471,598)	(353,169,340)
Investment in mutual funds	(910,000,000)	(2,000,000,000)
Sale of investment in mutual funds	1,426,198,944	1,500,255,000
Proceeds from sale of long term investment in subsidiaries	6,179,223	-
Intercompany deposit refund	-	78,376,439
Purchase consideration for business purchased	-	(10,500,000)
Fixed deposits placed	(240,329,753)	(3,485,050,499)
Fixed deposits matured	156,726,557	3,617,469,787
Dividend received	1,359,954	13,899,772
Interest received	75,429,728	80,995,404
Net cash used in investing activities	(4,709,661,230)	(3,961,846,112)

Consolidated Cash Flow Statement for the year ended March 31, 2012

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

	For the year ended March 31, 2012	For the year ended March 31, 2011
C Cash flow from/ (used in) financing activities		
Proceeds from issuance of capital	-	168,765,690
Proceeds from securities premium	-	6,581,234,310
Share application money pending allotment repaid	-	(50,000)
Proceeds from minority share holders	52,425,372	371,506,751
Dividend paid	(172,907,506)	-
Redemption of zero coupon bonds	-	(300,000,000)
Proceeds from long term borrowings	4,822,411,954	1,141,116,021
Repayment of long term borrowings	(754,983,727)	(660,102,701)
Proceeds from short term borrowings (net)	2,493,997,399	35,877,344
Share issue expenses paid	(187,247,191)	(141,765,548)
Loan processing fees paid	(63,877,942)	(144,149,036)
Preliminary expenses paid	(248,555)	(3,064,005)
Interest paid	(696,647,647)	(601,485,393)
Net cash generated from / (used in) financing activities	5,492,922,157	6,447,883,433
Net increase in cash and cash equivalents (A+B+C)	21,758,486	614,711,434
Cash and cash equivalents at the beginning of the year	791,697,777	150,595,247
Cash and cash equivalents acquired on acquisition of subsidiary	56,912	26,385,174
Cash and cash equivalents acquired on business purchases	-	5,922
Cash and cash equivalents at the end of the year	813,513,175	791,697,777
Components of cash and cash equivalents	As at March 31, 2012	As at March 31, 2011
Cash on hand	3,751,840	4,816,744
Balances with banks		
- in current account	547,026,119	436,855,861
- in exchange earners foreign currency (EEFC) account	18,787,808	-
- in cash credit accounts	26,649	141,025,172
- in fixed deposit account (less than 3 month maturity)	243,832,901	9,000,000
- in unpaid dividend account*	87,858	-
- in public issue account*	-	200,000,000
	813,513,175	791,697,777

* The Company can utilise these balances only towards settlement of the respective unpaid dividend and public issue account.

Notes

1 Figures in brackets indicate cash outflow.

2 The cash flow statement for the previous year is adjusted by the following amounts of assets and liabilities to give effect to the business transfer agreements with partnership firms:

Fixed assets of Rs 931,119, trade receivables of Rs 101,100, cash on hand of Rs 5,922 and unsecured loan of Rs 14,500,000.

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

For Walker, Chandiook & Co
Chartered Accountants

Sd/-
per **Rajesh Jain**
Partner

Place : Gurgaon
Date : August 23, 2012

For and on behalf of the Board of Directors

Sd/-

Amit Mittal

Managing Director

Sd/-

Dipali Mittal

Director

Sd/-

Rakesh Gupta

Group Chief Financial Officer

Sd/-

Atul Kumar Agarwal

Company Secretary

Notes forming part of the consolidated financial statements

Note 1 NATURE OF OPERATIONS

A2Z Maintenance & Engineering Services Limited ('A2Z or the Company') was incorporated at National Capital Territory of Delhi on January 7, 2002 for providing maintenance and engineering services. The Company commenced its business with the facility management services and entered into engineering business during the year 2005-06.

The Group's main business primarily include (i) Engineering services mainly supply, erection and maintenance of electrical transmission lines and allied services to power distribution companies (ii) Municipal solid waste management which primarily includes door to door collection, intermediate transportation and processing of waste to compost, vermin compost, plastic recyclable and eco bricks and (iii) Facility management services. The Group has also entered into collaboration with sugar mills for setting up 3 Cogeneration (Cogen) power plants on Built, Own, Operate and Transfer (BOOT) basis for a period of 15 years and also the group is setting up one biomass based power plant at Kanpur in the state of Uttar Pradesh.

Note 2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted by A2Z Maintenance & Engineering Services Limited ('A2Z or the Company') and its subsidiaries (hereinafter referred to as the "Group") in respect of these consolidated financial statements, are set out below.

a) Basis of preparation

These consolidated financial statements have been prepared to comply in all material respects with notified accounting standards by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 to reflect the financial position and the results of operations of the Group. These consolidated financial statements are prepared under the historical cost convention on the accrual basis of accounting and reporting requirements of Accounting Standard ('AS') 21 'Consolidated Financial Statements' notified by Companies (Accounting Standards) Rules, 2006, (as amended) and consolidated as per sub-point (b) below for the year ended March 31, 2012. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year.

b) Principles of consolidation

These financial statements represents consolidated financial statements of the Company and its majority owned subsidiaries as follows:

Entity	Country of Incorporation	Principal service / nature of operations	Relationship	Shareholding as at March 31, 2012
A2Z Infrastructure Limited	India	Solid waste management	Subsidiary	89.01%
A2Z Infraservices Limited	India	Facility management services	Subsidiary	92.22%
A2Z Powercom Limited	India	Engineering services and power generation through biomass, waste material, etc.	Subsidiary	80.00%
A2Z Powertech Limited	India	System integration services in power sector	Subsidiary	95.00%
Selligence Technologies Services Private Limited	India	ERP implementation services	Subsidiary	80.00%
Imatek Solutions Private Limited	India	Consultancy services	Subsidiary	98.00%
Mansi Bijlee and Rice Mills Limited	India	Power generation through biomass, waste material, etc.	Subsidiary	100.00%
Mirage Bijlee Private Limited	India	Power generation through biomass, waste material, etc.	Subsidiary	100.00%
Madhya Bijlee Private Limited	India	Power generation through biomass, waste material, etc.	Subsidiary	90.00%
A2Z Maintenance & Engineering Services (Uganda) Private Limited	Uganda	Engineering services	Subsidiary	100.00%

Notes forming part of the consolidated financial statements

Entity	Country of Incorporation	Principal service / nature of operations	Relationship	Shareholding as at March 31, 2012
Star Transformers Limited**	India	Power equipment manufacturing	Subsidiary	49.00%
A2Z E Waste Management Limited	India	E-Waste management	Subsidiary	90.00%
A2Z Water Solutions Limited	India	Water waste management	Subsidiary	100.00%
Chavan Rishi International Limited	India	Property renting and leasing	Subsidiary	100.00%
A2Z Singapore Waste Management Holdings Private Limited *(September 1, 2011)	Singapore	Business of investment holding and solid waste management services	Subsidiary	100.00%
A2Z Disaster Management and Innovative Response Education Private Limited (formerly Mithila Bijlee Private Limited)*(November 15, 2011)	India	Disaster management	Subsidiary	100.00%
Pioneer Waste Management Private Limited (formerly Matri Bijlee Private Limited) *(November 15, 2011)	India	Solid waste management	Subsidiary	100.00%
A2Z Waste Management (Nainital) Private Limited (formerly Maratha Bijlee Private Limited) *(October 28, 2011)	India	Solid waste management	Subsidiary	71.14%
A2Z Maintenance & Engineering Services Limited and Satya Builders (Association of person)	India	Water waste management	Subsidiary	60.00%
A2Z Waste Management (Aligarh) Limited	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	71.21%
A2Z Waste Management (Moradabad) Limited	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	71.21%
A2Z Waste Management (Merrut) Limited	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	71.21%
A2Z Waste Management (Varanasi) Limited	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	71.21%
A2Z Waste Management (Mirzapur) Limited	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	89.01%
A2Z Waste Management (Badaun) Limited	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	89.01%
A2Z Waste Management (Balai) Limited	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	89.01%

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED
Notes forming part of the consolidated financial statements

Entity	Country of Incorporation	Principal service / nature of operations	Relationship	Shareholding as at March 31, 2012
A2Z Waste Management (Basti) Limited	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	89.01%
A2Z Waste Management (Fatehpur) Limited	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	89.01%
A2Z Waste Management (Jaunpur) Limited	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	89.01%
A2Z Waste Management (Loni) Limited	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	89.01%
A2Z Waste Management (Sambhal) Limited	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	89.01%
A2Z Waste Management (Ranchi) Limited	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	89.01%
A2Z Waste Management (Haridwar) Private Limited *(November 17, 2011)	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	89.01%
A2Z Waste Management (Dhanbad) Private Limited *(October 28, 2011)	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	89.01%
A2Z Waste Management (Ludhiana) Limited *(July 14, 2011)	India	Solid waste management	Subsidiary of A2Z Infrastructure Limited	89.01%
A2Z Infra Management & Services Limited	India	Facility management services	Subsidiary of A2Z InfraserVICES Limited	92.22%
A2Z Waste Management Private Limited *(January 16, 2012)	India	Solid waste management	Subsidiary of A2Z Singapore Waste Management Holdings Private Limited	100.00%
A2Z Dataserv Limited *(December 15, 2011)	India	E - Waste management	Subsidiary of A2Z E Waste Management Limited	72.00%
CNCS Facility Solutions Private Limited	India	Facility management services	Subsidiary of Imatek Solutions Private Limited	98.00%

* Date of purchase of majority stake / date of incorporation of new subsidiaries during the year

** Star Transformers Limited has been fully consolidated as a group undertaking on the basis of a shareholder agreement that gives the Group control over the board of directors.

The consolidated financial statements have been prepared on the following basis:

- i) The consolidated financial statements include the financial statements of the Company and all its subsidiaries which are more than 50 percent owned or controlled.
- ii) Subsidiary companies are consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and intra-group transactions and also unrealized profits or losses, except where cost cannot be recovered. The results of operations of a subsidiary are included in the consolidated financial statements from the date on which the parent subsidiary relationship came into existence.

Notes forming part of the consolidated financial statements

- iii) The difference between the cost to the Group of investment in subsidiaries and the proportionate share in the equity of the investee company as at the date of the acquisition of stake is recognized in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be. Goodwill arising on consolidation is disclosed under Fixed assets – Intangible assets and is not amortised but tested for impairment annually.
- iv) Minority interest represents the amount of equity attributable to minority shareholders at the date on which investment in a subsidiary is made and its share of movements in equity since that date. Their share of net assets is identified and presented in the consolidated financial statements separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same is accounted for by the holding company.
- v) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's stand alone financial statements.
- vi) The financial statements of the entities used for the purpose of consolidation are of the same reporting date as that of the Company i.e. year ended March 31, 2012.
- vii) Notes to the consolidated financial statements, represents notes involving items which are considered material and are accordingly duly disclosed. Materiality for the purpose is assessed in relation to the information contained in the consolidated financial statement. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the consolidated financial statement has not been disclosed in the consolidated financial statements.

c) Use of estimates

The preparation of financial statements in conformity with Indian 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.

d) Fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment loss (if any). The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Assets acquired for contracts on BOOT basis have been capitalised as fixed assets in accordance with terms of respective contracts.

e) Depreciation

Depreciation is provided using the Straight Line Method (SLM) rates as per the useful lives of the fixed assets as estimated by the management or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. The Company has used following rates to provide depreciation on its fixed assets:

Particulars	Rate of Depreciation (SLM)
Building	1.63% - 3.34%
Office Equipment	4.75% - 33.33%
Plant and Machinery	4.75% - 11.31%
Computers	4.75% - 25.00%
Furniture and Fixtures	6.33%
Vehicles	7.07% - 16.21%
Tools & Equipments	4.75% - 11.31%
Leasehold land	Over the lease term on straight line basis.
Assets costing less than Rs 5,000	Fully depreciated in the year of acquisition

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. Handheld billing machines are depreciated over their estimated useful life of 5 years.

Notes forming part of the consolidated financial statements

f) Intangible assets and amortisation

Computer software purchased from outside parties is amortised on a straight line basis over lower of license period or a period of 4 to 6 years, being the estimated useful life.

Goodwill arising on acquisition and purchase of business is amortised on a straight line basis over a period of five years.

g) 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 using the pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the asset. After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying 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 qualifying asset. Borrowing costs consist of interest and other ancillary costs that an entity incurs in connection with the borrowing of funds. Ancillary costs related to borrowings are amortised over the tenure of loan. All other borrowing costs are expensed in the year they occur.

i) Leases

Where the Group 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 statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor:

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

j) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investment. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non current investments are stated at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

k) 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) Work in progress and finished goods

Lower of cost and net realizable value. Cost includes direct materials and 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.

Notes forming part of the consolidated financial statements

l) Revenue recognition

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

(i) Revenue from engineering services

Revenue from engineering services is recognised by reference to the stage of completion of the project at the balance sheet date. The stage of completion of project is determined by the proportion that the contract cost incurred for work performed up to the balance sheet date bear to the estimated total contract costs as assessed by project managers and validated by independent project managers and the management. Materials purchased specifically for the projects and identifiable to the project are considered as part of contract costs in accordance with AS-7, "Construction Contracts".

If it is expected that a contract will make a loss, the estimated loss is provided in the books of accounts. Such losses are based on technical assessments. Contract revenue earned in excess of billing has been reflected under "Other current assets" and billing in excess of contract revenue has been reflected under "Other current liabilities" in the Balance Sheet.

As the outcome of the contracts cannot be measured reliably during the early stages of the project, contract revenue is recognised only to the extent of costs incurred in the statement of profit and loss unless the actual cost reaches a minimum threshold of 10% of total estimated cost of the project.

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

(ii) Revenue from services

Revenues from services are recognised pro-rata over the period of the contract as and when services are rendered in accordance with the terms of the respective contract.

(iii) 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 goods. The Group collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Group.

(iv) Interest

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

(v) Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.

m) Foreign currency translation

(i) 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 Group 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.

Notes forming part of the consolidated financial statements

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.

(ii) Translation of integral foreign operation

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.

(iii) Translation of non-integral foreign operation

In translating the financial statements of a non-integral foreign operation for incorporation in consolidated financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate; income and expenses items of non-integral foreign operation are translated at the exchange rates at the dates of the transactions or average rate; and all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

n) Retirement and other employment benefits

i) 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.

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 in case of parent and few of its subsidiaries.

iii) The Group treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long term compensated absences are provided for based on actuarial valuation using the projected unit credit method at the year end.

iv) Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the year in which such gains or losses arise.

o) 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 Group 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 Group 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 Group 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.

Notes forming part of the consolidated financial statements

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.

p) Segment reporting

Identification of segments:

The Group's operating businesses are organized and managed separately according to the nature of services, with each segment representing a strategic business unit that offers different services to different markets. The analysis of geographical segments is based on the areas in which major operating division of the Group operate.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

q) 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.

r) Derivative instruments

As per the guidance provided in the Announcement of the Institute of Chartered Accountants of India dated March 29, 2008, accounting for derivative contracts, other than those covered under AS-11, are marked to market on individual portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the statement of profit and loss. Net gains are ignored.

s) 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.

t) Accounting for joint ventures

Accounting for joint ventures undertaken by the Group has been done in accordance with Accounting Standard -27 "Financial Reporting of Interests in Joint Ventures" of the Companies (Accounting Standard) Rule 2006 as follows:

Type of Joint ventures	Accounting treatment
------------------------	----------------------

Jointly controlled operations	The Group's share of revenues, expenses, assets and liabilities are included in the financial statements as revenues, expenses, assets and liabilities respectively.
-------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------

u) Employee stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

v) Government grants and subsidies

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

Notes forming part of the consolidated financial statements

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

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

Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

w) Contingent liability and provisions

Depending upon the facts of each case and after due evaluation of legal aspects, claims against the Group are accounted for as either provisions or disclosed as contingent liabilities. In respect of statutory dues disputed and contested by the Group, contingent liabilities are provided for and disclosed as per original demand without taking into account any interest or penalty that may accrue thereafter. The Group makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made. Possible future or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, is disclosed as contingent liability in the consolidated financial statements.

	As at March 31, 2012		As at March 31, 2011	
	Number of shares	Amount	Number of shares	Amount
Note 3 SHARE CAPITAL				
Authorised				
Equity shares of Rs 10 each	100,000,000	1,000,000,000	100,000,000	1,000,000,000
Issued, subscribed and fully paid up				
Equity shares of Rs 10 each	74,177,694	741,776,940	74,177,694	741,776,940
	74,177,694	741,776,940	74,177,694	741,776,940

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

	As at March 31, 2012		As at March 31, 2011	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs 10 each fully paid up				
Opening balance	74,177,694	741,776,940	57,301,125	573,011,250
Add: Shares issued during the year*	-	-	16,876,569	168,765,690
Closing balance	74,177,694	741,776,940	74,177,694	741,776,940

* During the previous year, the Company had made an Initial Public Offer (IPO) and allotted 16,845,189 equity shares of face value Rs 10 each, at a premium of Rs 390 per equity share and has also allotted 31,380 equity shares of face value Rs 10 each, at a premium of Rs 370 per equity share to employees aggregating to Rs 6,750,000,000. Consequently, the paid up Equity Share Capital and Share Premium Account has been increased by Rs 168,765,690 and Rs 6,581,234,310 respectively. The Company's shares were listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE) on December 23, 2010.

Note 3.2: 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. During the year, the amount of per share dividend recognised as distributions to equity shareholders is Rs Nil (Previous year - Rs 2)

Notes forming part of the consolidated financial statements

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

Note 3.3: Details of shares held by shareholder holding more than 5% equity shares of the Company:

	As at March 31, 2012		As at March 31, 2011	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of Rs 10 each fully paid up				
Amit Mittal	26,884,301	36.24%	28,759,301	38.77%
Rakesh Radheyshyam Jhunjhunwala	12,773,351	17.22%	12,773,351	17.22%
Beacon India Investors Limited	5,210,862	7.02%	5,449,627	7.35%
Lexington Equity Holdings Limited	4,393,085	5.92%	4,393,085	5.92%
	49,261,599	66.40%	51,375,364	69.26%

Note 3.4: As at March 31, 2012, 755,500 equity shares (As at March 31, 2011, 947,250 equity shares) were reserved for issuance towards outstanding employee stock options available for grant.

Note 3.5: Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash and bonus shares issued for the period of 5 years immediately preceding the Balance Sheet date:

	As at March 31, 2012 Number of shares	As at March 31, 2011 Number of shares
Equity shares of Rs 10 each fully paid up		
Fully paid up by way of bonus shares issued during:		
Financial year 2009-10	34,380,675	34,380,675
Financial year 2007-08	17,509,481	17,509,481
Fully paid up pursuant to contracts without payment being received in cash:		
Financial year 2008-09*	2,510,687	2,510,687
Financial year 2007-08**	47,766	47,766

* shares were allotted on conversion of 75,000,000 0.001% cumulative mandatorily convertible preference shares of Rs 10 each fully paid up.

** shares were allotted on conversion of share warrant.

	As at March 31, 2012	As at March 31, 2011
Note 4 RESERVES AND SURPLUS		
Securities premium account		
Opening balance	7,714,859,233	1,422,138,766
Add: Receipt during the year (Refer note 3.1)	-	6,581,234,310
Less: Share issue expenses written off (Refer note 4.1)	-	288,513,843
Closing balance	7,714,859,233	7,714,859,233
Surplus in statement of profit and loss		
Opening balance	2,746,887,086	2,217,523,280
Add: Transfer from statement of profit and loss	(179,469,001)	771,178,788
Less: Proposed dividend on equity shares	-	148,355,388
Less: Tax on dividend	-	24,639,976
Less: Transfer to general reserve	-	64,013,890
Less: Adjustment on account of further acquisition in subsidiaries	971,412	-
Less: share of minority interest on dilution of holding	94,408	4,805,728
Closing balance	2,566,352,265	2,746,887,086

Notes forming part of the consolidated financial statements

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

	As at March 31, 2012	As at March 31, 2011
General reserve		
Opening balance	64,013,890	-
Add: Transfer from statement of profit and loss	-	64,013,890
Closing balance	64,013,890	64,013,890
Capital reserve arising on dilution of holding	-	253,442,265
Foreign currency translation reserve	(9,310)	(3,257)
	10,345,216,078	10,779,199,217

Note 4.1 (a) : During the previous year, the Company had incurred Rs 318,851,232 towards share issue expenses for its Initial Public Offer (IPO). Same has been shared on pro rata basis between the Company and the selling shareholders, who offered the shares in the offer for sale of the Company's IPO. An amount of Rs 30,337,389 (excluding printing, advertisement and media expenses with respect to the IPO which are borne entirely by the Company) has been recovered from selling shareholders as their share of share issue expenses and the balance of Rs 288,513,843 has been adjusted against the securities premium received on the issue of shares in terms of Section 78 of the Companies Act, 1956.

Note 4.1 (b): It includes payment to erstwhile auditors of Rs Nil (Previous year - Rs 11,045,900).

	As at March 31, 2012		As at March 31, 2011	
	Non Current	Current	Non Current	Current
Note 5 LONG-TERM BORROWINGS				
Secured				
Debentures (Refer note 5.1)	1,500,000,000	-	-	-
External commercial borrowings				
- From banks (Refer note 5.2)	1,229,858,302	36,265,074	-	-
Term loans (Refer note 5.3)				
- From banks	2,381,291,403	591,684,909	1,297,748,978	160,472,287
- From financial institution	31,676,440	27,501,952	84,460,324	33,460,442
Other Loans (Refer note 5.4)				
- Vehicle loan from banks	20,209,208	29,482,821	30,734,723	42,863,655
- Vehicle loan from financial institution	72,870	262,235	63,530	136,417
Unsecured (Refer note 5.5)				
From others	36,750,000	54,700,000	191,450,000	27,350,000
	5,199,858,223	739,896,991	1,604,457,555	264,282,801

Note 5.1: Details of security, terms of conversion and terms of repayment of fully convertible debentures

A2Z Infrastructure Limited, a subsidiary company, has issued fully convertible 150 debentures of Rs 10,000,000 each on October 25, 2011, which carry interest rate of 12 % per annum payable quarterly. These debentures are convertible at a premium of 5% p.a. compounded monthly at the end of 36 months from the date of subscription.

These debentures are secured by way of pledge of 57% of equity shares of the said subsidiary company held by the Company and personal guarantee of Mr. Amit Mittal (Managing Director).

Details of put option available to debenture holders

The investor shall have the option to put 100% of the outstanding debentures, first on the Company and if the Company fails to honour the put option, then on the Devdhar Trading & Consultants Private Limited (the 'Sponsor') under the following conditions:

Notes forming part of the consolidated financial statements

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

- i) Anytime after 30 months from the issuance of debentures; or
- ii) On filing of draft red herring prospectus by the subsidiary company within the maturity period; or
- iii) In the event of any default by the subsidiary company, Company or the sponsor; or
- iv) Investor has reasonable grounds to believe that the issuer is not in the position to achieve the base case business plan.

Details of call option available to the Company and the sponsor

The Company or Sponsor shall have a call option anytime after twelve months from the date of the issue of the debentures either by themselves or by their nominees at the exercise price (face value plus 5% p.a. premium compounding monthly) with a 30 day notice in writing.

Note 5.2: Details of security and terms of repayment for external commercial borrowings ('ECB')

A2Z Infrastructure Limited, a subsidiary company, and its subsidiaries has taken ECB for various municipal solid waste (MSW) projects aggregating to Rs 1,266,123,376 (Previous year - Rs Nil) is secured by exclusive charge over all movable assets and on stock and receivables under the aforesaid project. Further secured by charge on the debt service reserve account ('DSRA') account. The ECB is also secured by unconditional corporate guarantee of the Company. The loans are repayable in 16 - 50 installments. The loan is carrying interest rate of LIBOR + 300 bps.

Note 5.3: Details of security and terms of repayment for term loans

1. Term loan from bank amounting to Rs 880,000,000 (Previous year - Rs Nil) having an interest rate of bank base rate plus 4% per annum (varying between 13.5% to 15.05% during the year) is repayable in 28 quarterly installments first installment being due in June 2012.
2. Term loan from bank amounting to Rs 663,904,344 (Previous year - Rs 650,000,000) having an interest rate of bank PLR less 5.5% per annum (varying between 13% to 14.25 % per annum during the year) is repayable in 28 quarterly installments first installment being due in June 2012.

The above loans are secured against:

- a) first charge on pari - passu basis: (i) by way of hypothecation of all current assets of the Company including but not limited to receivables and inventory, relating to the projects both present and future; (ii) on all intangible assets including but not limited to goodwill pertaining to the projects (to the extent permissible by the Punjab state Co-operative sugar mills).
 - (b) First charge (i) on all the insurance contracts with respect to the projects together with any receivables thereunder; (ii) on all the accounts (including but not limited to the project accounts) with respect to the projects
 - (c) An assignment of: (i) all rights and interest by way of first charge on pari passu basis on the book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, relating to the projects, present and future; (ii) the rights and interest in the project site to the extent permissible by law; (iii) all its rights and obligations under the assignment orders and memorandum of understandings and; (iv) the rights and interest by way of first charge on pari passu basis into and under each of the project documents, and all the rights under each letter of credit/ guarantee or performance bond that may be posted by any party to a project document for the Company's benefit and all the rights under the approvals in connection with the project (having value above Rs 100,000,000) to the extent permissible by law
 - (d) Personal guarantee of Mr Amit Mittal (Managing Director).
3. Term loan from bank amounting to Rs 21,708,320 (Previous year - Rs 66,708,320) is secured against (i) exclusive charge by way of earmark on commercial office at 7th Floor, Tower B, Medicity, Gurgaon; (ii) personal guarantee of Mr Amit Mittal, Ms Dipali Mittal, Ms Suman Goel and Mr Manoj Gupta. The loan is having an interest rate of bench mark prime lending rate (BPLR) less 3.75% per annum (varying between 13% to 14% during the year) and is repayable in 16 equal quarterly installments and first installment became due in March 2011.
 4. Term loan from bank aggregating to Rs 227,083,338 (Previous year - Rs 329,916,667), in case of A2Z Infrastructure Limited, for Kanpur, Patna and Muzaffarnagar municipal solid waste (MSW) projects, carrying an interest rate of 15.25%, is secured by escrow on the subsidy receivables from Uttar Pradesh Jal Nigam ('UPJN'), tipping fee for MSW collection from Municipal Corporation and charge from UPJN for disposal in sanitary land fill ('SLF'),

Notes forming part of the consolidated financial statements

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

- further secured by first charges on entire movable and current assets of the subsidiary company (both present and future) and further secured by corporate guarantee of the Company and an irrevocable and unconditional personal guarantee from Mr. Amit Mittal (Managing Director) and Mrs. Dipali Mittal (Director) of the Company. The loan is repayable in 17 - 25 equal monthly installments.
5. Term loan from bank aggregating to Rs 300,000,000 (Previous year - Rs 150,000,000), in case of A2Z Infrastructure Limited, for Kanpur power project, carrying weighted average interest rate of 14%, is secured by first charge over all present and future moveable, immoveable fixed and current assets of the aforesaid project and charge on debt service reserve account ('DSRA') and further secured by corporate guarantee of the Company and an irrevocable and unconditional personal guarantee from Mr. Amit Mittal (Managing Director) and Mrs. Dipali Mittal (Director) of the Company. The loan is repayable in 28 equal quarterly installments commencing from June 30, 2012.
 6. Term loan from bank aggregating to Rs 284,325,014 (Previous year - Rs 35,787,000), in case of A2Z Infrastructure Limited, for power project at Kanpur, carrying an interest rate of 14%, is secured by pari-passu first charge by way of equitable mortgage on land and buildings and hypothecation of on plant and machinery and all other fixed assets related to power project at Kanpur. Further collaterally secured by pari-passu first charge by way of hypothecation on entire current assets relating to the aforesaid project and further secured by corporate guarantee of the Company and an irrevocable and unconditional personal guarantee from Mr. Amit Mittal (Managing Director) and Mrs. Dipali Mittal (Director) of the Company. The loan is repayable in 28 quarterly installments commencing from April 1, 2012.
 7. Term loan from bank aggregating to Rs. 166,250,000 (Previous year - Rs Nil), in case of A2Z Infrastructure Limited, for MSW Project at Indore carrying an interest rate of 14.30%, is secured by exclusive charge over plant and machinery purchased out of the facility, charge over fixed moveable and current assets of the aforesaid project and first charge over the receivables of the aforesaid project and further secured by corporate guarantee of the Company. The loan is repayable in 14 equal quarterly installments.
 8. Term loan from bank amounting to Rs 376,917,332 (Previous year - Rs 225,000,000), in case of subsidiaries of A2Z Infrastructure Limited, carrying an interest rate of 11.25% per annum, is secured against (i) Unconditional corporate guarantee from the Company (ii) Exclusive charge on all movable assets financed through debt and/or equity (iii) Exclusive Charge receivable under the project (iv) charge on DSRA. The loan is repayable in 42 - 45 equal monthly installments.
 9. Term loan from bank amounting to Rs 6,269,902 (Previous year - Rs Nil), in case of A2Z Infrservices Limited, is secured by first charge on the Fixed assets of said subsidiary company (other than vehicles financed by other bank) and current assets including book debts and other receivable and fixed assets of the company and also by corporate guarantee of Company and personal guarantee of two directors of the Company. The loan is repayable in 12 equal quarterly installment. The loan are having interest rate of 4.5% above the bank base rate.
 10. Term Loan from bank amounting to Rs 1,854,061 (Previous year - Rs 809,278), in case of CNCS Facility Solutions Private Limited, is secured against (1) First charge on the current assets of the subsidiary company, present and future (2) First charge on all the movable fixed assets of the subsidiary company, present and future (3) Counter Guarantee of the subsidiary company for Bank Guarantee (4) Equitable mortgage of property located at Unit No. T-303, Ashoka Mall, Bund Garden Road, Pune in the name of the subsidiary company (5) The subsidiary company will not pledge its shares to any entity during the currency of the loan without obtaining the prior consent from Ratnakar Bank Limited (6) Personal Guarantee of two directors namely Mr. Vishaant Gala (Resigned on 15.07.2011) and Mr. Roomy Daruwalla (7) Corporate Guarantee of Company. The loan is repayable in 24 to 36 monthly installments and having interest rate of 15 % per annum.
 11. Term loan from bank amounting to Rs 44,664,000 (Previous year - Rs Nil), in case of A2Z Dataserv Limited, is secured against (1) Exclusive charge on entire immovable fixed assets of the Company, both present and future; (2) Exclusive hypothecation charge on entire current assets of Company, both present and future; (3) Exclusive charge over debt service reserve account maintained with the lender; (4) Unconditional and irrevocable guarantee from A2Z E Waste Management Limited (the holding company of A2Z Dataserv Limited) and from the Company. The loan carries an interest rate of bank base rate plus spread (which are 10% p.a and 2.75% p.a respectively as on March 31, 2012) and is repayable in 12 equal quarterly installments starting from December, 2012.

Notes forming part of the consolidated financial statements

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

12. Term loan from financial institutions amounting to Rs 59,178,392 (Previous year - Rs 117,920,766) are secured against hypothecation of equipments acquired out of loan. The interest rate is 11.50% to 12.69% per annum and the loans are repayable in 12 quarterly and 44 - 48 monthly installments.

Note 5.4: Details of security and terms of repayment for other loans

Vehicle loans amounting to 50,027,134 (Previous year - Rs 73,798,325) are secured against hypothecation of vehicles. The loans are having interest rate of 8.00% - 14.00% per annum and are repayable in monthly installments as per respective payment schedule.

Note 5.5: Details of terms of repayment for unsecured loans

The loan of Rs 91,450,000 (Previous year - Rs 218,800,000) is having interest of 14.00% - 16.50% per annum. The loan is repayable in eight equal installment of Rs 13,675,000 each starting from December 2011 and one last installment of Rs 9,400,000 payable on December 31, 2013.

	As at March 31, 2012	As at March 31, 2011
Note 6 LONG-TERM PROVISIONS		
Provision for warranty (Refer note 6.1)	41,595,595	32,736,363
Provision for premium on redemption of debentures	242,208,347	-
Provision for gratuity (Refer note 27.2)	7,960,059	859,048
Provision for compensated leave absences (Refer note 27.3)	710,945	-
	292,474,946	33,595,411

Note 6.1: Provision for warranty: The estimated liability for warranties is recorded when contract revenue is recognised. These estimates are established using historical information on the nature and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

As per the terms of the contracts, the Company provides post-contract services / warranty support to its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the management duly taking into account the current and past technical estimates.

	As at March 31, 2012	As at March 31, 2011
Note 7 SHORT-TERM BORROWINGS		
Secured borrowings from banks (Refer note 7.1)		
- Working capital demand loans	1,763,677,776	1,770,975,725
- Cash credit facilities	3,252,477,431	729,707,263
- Buyers credit facilities (Refer note 7.2)	235,044,202	23,356,216
- Vendor financing	102,172,493	353,589,642
Unsecured borrowings		
- From banks	-	364,625
- From directors	-	1,991,202
- From others	20,144,335	4,965,166
	5,373,516,237	2,884,949,839

Note 7.1: Details of security and terms of repayment of secured short term borrowings

The working capital loans, cash credit facilities and vendor financing facilities from banks are secured against whole of the assets (both current as well as fixed) of the Company and the respective subsidiaries, namely stock of raw

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

Notes forming part of the consolidated financial statements

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

material, stock in process, semi-finished and finished goods, stores and spares (consumable stores and spares), bills receivables and book debts and all other movables and fixed assets (except fixed assets exclusively financed by other lenders) both present and future stored or to be stored at the premises of the Company and the respective subsidiaries or wherever else the same may be. The charge is also additionally secured by first charge over immovable properties and corresponding receivables and personal guarantee of directors of Company. The rate of interest vary from 11.50% per annum to 15.75% per annum and these loans are repayable on demand.

Note 7.2: Details of security and terms of repayment of buyers credit facility

Buyers credit facility is carved out facility granted by bank to the subsidiary company for setting up of biomass based cogeneration power plant in Punjab. The facility is secured against first charge on the current assets both present and future and first charge on the moveable fixed assets of A2Z Maintenance and Engineering Services Limited located at Nakodar, Morinda and Fazilka in Punjab both present and future.

	As at March 31, 2012	As at March 31, 2011
Note 8 TRADE PAYABLES		
Acceptances	660,218,661	641,831,195
Other than acceptances:		
(a) total outstanding dues of micro and small enterprises (Refer note 8.1)	4,189,923	7,650,355
(b) total outstanding dues of creditors other than micro and small enterprises	2,683,432,809	2,086,820,820
	3,347,841,393	2,736,302,370

Note 8.1: Disclosures under Micro, Small and Medium Enterprises Act, 2006

The micro and small enterprises have been identified by the Company from the available information. According to such identification, the disclosures in respect to Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 is as follows:

Details of dues to micro and small enterprises as per MSMED Act, 2006

	As at March 31, 2012	As at March 31, 2011
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- principal amount*	10,804,685	14,165,667
- interest amount*	1,661,887	784,593
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	-	-
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	1,661,887	784,593
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

*Includes Rs 8,276,649 (Previous year - Rs 7,299,905) which has been shown under other current liabilities (Refer note 9)

Notes forming part of the consolidated financial statements

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

	As at March 31, 2012	As at March 31, 2011
Note 9 OTHER CURRENT LIABILITIES		
Current maturities of long-term debt (Refer note 5)	739,896,991	264,282,801
Interest accrued and due on borrowings	33,868,369	16,063,915
Interest accrued but not due on borrowings and advances	36,602,253	5,710,986
Security deposits	290,000	853,800
Creditors for purchase of fixed assets		
- Dues to micro and small enterprises (Refer note 8.1)	8,276,649	7,299,905
- Dues to others	247,869,953	147,110,182
Dues against contractual obligation	54,476	-
Payable against share issue expenses	-	177,085,684
Book overdrafts	6,208,527	8,802,278
Amount payable to shareholders	-	10,161,507
Advance from customers	745,065,809	689,762,387
Subsidy received	370,401,253	220,438,635
Mark-to-market loss on derivatives	57,405,011	-
Unclaimed dividend*	87,858	-
Billing in excess of contract revenue	157,892,306	104,186,385
Statutory dues payable	454,224,178	248,398,234
	2,858,143,633	1,900,156,699

* Not due for deposit with investor education and protection fund

	As at March 31, 2012	As at March 31, 2011
Note 10 SHORT TERM PROVISIONS		
Provision for proposed equity dividend	-	148,355,388
Provision for tax on proposed dividend	3,813	24,643,789
Provision for gratuity (Refer note 27.2)	22,304,674	2,973,246
Provision for compensated leave absences (Refer note 27.3)	4,779,550	-
	27,088,037	175,972,423

Notes forming part of the consolidated financial statements

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

Note 11 TANGIBLE ASSETS

Assets	GROSS BLOCK					ACCUMULATED DEPRECIATION					NET BLOCK		
	As at April 1, 2011	Additions	Acquired on acquisition of subsidiary and others	Sale / Adjustments	As at March 31, 2012	As at April 1, 2011	Charge for the year*	Acquired on acquisition of subsidiary and others	Sale / Adjustments	As at March 31, 2012	As at March 31, 2012	As at March 31, 2011	
Tangible assets - owned unless otherwise specified													
Leasehold land (Refer note 11.1)	1,136,693	-	-	-	1,136,693	55,525	17,278	-	-	72,803	1,063,890	1,081,168	
Freehold Land	156,544,189	150,617,200	-	12,500	307,148,889	-	-	-	-	-	307,148,889	156,544,189	
Leasehold improvement	4,747,246	2,599,316	-	-	7,346,562	4,747,246	199,947	-	-	4,947,193	2,399,369	-	
Buildings	160,836,346	46,230,175	-	-	207,066,521	5,387,442	5,020,436	-	-	10,407,878	196,658,643	155,448,904	
Furniture and fixtures	28,487,749	25,731,466	-	296,013	53,923,202	13,057,673	6,776,850	-	69,612	19,764,911	34,158,291	15,430,076	
Office equipments	69,646,294	19,327,235	-	4,645,738	84,327,791	8,976,459	5,347,712	-	287,198	14,036,973	70,290,818	60,669,835	
Plant and equipments #	583,882,156	494,868,270	-	31,375,765	1,047,374,661	70,692,212	75,432,320	-	8,771,981	137,352,551	910,022,110	513,189,944	
Steel containers #	68,044,911	76,287,556	-	39,302,281	105,030,186	7,433,191	17,186,874	-	6,560,697	18,059,368	86,970,818	60,611,720	
Computer	78,486,668	24,330,086	-	143,238	102,673,516	31,915,443	13,655,546	-	103,691	45,467,298	57,206,218	46,571,225	
Vehicles #	695,108,158	447,592,217	-	285,772,533	856,927,842	72,077,375	94,817,730	-	25,759,880	141,135,225	715,792,617	623,030,783	
Tools and equipments	1,262,218	143,562	-	1,405,780	400,922	54,475	-	-	455,397	950,383	861,296	-	
Fibre reinforced plastic bins #	15,689,684	13,065,149	-	1,484,813	27,270,020	15,689,684	12,631,427	-	2,245,673	26,075,438	1,194,582	-	
	1,863,872,312	1,300,792,232	-	363,032,881	2,801,631,663	230,433,172	231,140,595	-	43,798,732	417,775,035	2,383,856,628	1,633,439,140	
Previous year figures	539,234,603	1,366,959,055	82,145,848	124,467,194	1,863,872,312	74,475,293	184,709,113	31,468,793	60,220,027	230,433,172	1,633,439,140	464,759,310	

* Current year depreciation includes Rs 17,567,706 (Previous year - Rs 1,314,156) which has been carried under capital work in progress and Rs Nil (Previous year - Rs 773,045) which has been capitalised under buildings during the year after its completion.

Note 11.1: Leasehold land represents land acquired on lease from Orissa Industrial Infrastructure Development Corporation for the lease period of 66 years.

Adjustment to plant and equipment, vehicles, garbage containers and fibre reinforced plastic bins represents contribution against capital subsidy received from various municipal corporation for municipal solid waste plant. The amounts of subsidy received have been allocated to various assets on the basis of informal confirmations received from the respective departments. This is in line with the practices followed by various authorities in relation to grant of capital subsidies. Adjustment to depreciation of plant and equipment, vehicles, garbage containers and fibre reinforced plastic bins represents reversal of depreciation provided on the fixed assets for which contribution against capital subsidy has been received.

Note : Gross block includes assets acquired on contracts entered on BOOT basis in accordance with terms of respective agreements

Note 12 INTANGIBLE ASSETS

Assets	GROSS BLOCK					ACCUMULATED AMORTISATION					NET BLOCK		
	As at April 1, 2011	Additions	Acquired on acquisition of subsidiary and others	Sale / Adjustments	As at March 31, 2012	As at April 1, 2011	Charge for the year	Acquired on acquisition of subsidiary and others	Sale / Adjustments	As at March 31, 2012	As at March 31, 2012	As at March 31, 2011	
Intangible assets													
Computer software	59,353,899	1,804,357	-	956,224	60,202,032	21,324,919	9,296,175	-	320,861	30,300,233	29,901,799	38,028,980	
Goodwill (Refer note 12.1)	23,961,858	-	-	-	23,961,858	4,792,372	4,792,372	-	-	9,584,744	14,377,114	19,169,486	
Goodwill on consolidation	419,152,191	-	77,220,055	-	496,372,246	-	-	-	-	-	496,372,246	419,152,191	
	502,467,948	1,804,357	77,220,055	956,224	580,536,136	26,117,291	14,088,547	-	320,861	39,884,977	540,651,159	476,350,657	
Previous year figures	84,528,579	13,666,573	404,281,447	8,651	502,467,948	1,378,617	12,088,433	12,658,890	8,649	26,117,291	476,350,657	83,149,962	

Note 12.1 : During the year ended March 31, 2010, the Company had entered into three business transfer agreement to purchase the entire business of M/s Surrender Chowdhury & Brothers, M/s Mohd. Rashid Contractors and En-Tech Engineers and Contractors for a consideration of Rs 20,000,000, Rs 2,000,000 and Rs 3,000,000 respectively. The difference between the carrying values of Investment and value of net assets acquired amounting to Rs 23,961,858 was carried as goodwill.

	As at March 31, 2012	As at March 31, 2011
Note 13 CAPITAL WORK IN PROGRESS*		
Plant and equipments (including power plant equipments)	3,332,288,804	1,626,024,150
Building under construction	1,260,434,745	376,380,071
Leasehold improvements	-	926,887
Borrowing costs capitalised	585,528,195	112,858,548
Other expenses (directly attributable to construction/erection of fixed assets)		
- Employee benefits expense	317,400,698	97,513,648
- Depreciation and amortisation expense	18,884,644	1,316,439
- Other directly attributable expenses (including trial / test run expenses)	596,278,015	90,572,909
Less: Revenue from sale of trial run production	18,209,232	-
	6,092,605,869	2,305,592,652

*Borrowing cost capitalised during the year amounting to Rs 454,927,809 (Previous year - Rs 102,232,215)

Notes forming part of the consolidated financial statements

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

	As at March 31, 2012	As at March 31, 2011
Note 14 INTANGIBLE ASSETS UNDER DEVELOPMENT		
Software under implementation	22,910,112	3,199,757
	22,910,112	3,199,757

	As at March 31, 2012	As at March 31, 2011
Note 15 LONG-TERM LOANS AND ADVANCES (UNSECURED CONSIDERED GOOD)		
Capital advances	657,511,107	535,965,858
Advance recoverable in cash or in kind	33,855,447	23,768,952
Security deposits	93,836,279	72,327,130
Works contract tax recoverable	10,764,108	-
TDS recoverable / advance tax (net of provision for tax)	148,469,574	53,177,098
Earnest money deposit	13,822,999	5,188,499
Loans to employees and directors	7,896,087	9,516,100
	966,155,601	699,943,637

	As at March 31, 2012	As at March 31, 2011
Note 16 OTHER NON CURRENT ASSETS		
Balance in fixed deposit account having maturity more than one year*	777,724,034	720,652,256
Retention money of subsidy	18,144,813	17,945,522
Security deposits	3,583,670	-
Interest accrued but not due on fixed deposits	4,643,630	5,790,592
Unamortised premium on redemption of debentures	126,408,006	-
Unamortised loan processing fee	167,288,479	144,327,192
	1,097,792,632	888,715,562

*Held as margin money against bank guarantees and letter of credit and as debt service reserve account against term loans from banks.

	As at March 31, 2012	As at March 31, 2011
Note 17 CURRENT INVESTMENT (at lower of cost or market value)		
Other than trade, Unquoted		
Nil (Previous year - 49,985,004.499) units of mutual fund of Rs 10 each in Birla Sun Life Cash Manager IP - Daily Dividend - Reinvestment	-	500,000,000
	-	500,000,000

Notes forming part of the consolidated financial statements

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

	As at March 31, 2012	As at March 31, 2011
Note 18 INVENTORIES (VALUED AT LOWER OF COST OR MARKET VALUE)		
Project stores and spares	182,454,480	192,313,366
Raw material	67,846,034	15,918,208
Work-in progress	31,775,492	7,652,757
Finished goods	222,607,799	68,226,851
Finished goods for trading (Material in transit)	23,856,136	92,503,753
	528,539,941	376,614,935

	As at March 31, 2012	As at March 31, 2011
Note 19 TRADE RECEIVABLES (UNSECURED)		
Receivables due for a period exceeding six months when they became due for payment		
- Considered good	5,601,597,264	4,294,657,506
- Considered doubtful	170,298,408	115,224,868
Other receivables		
- Considered good	3,687,330,212	4,473,769,006
- Considered doubtful	4,748,795	7,141,661
	9,463,974,679	8,890,793,041
Less: Provision for doubtful receivables	175,047,203	122,366,529
	9,288,927,476	8,768,426,512

Note 19.1 : Trade receivables include retention money of Rs 3,704,359,872 (Previous year- Rs 3,958,178,337) which are due on completion of erection / contracts / final acceptance by the customers. The management is confident of recovering these amounts upon erection / contract completion.

Note 19.2 : The Company has outstanding recoverables of Rs. 64,381,729 and Rs. 83,071,884, being deductions proposed/ made by the respective customers on invoices raised by Company for services rendered, price escalations on certain supply items and certain other items. In one of the cases, involving amount of Rs. 64,381,729, the Company had filed an application with the High Court for appointment of arbitrator in response to which the high court had appointed an arbitrator to settle the dispute. In the other case, involving outstanding receivables of Rs. 83,071,884, the Company has filed a Special leave petition with the Hon'ble Supreme Court against the Hon'ble High Court's order for appointment of arbitrator, accordingly the Hon'ble Supreme Court has given stay on the proceedings of the arbitrator appointed by the customer. In the latter case, subsequent to March 31, 2012, the Company has recovered Rs 22,432,544 from the customer, however, no settlement has been arrived at with the customer. The management, based on legal advice, believes that the outcome of legal matters is likely to be in its favor and has thus classified the said amounts as recoverable in the books and no adjustments have been made with respect of the same in the financial statements of the Company.

Note 19.3: One of the subsidiaries, A2Z Infrastructure Limited, has outstanding recoverable of Rs 76,265,817, being receivable from a customer for collection and transportation of municipal solid waste. The Company has filed a writ petition with High Court of Patna for recovery of dues. An interim order was passed directing the customer to release 75% of the amount recoverable. Against the interim order the customer has filed Letters Patent Appeal ('LPA') which has been dismissed, confirming the interim order. Subsequently, the writ petition has been allowed by the Court and customer has been directed to pay the entire amount along with the interest at the rate of 8% p.a from the due date.

Notes forming part of the consolidated financial statements

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

	As at March 31, 2012	As at March 31, 2011
Note 20 CASH AND BANK BALANCES		
Cash and cash equivalents		
Cash on hand	3,751,840	4,816,744
Balances with banks		
- in current account	547,026,119	436,855,861
- in exchange earners foreign currency (EEFC) account	18,787,808	-
- in cash credit accounts	26,649	141,025,172
- in fixed deposit account (less than 3 month maturity)*	243,832,901	9,000,000
- in unpaid dividend account**	87,858	-
- in public issue account**	-	200,000,000
	813,513,175	791,697,777
Other bank balances		
- in fixed deposit account (with maturity more than 3 months but less than 12 months) *	28,440,840	2,720,000
	28,440,840	2,720,000
	841,954,015	794,417,777

* Held as margin money against bank guarantees and letter of credit and as debt service reserve account against term loans from banks.

** The Company can utilise these balances only towards settlement of the respective unpaid dividend and public issue account

	As at March 31, 2012	As at March 31, 2011
Note 21 SHORT TERM LOANS AND ADVANCES (UNSECURED)		
Advances recoverable in cash or in kind or for value to be received		
- Considered good	757,792,754	637,749,803
- Considered doubtful	7,173,639	7,318,910
	764,966,393	645,068,713
Less: Provision for doubtful advances	7,173,639	7,318,910
	757,792,754	637,749,803
Prepaid expenses	107,246,450	103,340,912
Earnest money deposit with customers	145,584,268	166,817,286
Security deposits	19,078,333	66,923,368
Loan to employees and directors	12,505,373	12,936,706
MAT credit entitlement	1,603,200	-
Balances with government authorities:		
- Balance with custom, excise etc	110,032,087	20,841,718
- Service tax credit receivable	1,993,983	80,287,002
- WCT / VAT input credit	333,946,068	267,883,029
	1,489,782,516	1,356,779,824

Notes forming part of the consolidated financial statements

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

	As at March 31, 2012	As at March 31, 2011
Note 22 OTHER CURRENT ASSETS		
Fixed deposits with banks having maturity more than 3 months but less than 12 months	1,575,578	290,000
Interest accrued:		
- on fixed deposits	10,615,639	6,856,539
- on loans and advances	38,335	38,335
Insurance claim recoverable	49,438,977	30,132,014
Contract revenue in excess of billing	4,820,612,428	3,129,538,884
Unamortised premium on redemption of debentures	80,662,451	-
Unamortised loan processing fee	32,859,187	15,399,090
Unamortised premium on forward contract	4,367,822	315,248
	5,000,170,417	3,182,570,110

Note 22.1: During the year, the Company has incurred a loss of Rs 38,560,431 (Previous Year – Rs 19,292,915) due to theft of material at various sites of projects against which the Company has filed an insurance claim with the insurance Company. Out of the same, the Company has received an amount of Rs 3,287,649 and accounted for an advance recoverable of Rs 24,757,977 (Previous Year – Rs 3,738,713) in its books, while the balance amount of Rs 10,514,805 (Previous Year – Rs 10,421,536) have been accounted for as an expense in the financial statements. Out of the total amount of Rs 3,738,713 shown as recoverable as on March 31, 2011, the Company has received Rs 3,219,926 from insurance Company, while an amount of Rs 518,787 has been written off in the financial statement. The management believes that it has made reasonable judgement and no further adjustment is expected in these consolidated financial statements.

Note 22.2: Insurance claim of Rs 2,46,81,000 (Previous year - Rs 26,393,301) in one of the subsidiaries, Star Transformers Limited, has been recognised in respect to loss of stock, furniture and fixtures, building and plant and equipments on account of fire at the premises. The management is of the opinion that the claim amount is recoverable and hence no provision has been made against the claim recoverable in these consolidated financial statements.

	For the year ended March 31, 2012	For the year ended March 31, 2011
Note 23 REVENUE FROM OPERATIONS		
Revenue from engineering services	9,668,127,945	10,769,777,499
Revenue from operation and maintenance services	50,246,040	-
Revenue from facility management services	2,743,624,878	1,982,667,701
Revenue from collection and transportation of municipal solid waste	692,758,181	165,793,222
Income from professional services	2,932,899	31,810,336
Revenue from data processing and other services	17,469,252	851,242
Sales of compost, refuse derived fuel, fluff and bricks	63,045,361	54,107,629
Sales of goods	147,419,404	128,984,800
Renting of equipments	-	164,238,160
House keeping services	-	148,379,563
Other operating revenue		
Bad debts recovered / liability written back	6,483,798	1,995,743
Provision for doubtful debts / advances written back	130,260,939	42,689,945
Duty drawback	520,844	-
Scrap sale	86,097	-
	13,522,975,638	13,491,295,840

Notes forming part of the consolidated financial statements

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

	For the year ended March 31, 2012	For the year ended March 31, 2011
Note 24 OTHER INCOME		
Interest Income		
- on fixed deposit	71,875,877	66,689,534
- on income tax refund	814,981	13,653,229
- on loans and advances	6,497,970	4,885,957
Dividend income from current investment in mutual fund	1,359,954	13,899,772
Profit on sale of current investments	16,198,944	-
Rent income	-	176,667
Foreign exchange fluctuation (net)	-	677,996
Miscellaneous income	8,368,413	5,623,199
	105,116,139	105,606,354

	For the year ended March 31, 2012	For the year ended March 31, 2011
Note 25 COST OF MATERIAL AND SERVICES		
Opening stock - project inventory	195,942,752	9,883,446
Opening stock - raw material	11,251,744	-
Add: Stock acquired on acquisition of subsidiary	-	67,236,161
Add: Raw material purchased	249,348,212	21,291,919
Add: Material purchased for execution of projects	5,132,803,141	6,021,242,941
Less: Recovery from contractors	29,870,125	13,399,751
Less: Theft of material	38,560,431	19,292,915
Less: Closing stock - raw material	67,846,034	11,251,744
Less: Closing stock - project inventory	181,672,570	196,539,362
Material consumed	5,271,396,689	5,879,170,695
Freight and cartage	404,953,100	364,169,687
Sub contractor / erection expenses	1,728,677,621	1,423,205,916
Electricity expense	13,688,829	8,518,482
Labour charges	119,267,493	150,390,165
Fabrication expenses	5,729,733	2,630,595
Site expenditure	71,872,289	50,523,295
Deduction and demurrage	45,714,795	70,272,565
Technical consultancy for projects	114,027,875	79,911,803
Fuel charges	135,768,456	52,284,081
Consumables / stores and spares	9,818,535	5,458,240
Other direct cost	242,983,591	114,585,735
	8,163,899,006	8,201,121,259

Notes forming part of the consolidated financial statements

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

	For the year ended March 31, 2012	For the year ended March 31, 2011
Note 26 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE		
Opening inventory of work in progress	7,652,757	4,148,022
Opening inventory of finished goods	160,730,604	21,437,430
Closing inventory of work in progress	31,775,492	7,652,757
Closing inventory of finished goods	246,463,935	160,730,604
	(109,856,066)	(142,797,909)

	For the year ended March 31, 2012	For the year ended March 31, 2011
Note 27 EMPLOYEE BENEFITS EXPENSE		
Salaries, bonus and other allowances (including directors' remuneration)	2,910,627,952	1,836,237,979
Contribution to provident and other funds (Refer note 27.1)	276,249,153	130,382,596
Gratuity expense (Refer note 27.2)	26,126,031	2,770,520
Compensated leave absences (Refer note 27.3)	4,591,358	-
Staff welfare expenses	56,697,039	45,121,323
	3,274,291,533	2,014,512,418
Note 27.1: Defined contribution plans		
Employer's contribution to provident fund*	190,706,523	93,229,786
Employer's contribution to employee state insurance*	86,463,418	41,957,709
Employer's contribution to labour welfare fund*	588,371	-
	277,758,312	135,187,495

*includes Rs 1,509,159 (Previous year - Rs 4,804,899) which has been carried under capital work in progress

Note 27.2: Defined benefit plans

The group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy in case of parent and few of its subsidiaries. The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Statement of profit and loss (Net employee benefit expense)

	For the year ended March 31, 2012	For the year ended March 31, 2011
Current service cost	28,461,748	31,002,991
Interest cost on benefit obligation	3,640,270	3,121,263
Expected return on plan assets	(3,524,705)	(2,741,741)
Net actuarial (gain) / loss recognised in the year	1,260,388	(28,376,462)
Past service cost	-	19,623
Net benefit expense*	29,837,701	3,025,674
Actual return on plan assets	(4,067,310)	801,752

*Includes Rs 3,810,187 (Previous year - Rs 255,154) which has been carried under capital work in progress

Notes forming part of the consolidated financial statements

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

	As at March March 31, 2012	As at March March 31, 2011
Amount recognised in the balance sheet		
Defined benefit obligation	(74,496,623)	(44,149,504)
Fair value of plan assets	44,231,890	43,015,326
Expected return on plan assets	(30,264,733)	(1,134,178)
Less: Unrecognised past service cost	-	-
Plan asset / (liability)	(30,264,733)	(1,134,178)
Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	44,149,504	33,028,952
Addition on account of acquisition of subsidiary	-	6,648,411
Past service cost	-	19,623
Interest cost	3,640,270	3,121,263
Current service cost	28,461,748	31,002,991
Benefits paid	(3,625,108)	644,714
Actuarial (gains) / losses on obligation	1,870,209	(30,316,450)
Closing defined benefit obligation	74,496,623	44,149,504
Changes in the fair value of plan assets are as follows:		
	For the year ended March 31, 2012	For the year ended March 31, 2011
Opening fair value of plan assets	43,015,326	26,681,113
Addition on account of acquisition of subsidiary	-	7,590,653
Expected return	3,524,705	2,741,741
Contributions by employer	774,362	7,297,094
Benefits paid	(3,625,108)	644,714
Actuarial gains / (losses)	542,605	(1,939,989)
Closing fair value of plan assets	44,231,890	43,015,326
The principal assumptions used in determining gratuity for the Company's plans are shown below:		
Discount rate	8.00% - 8.75%	8.25%
Expected rate of return on assets	8.00% - 8.50%	8% - 8.25%
Expected rate of increase in compensation level	4.00% - 5.00%	4% - 5%
Expected average remaining working life of employees (in years)	17 - 30	23.75 - 31.53
The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		
The overall expected rate of return on assets is determined based on the actual rate of return during the current year.		
Amounts for the current and previous year are as follows:		
	For the year ended March 31, 2012	For the Year ended March 31, 2011
Defined benefit obligation	74,496,623	44,149,504
Plan assets	44,231,890	43,015,326
Surplus / (deficit)	(30,264,733)	(1,134,178)
Experience (gain)/loss on plan liabilities	5,153,612	(30,207,203)
Experience gain / (loss) on plan assets	542,605	(1,899,204)

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED
Notes forming part of the consolidated financial statements

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

Note 27.3: Other employee benefits-Compensated leave absences

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

	For the year ended March 31, 2012	For the Year ended March 31, 2011
Discount rate	8.50% - 8.75%	-
Rate of increase in compensation levels	5.00%	-

*Since there was no liability for compensated leave absences for the financial year 2010-11, no corresponding rates for have been presented.

	For the year ended March 31, 2012	For the year ended March 31, 2011
Note 28 FINANCIAL COSTS		
Interest cost	745,343,368	618,275,744
Loan processing fees	34,621,414	71,451,933
Amortisation of premium on redemption of debentures	32,236,900	-
Bank charges	169,882,047	150,491,509
	982,083,729	840,219,186

	For the year ended March 31, 2012	For the year ended March 31, 2011
Note 29 OTHER EXPENSES		
Electricity	25,220,244	19,133,259
Rent (Refer note 29.1)	186,034,202	122,654,246
Rates and tax	11,685,919	13,119,523
Insurance	47,170,734	40,632,496
Freight outward	15,869,684	5,435,625
Repair and maintenance		
- Building	526,961	4,722,547
- Plant and machinery	18,412,789	8,181,948
- Others	59,008,721	38,672,553
Brokerage	967,331	2,198,300
Commission to managing director	3,677,031	12,794,725
Commission to directors other than whole time directors and managing director	3,000,000	3,600,000
Travelling and conveyance	214,470,908	166,554,972
Communication expenses	43,360,298	34,959,456
Printing and stationary	22,735,822	25,568,772
Legal and professional charges	147,001,219	174,795,769
Director sitting fees	1,620,000	1,570,000
Payment to auditors (Refer note 29.2)	9,688,853	8,635,455

Notes forming part of the consolidated financial statements

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

	For the year ended March 31, 2012	For the year ended March 31, 2011
Premium on forward contracts	315,248	7,071,842
Foreign exchange fluctuation (net)	7,419,145	-
Loss on commodity forwards	23,369,140	8,494,515
Donation and contribution (other than political party)	2,311,957	4,900,886
Provision for bad and doubtful debts / advances	52,779,545	6,513,533
Bad debts written off	9,847,008	-
Tender expenses	8,728,396	11,100,576
Fees and subscription / inspection charges	10,721,247	22,715,729
Business promotion	30,731,114	29,961,361
Preliminary expenses written off	248,555	3,064,005
Warranty expense (Refer note 6.1)	8,859,232	10,497,041
Advances / earnest money deposit written off	2,886,251	13,655,247
Mark-to-market loss on derivatives	47,783,129	-
Theft of material	11,033,592	16,875,984
Loss on sale of fixed assets (net)	4,566,163	28,698,999
Royalty expenses	2,829,680	293,893
Miscellaneous expenses	54,763,110	69,856,460
	1,089,643,228	916,929,717

Note 29.1: The Group has entered into various short-term cancellable lease agreements at a notice period up to three months for leased premises and equipments. Gross rental expenses aggregate to Rs 186,034,202 (Previous year – Rs 122,654,246).

Note 29.2: It includes amount paid to erstwhile auditor Rs 1,956,409 (Previous year - Rs 8,635,455)

Notes forming part of the consolidated financial statements

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

	For the year ended March 31, 2012	For the year ended March 31, 2011
Note 30 EARNINGS PER SHARE (EPS)		
Net profit / (loss) excluding extra-ordinary and prior period items	(181,521,935)	858,007,255
Less : Extra-ordinary and prior period items (net of tax)	(2,052,934)	86,828,467
Net profit / (loss) including extra-ordinary and prior period items	(179,469,001)	771,178,788
Face value of share	10	10
Weighted average number of equity shares in calculating basic EPS	74,177,694	62,202,266
Weighted average number of equity shares in calculating diluted EPS	74,177,694	62,202,266
Basic earnings per share		
- Computed on the basis of earnings excluding extra-ordinary and prior period items	(2.45)	13.79
- Computed on the basis of earnings including extra-ordinary and prior period items	(2.42)	12.40
Diluted earnings per share*		
- Computed on the basis of earnings excluding extra-ordinary and prior period items	(2.45)	13.79
- Computed on the basis of earnings including extra-ordinary and prior period items	(2.42)	12.40

*The effect of dilutive potential equity shares are considered whereas anti-dilutive potential equity shares are ignored in calculating diluted EPS.

Note 31 DEFERRED TAX

Break-up of deferred tax assets / (liabilities):

Timing difference on account of	Deferred tax assets/ (liability) as at April 1, 2011	Current year charge / (credit)	Deferred tax assets/ (liability) as at March 31, 2012
Deferred tax liabilities			
Depreciation	(8,701,126)	14,017,805	(22,718,931)
Sub Total (A)	(8,701,126)	14,017,805	(22,718,931)
Deferred tax assets			
Unabsorbed business loss and depreciation*	19,491,052	(8,106,333)	27,597,385
Expenditure debited to statement of profit and loss in the current year but allowable for tax purposes in the following years	73,362,510	40,832,071	32,530,439
Provision of doubtful advances	316,499	-	316,499
Provision of doubtful debts	35,752,370	(13,921,118)	49,673,488
Sub Total (B)	128,922,431	18,804,620	110,117,811
Net Deferred tax assets (A+B)	120,221,305	32,822,425	87,398,880

*The Group follows Accounting Standard (AS-22) "Accounting for taxes on Income" as notified by the Companies (Accounting Standards) Rules, 2006, (as amended). Due to accumulated losses, some subsidiaries have 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 subsidiary companies has not recognized deferred tax asset on such timing differences.

Notes forming part of the consolidated financial statements

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

Note 32 PRIOR PERIOD ITEM

During the year ended March 31, 2011, one of the subsidiaries, A2Z Infrastructure Limited, erroneously expensed off certain inventory. Pursuant to such omission, the inventory which should have been recognised as on March 31, 2011 aggregating to Rs. 2,052,934 has been recognised as prior period item for the year ended March 31, 2012.

Note 33 CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR:

a) The details of contingent liabilities are as follows:

	As at March 31, 2012	As at March 31, 2011
Liquidated damages deducted by customers not accepted by the Company and pending final settlement*	14,073,312	14,073,312
Open letters of credit	883,671,986	780,000,511
Litigations under workmen compensation act**	1,177,120	1,177,120
Litigations with contractors and others**	4,240,128	3,787,536
Sales tax demand under dispute	71,892,925	9,700,000
Unasserted claims	6,086,255	-
	981,141,726	808,738,479

* Excludes possible liquidated damages which can be levied by customers for delay in execution of the projects. The management believes that there exist strong reasons why no liquidated damages shall be levied by these customers.

** Based on discussions with the solicitors / favourable decisions in similar cases/legal opinions taken by the Company, the management believes that the Company has a good chance of success in above-mentioned cases and hence, no provision is considered necessary.

b) Commitments outstanding:

	As at March 31, 2012	As at March 31, 2011
Capital commitments	872,240,782	1,034,283,352
Other commitments	582,294,000	441,376,000
	1,454,534,782	1,475,659,352

Note 34 DISCLOSURE PURSUANT TO ACCOUNTING STANDARD - 7 "CONSTRUCTION CONTRACTS"

	As at March 31, 2012	As at March 31, 2011
Contract revenue recognized as revenue in the year	9,668,127,945	10,769,777,499
Aggregate Amount of cost incurred and recognized profits up to the reporting date on contract under progress	37,268,185,439	30,035,289,857
Amount of advance received on contract under progress and outstanding at year end	735,113,122	667,756,707
Amount of retentions on contract under progress	3,704,359,872	3,958,178,337
Gross amount due from customers for contract work as an asset	4,793,020,276	3,107,269,727
Gross amount due to customers for contract work as a liability	157,892,306	104,186,385

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

Notes forming part of the consolidated financial statements

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

Note 35 INTEREST IN JOINT VENTURES

The Company's interest and share in joint ventures in the jointly controlled operations as at March 31, 2012 are as follows:

S. No.	Name of joint venture partner	Description of interest	Nature of project	Ownership interest	Country of incorporation
1	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from June 18, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Maharashtra State Electricity Transmission Company Limited for Design, Manufacture and Supply of all materials, execution of relevant civil works, erection, testing and commissioning of new 220KV Sub-station at Airoli, Sonkhar & Vasai and 132 KV Substation at Jam, Patur, Ghatanji, Wardha, Akola, Pandharkawda, Elichpur and Kundalwadi on turnkey basis.	See Note 35.1 below	*
2	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from December 12, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Construction of 220/132KV Grid Sub-Station at Bishnah (J&K).	See Note 35.1 below	*
3	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from December 31, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Construction of 220/132KV Grid Sub-Station at Budgam (Pkg A) & Mir Bazar (Pkg B)	See Note 35.1 below	*
4	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from June 14, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Bihar State Electricity Board for Turnkey Construction of 220/132/33 KV Grid station at Begusarai.	See Note 35.1 below	*
5	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from January 21, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of 220kv D/C Wagoora-Budgam Zainakot Transmission Line in Kashmir Valley.	See Note 35.1 below	*
6	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from February 15, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of Construction of 1x20 MVA, 132/33 KV Grid Sub-Station at Chandak, District Poonch (J&K).	See Note 35.1 below	*
7	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from February 15, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of Construction of 1x50 MVA, 132/33 KV Grid Sub-Station at Battal, Manwal, District Udhampur (J&K).	See Note 35.1 below	*
8	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from November 15, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package for Survey, Engineering, Design, Fabrication of Lattice Type Structures Galvanisation Supply of Structures, Laying of foundation, Protection Works, Erection of Towers, laying & stringing of ACSR PANTHER Conductor, Testing and Commissioning of Transmission lines from Badampora – Bandipora and from Lassipora – Sopian.	See Note 35.1 below	*
9	M/s Linkwell Tele-systems Private Limited	Jointly Controlled Operations	Joint Venture Agreement effective from August 9, 2008. The principal activity of the Venture is to bid jointly and enter into contract with Madhya Pradesh Poorva Kshetra Vidyut Vitaran Co. Ltd. ('MPPKVVCL'), Jabalpur for design, manufacture, supply, install, commission, operate and maintain Remote Metering of LT Consumers above 10 BHP.	See Note 35.1 below	*
10	M/s Shyama Power (India) Private Limited	Jointly Controlled Operations	Joint Venture effective from August 22, 2008. The principal activity of the Venture is to submit a bid jointly and enter into contract with NHPC Ltd for the design manufacture, supply and erection, testing and commissioning of Equipment / Materials stipulated in the bidding documents for Rural Electrification works along with 66 KV Transmission Line each in Leh and Kargil District of Jammu & Kashmir.	See Note 35.1 below	*
11	M/s Cobra Instalaciones Y Servicios, S.A	Jointly Controlled Operations	Joint Venture agreement effective from December 12, 2008. The principal activity of the venture is to bid for tender and enter into contract with Maharashtra State Electricity Transmission Company Limited (MSETCL), Mumbai for Design, Manufacture and Supply of all materials execution of relevant civil works, erection, testing and commissioning for establishment of new 220 KV Sub-Station at Kudus, Talegaon, Jath, Patoda, Bhokardhan and 132 KV Sub-station at Badnapur on Turnkey basis.	See Note 35.1 below	*

Notes forming part of the consolidated financial statements

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

S. No.	Name of joint venture partner	Description of interest	Nature of project	Ownership interest	Country of incorporation
12	M/s Karamtara Engineering Private Limited	Jointly Controlled Operations	Joint Venture agreement effective from July 10, 2009. The principal activity of the venture is to bid for tender and enter into contract with Power Grid Corporation of India Limited (PGCIL) for Design, Manufacture, Supply, Erection, Testing & Commissioning of Equipments/Materials for 765 KV S/C Meerut-Agra Transmission Line (Part-I) associated with 765 KV system for central part of Northern Grid.	See Note 35.1 below	*
13	M/S Richardson & Cruddas (1972) Limited	Jointly Controlled Operations	Joint Venture agreement effective from September 19, 2008. The principal activity of the venture is to bid for tender and enter into contract with Rajasthan Rajya Vidyut Prasaran Nigam Ltd. (RRVPNL), Jaipur for Design, Manufacture and Supply of materials for construction of 220KV/132KV transmission lines on turnkey basis.	See Note 35.1 below	*
14	M/S Satya Builders	Jointly Controlled Operations	Joint Venture agreement effective from September 17, 2010. The principal activity of the venture is survey, design, supply of all material & labour, T & P and laying of Branch – lateral, Main and Trunk sewer lines and appurtenants works under Mussoorie sewerage in different Zones of Mussoorie, Dehradun under Urban Infrastructure Development Scheme for Small & Medium Towns (UIDSSMT) Programme.	See Note 35.1 below	*
One of the subsidiaries, A2Z Infrastructure Limited had entered into following Joint Venture Agreements:					
15	M/s Ram Engineering & Construction Co. M/s Bhumika Transport M/s Karnataka Compost Development Corporation	Jointly Controlled Operations	Joint venture agreement with M/s Ram Engineering & Construction Co. and M/s Bhumika Transport effective from February 6, 2008 and M/s Karnataka Compost Development Corporation effective from March 3, 2008. The principal activity of the venture is Collection, segregation, storage, transportation of solid waste to site, construction of waste processing system, composting, treatment of leachate and integrated landfill facility including supply and installation of all equipments and accessories required to handle municipal solid waste in various cities of Uttar Pradesh on turnkey basis as well Build, Own, Operate, Transfer contract for operation and maintenance.	See Note 35.1 below	*
16	Eco Save System (P) Limited (Representative of Burn Environmental and Technologies Private Limited)	Jointly Controlled Operations	Joint venture agreement effective from March 20, 2008. The principal activity of the venture is to bid for tender and take support in technical, plant engineering, installation, operations, maintenance and management of various municipal solid waste to compost projects in state of Uttar Pradesh.	See Note 35.1 below	*
17	M/s Maccaferri Environmental Solutions Pvt. Ltd	Jointly Controlled Operations	Joint venture agreement effective from February 15, 2008. The principal activity of the venture is to bid for tender and enter into contract for Collection, segregation, storage, transportation of solid waste to site, construction of waste processing system, composting, treatment of leachate and integrated landfill facility including supply and installation of all equipments and accessories required to handle municipal solid waste on National Level on turnkey basis as well Build, Own, Operate, Transfer contract for operation and maintenance.	See Note 35.1 below	*

*Country of Incorporation not applicable, as these are unincorporated Joint Ventures.

Note 35.1: As per joint venture agreements, the scope and value of work of each partner has been clearly defined and accepted by the clients. The Company's share in assets, liabilities, income and expenses are duly accounted for in the accounts of the Company in accordance with such division of work and therefore does not require separate disclosure. However, joint venture partners are jointly and severally liable to clients for any claims in these projects.

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

Notes forming part of the consolidated financial statements

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

NOTE 36 RELATED PARTY

Names of related parties

Joint venture partners

UB Engineering Limited
Southern Petrochemical Industries Corporation Limited (SPIC-SMO)
Shyama Power (India) Private Limited
Linkwell Telesystems Private Limited
Cobra Instalaciones Y Servicios, S.A
Karamtara Engineering Private Limited
Richardson & Cruddas (1972) Limited
Satya Builders
Bhumika Transport
Ram Engineering & Construction Co.
Karnataka Compost Development Corporation Limited
Maccaferri Environmental Solutions Private Limited
Eco Save System (P) Limited (Representative of Burn Environmental and Technologies Private Limited)

Individual having significant influence

Mr. Rakesh Radheyshyam Jhunjhunwala

Enterprise over which individual having significant influence in the Company have substantial control

Rare Enterprises

Key Management Personnel ('KMP')

Amit Mittal
Dipali Mittal
Rajneesh Mehra
Rakesh Gupta
Amit Sardana
Brij Mohanlal Garg
Ashish Mittal
Sandip Garg
Alok Kumar Gupta
Anil Soni
Rahul Chawla
Hemant Gupta (with effect from November 18, 2011)
Roomy Daruwalla
Vishaant Gala
Anand Shah
Anil Sharma
Shishir Verma (resigned with effect from November 9, 2010)

Relatives of Key Management Personnel

Sudha Mittal (Mother of Mr. Amit Mittal)
Manoj Gupta (Sister's husband of Mrs. Dipali Mittal)
M.N. Daruwalla (Mother of Roomy Daruwalla)
Pinak Gala (Brother of Vishaant Gala)

Enterprise having significant influence in subsidiary Companies

Infrastructure Leasing & Financial Services Limited (Till October 25, 2011)

Transactions with Related Parties

Particulars	For the year ended March 31, 2012				For the year ended March 31, 2011					
	Joint Ven- tures	Individual having Significant Influence	KMP / Relative of KMP	Enterprise over which individual having significant influence in the Company have substantial control	Enterprises having significant influence in subsidiary companies	Joint Ven- tures	Individual having Significant Influence	KMP / Relative of KMP	Enterprise over which individual having significant influence in the Company have substantial control	Enterprises having significant influence in subsidiary companies
Sale of goods / services										
- UB Engineering Limited	523,700,653	-	-	-	-	-	-	-	-	-
- SPIC-SMO	101,471,898	-	-	-	-	-	-	-	-	-
Purchase of goods or services										
- Linkwell Telesystems Private Limited	4,290,523	-	-	-	-	-	-	-	-	-
- Richardson & Cruddas (1972) Limited	7,527,211	-	-	-	-	-	-	-	-	-
- Karantara Engineering Private Limited	18,966,478	-	-	-	-	-	-	-	-	-
- Shyama Power India Limited	-	-	-	-	-	-	-	-	-	-
- Cobra Instalaciones Y Servicios, S.A	10,035,954	-	-	-	-	-	-	-	-	-
- Bhumika Transport	285,141	-	-	-	-	-	-	-	-	-
Purchase of fixed assets										
- Meccaferr Environment Solutions Private Limited	2,447,550	-	-	-	-	-	-	-	-	-
Rent expense / equipment hiring charges										
- Amit Mittal	-	-	396,000	-	-	-	-	381,000	-	-
- Manoj Gupta	-	-	330,000	-	-	-	-	300,000	-	-
- Dipali Mittal	-	-	1,022,250	-	-	-	-	928,650	-	-
- Sudha Mittal	-	-	330,000	-	-	-	-	300,000	-	-
- Richardson & Cruddas (1972) Limited	1,308,872	-	-	-	-	-	-	-	-	-
Interest expenses										
- Rare Enterprises	-	-	-	-	-	-	-	16,471,232	-	-
- Roomy Daruwalla	-	-	-	-	-	-	-	20,335	-	-
Issue of equity share capital in subsidiary Companies										
- Amit Mittal	-	-	-	-	-	-	-	11,250,000	-	-
- Rajneesh Mehra	-	-	-	-	-	-	-	9,000,000	-	-
- Anil Sharma	-	-	-	-	-	-	-	700,000	-	-
- Rakesh Kumar Aggarwal	-	-	-	-	-	-	-	125,000	-	-
- Amit sardana	-	-	100,000	-	-	-	-	-	-	-
- Infrastructure Leasing & Financial Services Lim- ited	-	-	-	-	-	-	-	-	-	331,214,251

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED



Particulars	For the year ended March 31, 2012				For the year ended March 31, 2011					
	Joint Ven- tures	Individual having Significant Influence	KMP / Relative of KMP	Enterprise over which individual having significant influence in the Company have substantial control	Enterprises having significant influence in subsidiary companies	Joint Ven- tures	Individual having Significant Influence	KMP / Relative of KMP	Enterprise over which individual having significant influence in the Company have substantial control	Enterprises having significant influence in subsidiary companies
- Bhumika Transport	130,000	-	-	-	-	-	-	-	-	-
- ECO Save Systems (P) Limited	-	-	-	-	-	-	-	-	-	-
Provision for doubtful debts expense										
- SPIC-SMO	-	-	-	-	-	8,913,370	-	-	-	-
Provision for doubtful debts written back										
- UB Engineering Limited	-	-	-	-	-	48,305,657	-	-	-	-
Share application money received										
- Bhumika Transport	-	-	-	-	-	150,000	-	-	-	-
- ECO Save Systems (P) Limited	-	-	-	-	-	200,000	-	-	-	-
Loan / advances given										
- Bhumika Transport	-	-	-	-	-	2,000,000	-	-	-	-
- Satya Builders	1,110,000	-	-	-	-	-	-	-	-	-
Loan / advances taken										
- Rare Enterprises	-	-	-	-	-	-	-	-	-	-
- Infrastructure Leasing & Financial Services Limited	-	-	-	-	-	-	-	-	-	-
Loan / advances repaid										
- Rare Enterprises	-	-	-	-	-	-	-	-	-	-
- Roomy Daruwalla	-	-	-	-	-	-	-	-	-	-
Remuneration										
- Amit Mittal	-	-	18,072,313	-	-	-	-	26,288,542	-	-
- Manoj Gupta	-	-	4,688,330	-	-	-	-	3,750,000	-	-
- Dipali Mittal	-	-	1,537,989	-	-	-	-	1,321,260	-	-
- Rajneesh Mehra	-	-	5,184,000	-	-	-	-	4,320,000	-	-
- Anil Soni	-	-	3,600,000	-	-	-	-	3,600,000	-	-
- Alok Gupta	-	-	1,000,000	-	-	-	-	3,000,000	-	-
- Rahul Chawla	-	-	4,122,380	-	-	-	-	3,474,191	-	-
- Hemant Gupta	-	-	1,400,000	-	-	-	-	-	-	-
- Shiv Swaroop Gupta	-	-	532,545	-	-	-	-	219,375	-	-
- M.N. Daruwalla	-	-	-	-	-	-	-	600,000	-	-
- Roomy Daruwalla	-	-	2,750,000	-	-	-	-	1,500,000	-	-
										218,800,000

Particulars	For the year ended March 31, 2012				For the year ended March 31, 2011					
	Joint Ven- tures	Individual having Significant Influence	KMP / Relative of KMP	Enterprise over which individual having significant influence in the Company have substantial control	Enterprises having significant influence in subsidiary companies	Joint Ven- tures	Individual having Significant Influence	KMP / Relative of KMP	Enterprise over which individual having significant influence in the Company have substantial control	Enterprises having significant influence in subsidiary companies
- Anand Shah	-	-	1,980,000	-	-	-	-	1,200,000	-	-
- Vishaant Gala	-	-	2,400,000	-	-	-	-	1,200,000	-	-
- Pinak Gala	-	-	746,100	-	-	-	-	600,000	-	-
- Anil Sharma	-	-	3,600,000	-	-	-	-	3,000,000	-	-
- Shishir Verma	-	-	-	-	-	-	-	-	-	-
- Rakesh Kumar Aggarwal	-	-	4,256,251	-	-	-	-	1,520,831	-	-
- Ashish Mittal	-	-	1,185,000	-	-	-	-	5,675,000	-	-
Sitting fees										
- Rakesh Radheyshyam Jhunjhunwala	-	18,000	-	-	-	-	-	340,000	-	-
Balance outstanding at the end of the year										
Unsecured loan outstanding										
- Infrastructure Leasing & Financial Services Limited	-	-	-	-	-	-	-	-	-	218,800,000
Advance from customers										
- UB Engineering Limited	488,255	-	-	-	-	-	-	3,828,760	-	-
Other current assets (accrued revenue)										
- UB Engineering Limited	-	-	-	-	-	-	-	48,419,678	-	-
- SPIC-SMO	-	-	-	-	-	-	-	80,015,346	-	-
Trade receivable / advances recoverable										
- UB Engineering Limited	1,049,412,930	-	-	-	-	-	-	971,448,944	-	-
- SPIC-SMO	231,469,632	-	-	-	-	-	-	264,930,654	-	-
- Richardson & Cruddas (1972) Limited	1,615,790	-	-	-	-	-	-	6,147,904	-	-
- Cobra Instalaciones Y Servicios, S.A	26,683	-	-	-	-	-	-	26,685	-	-
- Linkwell Telesystems Private Limited	-	-	-	-	-	-	-	6,898	-	-
- Bhumika Transport	2,000,000	-	-	-	-	-	-	2,000,000	-	-
- Satya Builders	1,110,000	-	-	-	-	-	-	-	-	-
Provision for doubtful debts										
- UB Engineering Limited	9,220,771	-	-	-	-	-	-	9,220,771	-	-
- SPIC-SMO	9,208,345	-	-	-	-	-	-	9,208,345	-	-
Remuneration payable										
- Amit Mittal	-	-	4,362,712	-	-	-	-	13,350,713	-	-

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED



Particulars	For the year ended March 31, 2012				For the year ended March 31, 2011					
	Joint Ven- tures	Individual having Significant Influence	KMP / Relative of KMP	Enterprise over which individual having significant influence in the Company have substantial control	Enterprises having significant influence in subsidiary companies	Joint Ven- tures	Individual having Significant Influence	KMP / Relative of KMP	Enterprise over which individual having significant influence in the Company have substantial control	Enterprises having significant influence in subsidiary companies
- Manoj Gupta	-	-	291,775	-	-	-	-	311,250	-	-
- Anil Sharma	-	-	223,950	-	-	-	-	208,750	-	-
- Dipali Mittal	-	-	27,795	-	-	-	-	77,700	-	-
- Rakesh Kumar Aggarwal	-	-	-	-	-	-	-	102,917	-	-
Other current liability (creditor for capital goods)										
- Maccaferri Environment Solutions Private Limited	2,001,083	-	-	-	-	-	-	-	-	-
Trade payable										
- UB Engineering Limited	-	-	-	-	-	-	-	-	-	-
- Linkwell Telesystems Private Limited	2,192,745	-	-	-	-	-	-	-	-	-
- Rajneesh Mehra	-	-	425,774	-	-	-	-	-	-	-
- Eco Save Systems (P) Limited	985,400	-	-	-	-	-	-	-	-	-
- Karamtara Engineering Private Limited	2,331,164	-	-	-	-	6,164,841	-	-	-	-
- Bhumika Transport	288,287	-	-	-	-	113,746	-	-	-	-
- Sudha Mittal	-	-	-	-	-	-	-	45,000	-	-
- Rakesh Jhunjhunwala	-	-	-	-	-	-	-	-	60,000	-

Note 37 SEGMENTAL INFORMATION

Business segments

The primary reporting of the group 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 group is operating into following segments – (i) Engineering Services (ES), (ii) Facility Management Services (FMS), (iii) Municipal Solid Waste Management (MSW), (iv) Power generation projects (PGP), (v) Others which primarily includes trading of goods, renting of equipments, manufacturing of electrical equipment and operation and maintenance services, etc.

Particulars	ES		FMS		MSW		PGP		Others		Elimination		Elimination		Total	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Revenue	9,802,165,091	10,844,534,344	2,749,773,437	2,133,637,685	755,803,542	219,900,851	-	215,233,568	293,222,960	-	-	-	13,522,975,638	-	13,491,295,940	-
Operating income	3,643,916	2,424,024	197,596	304,998	74,185	575,108	1,295,323	3,157,393	376,962	360,156,330	26,934,437	26,934,437	8,368,413	-	6,477,862	-
Other Income	41,185,000	-	50,109,089	-	-	-	-	268,862,241	26,894,437	360,156,330	26,934,437	26,934,437	-	-	-	-
Total revenue	9,846,994,007	10,846,958,368	2,800,080,122	2,133,942,683	755,877,727	220,475,959	1,295,323	487,253,202	320,534,359	360,156,330	26,934,437	26,934,437	13,531,344,051	-	13,497,773,702	-
Costs	(8,838,915,396)	(8,868,792,251)	(2,724,006,495)	(1,992,947,434)	(996,194,928)	(298,219,056)	(15,991,197)	(478,671,235)	(212,643,707)	(359,449,859)	(26,934,437)	(26,934,437)	(12,694,329,392)	-	(11,377,609,220)	-
Result	1,008,078,611	1,978,166,117	76,073,627	140,995,249	(240,317,201)	(77,743,097)	(14,695,874)	(29,143,439)	107,890,652	706,471	-	-	837,014,659	-	2,120,165,482	-
Unallocated income																
Interest income																
Financial Expense																
Prior period items																
Extra-ordinary items (Net of tax)																
Provision for tax																
Income tax																
Deferred tax (change)/credit of tax																
Tax adjustment for earlier years																
Net (loss) / profit after tax																
Other information																
Segment assets	15,479,424,611	14,233,561,993	1,560,484,636	1,575,182,789	5,279,130,648	2,134,958,973	4,857,734,446	732,060,494	577,104,095	2,406,740,670	(174,438,757)	494,675,055	28,103,273,592	20,632,873,465	237,471,654	673,398,403
Unallocable corporate assets																
Total assets	15,479,424,611	14,233,561,993	1,560,484,636	1,575,182,789	5,279,130,648	2,134,958,973	4,857,734,446	732,060,494	577,104,095	2,406,740,670	(174,438,757)	494,675,055	28,340,745,246	21,106,271,868	237,471,654	673,398,403
Segment liabilities	3,860,306,885	2,410,658,504	504,318,545	462,107,342	1,112,924,951	245,012,985	239,387,892	1,348,407,080	114,161,334	1,348,407,080	205,971,307	193,377,221	5,715,176,593	4,386,970,024	11,538,575,645	5,198,325,887
Unallocable corporate liabilities																
Total Liabilities	3,860,306,885	2,410,658,504	504,318,545	462,107,342	1,112,924,951	245,012,985	239,387,892	1,348,407,080	114,161,334	1,348,407,080	205,971,307	193,377,221	5,715,176,593	4,386,970,024	11,538,575,645	5,198,325,887
Capital expenditure	197,139,891	146,299,943	25,917,722	60,895,052	2,369,370,967	965,542,991	2,617,287,102	1,933,625,664	147,617,987	1,933,625,664	173,775,690	152,625,962	5,230,865,410	3,378,986,066	192,790,014	194,710,945
Depreciation included in segment expenses	68,933,199	50,356,622	21,317,753	17,887,220	96,796,319	63,828,514	2,159,737	6,134,448	56,503,541	6,134,448	3,897,542	316,536	-	-	53,821,426	12,542,639
Other Non cash expenditure																

Geographical segments*

The secondary reporting segment of the Group has been performed on the basis of geographical segment. The Group operates in two principal geographical areas of the world, in India, its home country, and the other countries.

The following table presents revenue and trade receivables regarding geographical segments as at March 31, 2012 and March 31, 2011.

Particulars	India		Other Countries		Total	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Segment revenue	13,149,485,697	13,511,183,060	478,606,080	85,719,134	13,628,091,777	13,596,902,194
Segment trade receivables (including retention money)	9,186,022,262	8,665,672,429	102,905,214	102,754,083	9,288,927,476	8,768,426,512

*The Group has common assets for domestic market and overseas market. Hence, separate figures for assets / additions to assets cannot be furnished.

Notes forming part of the consolidated financial statements

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

Note 38 During the year ended March 31, 2010, the Company had formulated Employee Stock Option Scheme referred as 'A2Z Stock Option Plan 2010 ('the plan')' for all eligible employees/ directors of the Company except an employee who is promoter or belongs to the promoter group of the Company and its subsidiaries in pursuance of the special resolution duly approved by the shareholders on March 30, 2010.

The plan shall be administered and supervised by the Remuneration-cum-Compensation Committee under the powers delegated by Board. Each option shall entitle the option grantee to apply for and be transferred Equity Shares of the Company. On or from the time of the listing of the Equity Shares of the Company, the maximum number of options that can be granted to any employee in any year under the A2Z ESOP shall be less than 5% of the issued share capital of the Company (excluding any outstanding warrants or other securities convertible into Equity Shares) at the time of grant of options, subject to the overall ceiling of 2,865,056 options in the aggregate.

The Company has granted stock options on June 2, 2010, details of which are as follows:

Options granted	1,075,750			
Date of Grant	2-Jun-10			
Requirements of vesting, period of vesting and maximum period within which options shall be vested	The vesting schedule is set forth below:			
	Vesting	Number of months from the date of grant of options	% of options vested	Cumulative % of options vested
	1	12	20	20
	2	24	20	40
	3	36	20	60
	4	48	20	80
	5	60	20	100
Exercise price	Rs. 314.13			
Exercise period and process of exercise	5 years; by way of application			
Accounting method used by the Company to value its options	Intrinsic value method			
Method of settlement	Equity			
Vesting conditions	Eligibility based on employment			

The details of activity under the Plan have been summarized below:

Particulars	As at March 31, 2012		
	Number of options	Weighted Average Exercise Price (Rs.)	Weighted average remaining contractual life of options (in years)
Outstanding at the beginning of the year	947,250	314.13	6.16
Granted during the year	-	-	
Forfeited during the year	191,750	314.13	
Exercised during the year	-	-	
Expired during the year	-	-	
Outstanding at the end of the year	755,500	314.13	
Exercisable at the end of the year	151,100	314.13	
Weighted average fair value of options granted on the date of grant	-	--	

The fair value of the options granted was estimated on the date of grant using the Black-Scholes valuation model with the following assumptions:

Particulars	For the year ended March 31, 2012
Weighted average share price / Fair value of share	Rs. 221.75
Exercise Price	Rs. 314.13
Annual Volatility (Standard Deviation – Annual)	34.93%
Time To Maturity - in years	5.51
Dividend Yield	2.25%
Risk free Rate – Annual	7.45%

Notes forming part of the consolidated financial statements

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

As the Company was unlisted at the time of granting of ESOP, the expected volatility was determined based on average of semi - annual volatility of stock price of peer group.

Effect of the employee share-based payment plans on the profit and loss account and on its financial position:

Particulars	For the year ended March 31, 2012
Total Employee Compensation Cost pertaining to share-based payment plans	Nil*
Compensation Cost pertaining to equity-settled employee share-based payment plan included above	Nil
Total Liability for employee stock options outstanding as at year end	Nil
Intrinsic Value of liability as at year end for which right to cash/other assets have vested (e.g. vested stock appreciation rights)	Nil

* As the exercise price is more than the fair value of the shares, under 'Intrinsic Value' Method.

Since the enterprise used the intrinsic value method the impact on the reported net profit and earnings per share by applying the fair value based method

In March 2005 the ICAI has issued a guidance note on "Accounting for Employees Share Based Payments" applicable to employee based share plan the grant date in respect of which falls on or after April 1, 2005. The said guidance note requires the Proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the financial statements. Applying the fair value based method defined in the said guidance note, the impact on the reported net profit and earnings per share would be as follows:

Particulars	For the year ended March 31, 2012
Loss including extra-ordinary items, as reported	(179,469,001)
Add: Employee stock compensation under intrinsic value method	-
Less: Employee stock compensation under fair value method*	21,096,872
Pro-forma profit	(200,565,873)
Earnings Per Share	
Basic	
- As reported (including extra-ordinary items)	(2.42)
- Pro-forma	(2.70)
Diluted	
- As reported (including extra-ordinary items)	(2.42)
- Pro-forma	(2.70)

* The Company has considered an attrition / lapsing rate of 10% for the purpose of above disclosure.

Note 39 DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE:

a) Derivative instruments

(i) In case of A2Z Maintenance & Engineering Services Limited

Particulars	As at March 31, 2012	As at March 31, 2011
Forward purchase contract outstanding	-	US \$ 2,000,000*
Nature	-	Loan taken
Purpose	-	Hedge of Foreign Currency loans
Foreign exchange rate	-	1 USD = Rs 45.14 (TT Selling rate)

Notes forming part of the consolidated financial statements

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

ii) In case of A2Z Infrastructure Limited and its subsidiaries

The Group uses cross-currency rate swap to hedge its risks associated with fluctuations in foreign currencies and interest rates relating to foreign currency liabilities. The following are outstanding derivatives contracts as on March 31, 2012.

Nature of hedge instrument	Description of hedge	Name of Company	As at March 31, 2012		As at March 31, 2011	
			USD	INR (notional)	USD	INR (notional)
Currency swap						
USD/INR currency option	To take protection against appreciation in INR against USD payable in respect of external commercial borrowings	A2Z Infrastructure Limited	5,350,000	273,687,275	-	-
		A2Z Infrastructure Limited	3,800,000	194,394,700	-	-
		A2Z Waste Management (Aligarh) Limited	1,000,000	51,156,500	-	-
		A2Z Waste Management (Badaun) Limited	1,100,000	56,272,150	-	-
		A2Z Waste Management (Balial) Limited	800,000	40,925,200	-	-
		A2Z Waste Management (Merrut) Limited	3,600,000	184,163,400	-	-
		A2Z Waste Management (Mirzapur) Limited	1,000,000	51,156,500	-	-
		A2Z Waste Management (Moradabad) Limited	1,000,000	51,156,500	-	-
		A2Z Waste Management (Ranchi) Limited	5,300,000	271,129,450	-	-
A2Z Waste Management (Sambhal) Limited	1,000,000	51,156,500	-	-		
Interest rate swap						
USD/INR interest rate swap	3 months LIBOR + 300 bps interest rate liability swapped with 10.975% fixed INR rate interest liability.	A2Z Infrastructure Limited	5,350,000	273,687,275	-	-
		A2Z Infrastructure Limited	3,800,000	194,394,700	-	-
		A2Z Waste Management (Badaun) Limited	1,100,000	56,272,150	-	-
		A2Z Waste Management (Balial) Limited	800,000	40,925,200	-	-
		A2Z Waste Management (Mirzapur) Limited	1,000,000	51,156,500	-	-
		A2Z Waste Management (Ranchi) Limited	5,300,000	271,129,450	-	-
		A2Z Waste Management (Sambhal) Limited	1,000,000	51,156,500	-	-
		A2Z Waste Management (Merrut) Limited	3,600,000	184,163,400	-	-
	3 months LIBOR + 300 bps interest rate liability swapped with 9.65 % fixed INR rate interest liability.	A2Z Waste Management (Aligarh) Limited	1,000,000	51,156,500	-	-
A2Z Waste Management (Moradabad) Limited	1,000,000	51,156,500	-	-		

b) Disclosure of open derivative contracts:

In order to hedge its exposure to commodity price risk in purchase of fabricated steel and fabricated aluminium items used in its operations, the Company has entered into the commodity forwards for base commodities - steel and aluminium during the year.

As at year end, the net open position of futures commodity contracts is as follows:

Commodity	Buy Contracts	M2M Loss/(Gain)*	Buy Contracts	M2M Loss/(Gain)*
	(Qty in MT.)		(Qty in MT.)	
	As at March 31, 2012		As at March 31, 2011	
Aluminium	960	3,252,930	960	1,025,540
Steel	4,060	(2,182,326)	4,060	(4,191,315)
Total	5,020	1,070,604	5,020	(3,165,775)

* Net MTM gains are ignored and not accounted for.

Notes forming part of the consolidated financial statements

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

c) The detail of unhedged foreign currency exposure as at balance sheet date are as under:

Particulars	Amount in Rupees	Amount in Foreign currency	Currency	Exchange rate as on March 31, 2012
Foreign currency in hand	160,938	3,146	USD	1 USD = INR 51.1565
Foreign currency in hand	11,653	1,745	HKD	1 HKD = INR 6.678
Foreign currency in hand	259,295	38,470	ZAR	1 ZAR = INR 6.7402
Foreign currency in hand	1,835	130	Dirham	1 Dirham = INR 14.1144
Foreign currency in hand	207	15	Riyal	1 Riyal = INR 13.8244
Foreign currency in hand	864	490	Rubal	1 Rubal = INR 1.7633
Foreign currency in hand	6,903	4,120	Thai Bhat	1 Thai Bhat = INR 1.6775
Foreign currency in hand	45,399	555	GBP	1 GBP = INR 81.7992
Foreign currency in hand	3,148	384	CNY	1 CNY = INR 8.1983
Foreign currency in hand	23,865	2,911	RMB	1 RMB = Rs 8.19831
Foreign currency in hand	41,340	600	EURO	1 EURO = INR 68.9005
Foreign currency in hand	7,259	15,250	SLR	1 SLR = INR 00.4760
Advance given to foreign suppliers	131,068,290	2,562,104	USD	1 USD = Rs 51.1565
Trade receivables	1,106,362	21,627	USD	1 USD = Rs 51.1565
Trade receivables	116,551	1,425	GBP	1 GBP = INR 81.79
Bank Balance with Standard chartered Bank (Uganda)	14,562,581	716,309,922	Uganda Shillings	1 UGX = Rs 0.02033

The detail of unhedged foreign currency exposure as at March 31, 2011 are as under:

Particulars	Amount in Rupees	Amount in Foreign currency	Currency	Exchange rate as on March 31, 2011
Foreign currency in hand	260,470	5,889	USD	1 USD = INR 44.23
Foreign currency in hand	93,635	16,485	HKD	1 HKD = INR 5.68
Foreign currency in hand	5,088	9,500	Kenya Shillings	1 KES = INR 0.5356
Foreign currency in hand	263,520	38,470	ZAR	1 ZAR = INR 6.85
Foreign currency in hand	7,198	610	Dirham	1 Dirham = INR 11.80
Foreign currency in hand	181	15	Riyal	1 Riyal = INR 12.07
Foreign currency in hand	779	490	Rubal	1 Rubal = INR 1.59
Foreign currency in hand	4,755	136	SGD	1 SGD = INR 34.96
Foreign currency in hand	107,914	1,731	EURO	1 EURO = INR 62.36
Foreign currency in hand	6,139	4,120	Thai Bhat	1 Thai Bhat = INR 1.490
Foreign currency in hand	782	115	RMB	1 RMB = Rs 6.80
Advance given to foreign suppliers	50,444,315	1,140,500	USD	1 USD = INR 44.23
Trade receivables	250,076	5,654	USD	1 USD = Rs 44.23
Bank Balance with Standard chartered Bank (Uganda)	22,426,310	1,206,364,165	Uganda Shillings	1 UGX = Rs 0.01859

Note 40 Amalgamation of A2Z Infra Management & Services Limited, Imatek Solutions Private Limited and CNCS Facility Solutions Private Limited (Transferor Companies) with A2Z Infrservices Limited (Transferee Company)

The Board of Directors of A2Z Infrservices Limited, a subsidiary company, in its meeting held on January 21, 2012 pursuant to Section 391 & 394 of the Companies Act, 1956 (the "Act") approved the Scheme of Arrangement for the Amalgamation of A2Z Infra Management & Services Limited, Imatek Solutions Private Limited and CNCS Facility Solutions Private Limited ("Transferor Companies") with A2Z Infrservices Limited (i.e. Transferee Company) on a going concern basis in order to consolidate and combine the business strengths and synergies of all the three Transferor

Notes forming part of the consolidated financial statements

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

Companies and the Transferee Company and to facilitate the management, administration alignment, coordination and streamlining of day to day operations of all the Transferor Companies as well as the Transferee Company, with a view to improving the returns and increase the financial efficiency.

In accordance with the Scheme of Arrangement for the Amalgamation which has been filed with the Hon'ble High Court of Punjab and Haryana at Chandigarh, all the properties, rights, powers, assets, liabilities and duties of all the three Transferor Companies will be transferred and vested in the Transferee Company with effect from the 'Appointed Date' i.e. April 01, 2011.

In terms of the scheme, upon the scheme becoming effective, all the assets and liabilities of the Transferor Companies will be transferred to the Transferee Company at the book value as on the Appointed Date i.e. April 01, 2011 and all three Transferor Companies shall stand dissolved without the process of winding up w.e.f. the Effective date.

In consideration of the vesting of the assets and liabilities pursuant to the scheme, the Transferee Company shall issue and allot 176 fully paid up equity share of Rs 10/- each of the Transferee Company for every 100 equity shares of Rs. 10/- each held by respective shareholders of Imatek Solutions Private Limited (Transferor Company 2).

However, no equity share of the Transferee Company shall be allotted to the Equity Shareholders of A2Z Infra Management & Services Limited (Transferor Company 1) as the Transferor Company 1 is a wholly owned subsidiary of the Transferee Company.

Further, no equity share of the Transferee Company shall be allotted to the Equity Shareholders of CNCS Facility Solutions Private Limited (Transferor Company 3) as it is a wholly owned subsidiary of Imatek Solutions Private Limited and the consolidated net asset value of Imatek Solutions Private Limited has been taken into consideration for issuance of shares of the Transferee company to the Imatek Shareholders.

In terms of the scheme, all the business carried out by the Transferor Companies from the Appointed date up to effective date is deemed to be carried out in trust for the Transferee Company.

As the amalgamation was in process as on March 31, 2012, therefore, no effect of the amalgamation has been given in above financial results in accordance with the Accounting Standard -14 "Accounting for amalgamations" of the Companies (Accounting Standard) Rule 2006.

Note 41 Trade receivable, trade payables, advance to suppliers and advances from customers are subject to confirmation / reconciliation as at year end or any time during the year. As explained, the Group follows a process of informal confirmation with its customers / suppliers and based on such informal confirmations/ discussions, believes that amount recoverable appearing as outstanding at year end are good of recovery, while the amounts payable are due. The management believes that no material adjustments are likely on formal confirmation / reconciliation of these balances.

Note 42 The Company is executing an EPC contract for its customer at Leh and Kargil. Material purchased specifically for the project is invoiced to the customer basis their approved delivery instructions. In accordance with its contract with the customer, the Company has taken a joint insurance policy for the project value awarded by the customer.

During the previous year, Leh had a massive cloudburst and certain inventories at site were got damaged and was lying submerged inside pile of debris. Even though the exact quantum of loss is yet to be assessed by the insurance Company, the management had assessed that inventories with estimated valuation of Rs. 130,016,796 invoiced to the customer was damaged.

Pending determination of insurance claim, the management had, in view of the constructive obligation upon the Company to execute the project and on account of prudence, recognised the cost of replacement material of Rs. 130,016,796 and deferred tax credit thereon of Rs. 43,188,329, thereby presenting net amount of Rs. 86,828,467 in the statement of profit and loss as an 'Extraordinary Item'.

During the year, the Company has written back the aforementioned provision amounting to Rs 130,016,796 created in the previous year and has recognised the actual incurred in respect of the said project under the respective expense head in the statement of profit and loss.

Note 43 In case of CNCS Facility Solutions private Limited, the I.T. assessment of the subsidiary company for A.Y. 2009-10 was completed during the year. In the said assessment, the subsidiary company's claim for depreciation on the trademarks & business intangibles has been disallowed, resulting in an addition of Rs. 1,14,32,429. In the previous I.T. assessment pertaining to A.Y. 2008-09, on the same grounds the subsidiary company's claim for depreciation on the trademarks & business intangibles had been disallowed, resulting in an addition of Rs. 1,54,87,640. It has challenged both the orders with the CIT (Appeals). The subsidiary Company believes that the addition is misconstrued



A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

Notes forming part of the consolidated financial statements

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

& that legally & factually it stands on a sound footing in this matter & has therefore not made any provision for tax dues arising out of the said addition.

Note 44: Subsequent to the year ended March 31, 2012, the Income tax authorities conducted a search and survey at certain premises of the Company and few of its subsidiaries under section 132 and 133 of the Income Tax Act, 1961. Pending receipt of further communication from the authorities, management is of the opinion that the income tax provision carried in the books is adequate.

Note 45: During the year, A2Z Infrastructure Limited, a subsidiary company, has raised Rs 454,657,500 (excluding Rs 13,424,474 representing foreign exchange fluctuation loss on reinstatement of outstanding liability as on reporting date) as external commercial borrowings (ECB) from banks for two municipal solid waste projects. However pending the execution of these two projects Rs 373,105,662 has been utilised by the subsidiary company for capital expenditure on other projects and Rs 75,367,511 (including above mentioned foreign exchange fluctuation loss) has been utilized for other business purposes as at March 31, 2012.

Note 46: One of the subsidiaries, A2Z Infrastructure Limited and its subsidiaries have been awarded various projects for executing municipal solid waste ('MSW') management works on built, own, operate and transfer (BOOT) / design, built, finance, operate and transfer (DBFOT) / public private partnership (PPP) basis at various cities in India for a period of 15 - 30 years. This primarily involve the following activities:

- a) supply, erection and commissioning of integrated MSW processing facility to process MSW;
- b) construction and development of Sanitary Land Fill ('SLF'); and
- c) Operation and Maintenance ('O&M') of sanitary land fill for which Company will get O&M fee on per tonne basis.
- d) Door-to-door collection of Municipal Solid Waste (MSW)
- e) Primary storage of collected door-to-door MSW
- f) Secondary collection and transportation of MSW including street sweeping waste & drain silt
- g) Collection of the User Charges on behalf of Urban Local body (ULB), as determined by the ULB from time to time.

The subsidiary company had already set up the municipal solid waste plant at Kanpur and Muzaffarnagar and has incurred Rs 133,695,590 (Previous year – Rs 132,363,273) till March 31, 2012 for sanitary land fill at Kanpur and Muzaffarnagar which is under development and against which Rs 17,489,000 (Previous year – Rs 15,095,202) has been received from UP Jal Nigam (UPJN) as capital contribution cost. The expense incurred for sanitary land fill has been disclosed under the head "Capital work in progress" under note 13, while the amount received from UPJN against sanitary landfill has been disclosed under the head "Current liabilities" under note 9 of the consolidated financial statements.

For the project, it has been proposed to provide the concessionaire with a grant to the subsidiary companies to meet part of the financial requirements for setting up the facilities. Pending the execution of the work as per signed agreement with the municipal corporation in this regard, the expenses incurred have been disclosed under the head "Capital work in progress" under note 13 and amount received has been disclosed under "Other current liability" under note 9 of the consolidated financial statements.

Note 47: Previous year figures have also been regrouped/recast wherever necessary to make them comparable with those of the current year.

For and on behalf of the Board of Directors

Sd/-
Amit Mittal
Managing Director

Sd/-
Dipali Mittal
Director

Sd/-
Rakesh Gupta
Group Chief Financial Officer

Sd/-
Atul Kumar Agarwal
Company Secretary

Place : Gurgaon
Date : August 23, 2012

A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED



Statement pursuant to general exemption granted by Ministry of Corporate Affairs under Section 212 (8) of the Companies Act, 1956

Amount in Rs.

S. N.	Name of the Subsidiary Company	Capital	Reserves	Total Assets	Total Liabilities	Investments Other than Investment in Subsidiary	Turnover	Profit/(Loss) before Taxation	Provision for Taxation	Profit/(Loss) after Taxation	Proposed Dividend
1	A2Z Infrastructure Limited	1,939,500,000	(451,736,729)	4,967,169,516	3,479,406,245	-	429,040,815	(268,611,142)	-	(268,611,142)	
2	A2Z Infraserivces Limited	27,541,430	521,998,885	1,115,325,065	565,784,750	-	1,502,802,697	8,971,560	1,341,667	7,629,893	
3	A2Z Powercom Limited	1,250,000	19,661,481	632,030,231	611,118,750	-	1,632,987,132	16,782,935	6,897,224	9,885,711	-
4	A2Z Powertech Limited	14,000,000	(14,881,495)	52,086,016	52,967,511	-	60,979,618	(22,300,853)	(6,891,406)	(15,409,447)	-
5	Selligence Technologies Services Private Ltd	10,000,000	960,178	11,278,689	318,511	-	-	314,267	8,394	305,873	-
6	Imatek Solutions Private Limited	6,033,160	141,893,753	153,314,301	5,387,388	-	-	2,778,407	891,209	1,887,198	
7	CNCS Facility Solutions Private Limited*	7,280,250	61,804,827	261,436,028	192,350,951	-	655,344,924	(15,917,755)	(8,809,068)	(7,108,687)	
8	A2Z Waste Management (Aligarh) Limited **	65,000,000	(13,403,336)	361,100,460	309,503,769	-	37,043,395	(10,890,305)	-	(10,890,305)	
9	A2Z Waste Management (Moradabad) Limited **	75,000,000	(2,074,678)	387,340,592	314,415,270	-	58,889,818	1,199,877	2,390,386	(1,190,509)	
10	A2Z Waste Management (Merrut) Limited **	160,000,000	(13,578,616)	451,376,492	304,955,108	-	59,600,532	(11,190,079)	-	(11,190,079)	
11	A2Z Waste Management (Varanasi) Limited **	70,000,000	(23,646,865)	678,169,236	631,816,101	-	83,976,782	(19,880,160)	-	(19,880,160)	
12	Mansi Bijlee & Rice Mills Limited	150,080,000	(5,115,211)	166,825,852	21,861,063	-	-	(22,694)	-	(22,694)	-
13	A2Z Maintenance & Engineering Services (Uganda) Private Limited(Currency: Uganda Shilling)	10,000,000	(7,396,786)	9,202,214	6,599,000	-	82,721	(5,240,160)	-	(5,240,160)	-
14	Mirage Bijlee Private Limited	700,000	(541,769)	170,027	11,796	-	-	(70,588)	-	(70,588)	-
15	A2Z Infra Management & Services Limited ***	125,000,000	(105,352,527)	422,352,346	402,704,873	-	1,028,855,015	(8,189,800)	-	(8,189,800)	-
16	Madhya Bijlee Private Limited	100,000	(31,537)	79,699	11,236	-	-	(12,187)	-	(12,187)	-
17	A2Z Waste Managment (Jaunpur) Limited **	7,500,000	867,646	42,708,433	34,340,787	-	-	1,416,890	404,855	1,012,035	-
18	A2Z Waste Managment (Badaun) Limited **	25,000,000	(1,161,145)	146,307,393	122,468,538	-	-	(916,766)	-	(916,766)	-
19	A2Z Waste Management (Sambhal) Limited **	15,150,000	(296,806)	90,138,924	75,285,730	-	-	(53,193)	-	(53,193)	-
20	A2Z Waste Managment (Basti) Limited **	500,000	(257,249)	441,361	198,610	-	-	(12,870)	-	(12,870)	-
21	A2Z Waste Management (Mirzapur) Limited **	25,000,000	117,987	122,223,986	97,105,999	-	-	462,347	149,778	312,569	-
22	A2Z Waste Management (Loni) Limited **	500,000	(282,249)	360,633	142,882	-	-	(12,870)	-	(12,870)	-
23	A2Z Waste Management (Balai) Limited **	20,000,000	334,253	112,608,250	92,273,997	-	-	862,160	308,579	553,581	-
24	A2Z Waste Management (Fatehpur) Limited **	20,000,000	(314,601)	145,537,602	125,852,203	-	-	(99,657)	-	(99,657)	-
25	Star Transformers Limited	20,204,090	161,883,029	477,416,891	295,329,772	-	489,257,894	15,372,925	4,917,688	10,455,237	-
26	A2Z E Waste Management Limited	31,650,000	(699,011)	43,149,320	12,198,331	-	-	(520,696)	-	(520,696)	-
27	A2Z Water Solutions Limited	600,000	(493,303)	117,933	11,236	-	-	(78,308)	-	(78,308)	-
28	A2Z Waste Managment (Ranchi) Limited **	63,500,000	(36,967,103)	364,528,804	337,995,907	-	79,268,617	(36,172,878)	-	(36,172,878)	-
29	Chavan Rishi International Limited	11,463,260	24,275,872	108,725,721	72,986,589	-	9,600,000	4,405,703	515,069	3,890,634	-
30	A2Z Waste Management (Ludhiana) Limited **	10,000,000	(4,179,846)	155,597,392	149,777,238	-	7,878,203	(4,179,846)	-	(4,179,846)	-
31	Pioneer Waste Management Private Limited	100,000	(25,921)	85,315	11,236	-	-	(13,003)	-	(13,003)	-
32	A2Z Disaster Management & Innovative Response Education Private Limited	100,000	(25,332)	85,904	11,236	-	-	(12,414)	-	(12,414)	-
33	A2Z Waste Management (Haridwar) Private Limited**	100,000	(46,511)	69,611	16,122	-	-	(32,093)	-	(32,093)	-
34	A2Z Waste Managment (Dhanbad) Private Limited **	100,000	(42,090)	458,521	400,611	-	-	(28,897)	-	(28,897)	-
35	A2Z Waste Managment (Nainital) Private Limited	500,000	(855,080)	8,057,248	8,412,328	-	-	(842,162)	-	(842,162)	-
36	A2Z Dataserv Limited##	25,000,000	(4,603,390)	89,305,283	68,908,673	-	116,551	(4,603,390)	-	(4,603,390)	-
37	A2Z Singapore Waste Management Holdings Private Limited (Currency: Singapore Dollar)	30,375	(36,260)	14,650	20,535	-	-	(36,260)	-	(36,260)	-
38	A2Z Waste Management Private Limited##	100,000	11,685	210,407	98,722	-	120,000	32,409	7,806	24,603	-

* Indirect Subsidiary through Imatek Solutions Private Limited

** Indirect Subsidiary through A2Z Infrastructure Limited

*** Indirect Subsidiary through A2Z Infraserivces Limited

Indirect Subsidiary through A2Z E Waste Management Limited

Indirect Subsidiary through A2Z Singapore Waste Management Holdings Private Limited

For and on behalf of Board of Directors

Sd/-

Amit Mittal
Managing Director

Sd/-

Dipali Mittal
Director

Sd/-

Rakesh Gupta
Group Chief Financial Officer

Sd/-

Atul Kumar Agarwal
Company Secretary



A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

(Regd. Office: O-116, 1st Floor, DLF Shopping Mall, ArjunMarg, DLF Phase I, Gurgaon-122002, Haryana)

ATTENDANCE SLIP

11th Annual General Meeting-Saturday, the 29th September, 2012

Name.....

Address.....

DP Id*	
Client Id*/Folio No.	

I/we hereby record my/our presence at the 11th Annual General Meeting of the Company to be held at **HSI IDC Hall, Phase-V, Udyog Vihar, Gurgaon-122016, Haryana, India** on Saturday, 29th day of September, 2012 at 10.30 A.M.

Member's/Proxy's Name in Block Letters

Member's/Proxy's Signature

Notes : A Member/Proxyholder wishing to attend the meeting must bring the Attendance Slip to the Meeting and handover at the entrance duly signed .

*Applicable for investor holding shares in electronic form.



A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

(Regd. Office: O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase I, Gurgaon-122002, Haryana)

PROXY FORM

I/We.....of.....being a member/
members of the above named Company, hereby appoint Mr./Ms.....
of.....or failing him/her Mr./Ms.....of
.....as my/our Proxy to attend and vote for me/us on my/our
behalf at the 11th Annual General Meeting of the Company to be held on Saturday, 29th day of September, 2012 at 10:30 A.M. at **HSI IDC Hall, Phase-V, Udyog Vihar, Gurgaon-122016, Haryana, India** and at any adjournment thereof.

I/We direct my/our Proxy to vote on the resolution(s) in the manner as indicated below:

S. No.	Resolutions	For	Against
1.	Adoption of Annual Accounts		
2.	Reappointment of director retiring by rotation (Mr. Surender Kumar Tuteja)		
3.	Reappointment of director retiring by rotation (Ms. Dipali Mittal)		
4.	Re-appointment of Statutory Auditors		
5.	Approval for Remuneration of Mr. Amit Mittal, Managing Director for the remaining tenure		
6.	Approval for remuneration of Ms. Dipali Mittal for the remaining tenure		
7.	Authorisation for appointment of Branch(s) Auditors		

Signed this.....day of.....2012.

Signature.....

Affix
Revenue
Stamp
of Rs. One
here

Regd. Folio No./*Client Id.....DP Id No. *.....No. of Shares.....

Note : This form in order to be effective should be duly stamped, completed, signed and must be deposited with the Company's Registered office not less than 48 hours before the time for holding the aforesaid Meeting.

* Applicable for investor(s) holding shares in electronic forms



Registered Office

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

Corporate Office

Plot No. 44, Institutional Area,, Sector -32, Gurgaon-122001, Haryana (India)

website: www.a2zgroup.co.in