

INDEPENDENT AUDITORS' REPORT

To
The Members of TIMARPUR OKHLA WASTE MANAGEMENT COMPANY PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **TIMARPUR OKHLA WASTE MANAGEMENT COMPANY PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Statement of Change in Equity and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

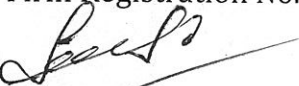
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure-1** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to **Annexure-2**.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2015, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations as on March 31, 2018;



ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There is no amount payable towards investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

For P.C. Goyal & Co.,
Chartered Accountants
Firm Registration No. 002368N



(M.P. Jain)

Partner

M. No. 082407

Dated: 18th May, 2018

Place: New Delhi



ANNEXURE-1 TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of **TIMARPUR OKHLA WASTE MANAGEMENT COMPANY PRIVATE LIMITED** on the accounts for the year ended 31st March, 2018)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) A major portion of the fixed assets has been physically verified by the Management in accordance with a phased programmed of verification once in two years adopted by the company. In our opinion, the frequency of the verification is reasonable having regard to the size of the company and the nature of its assets. To the best of our knowledge, no material discrepancies have been noticed on such verification.

(c) The Company does not own any immovable property. Hence, para 1(c) of the order for reporting on title deed of immovable property held in name of the Company is not applicable.
2. As explained to us, the management during the year has physically verified inventories. In our opinion, the frequency of verification is reasonable and no discrepancies noticed during physical verification of inventories.
3. According to the information and the explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the order are not applicable to the company and hence not commented upon.
4. The Company has not granted any loans or given any guarantee and security covered under Section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iv) of the order are not applicable to the company and hence not commented upon.
5. According to the information given to us, the Company has not accepted any deposits under the provisions of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the companies Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time. No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.
6. We have broadly reviewed the books of account and records maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013 in respect of the company's products and are of the opinion that, prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of records with a view to determine whether they are accurate or complete.

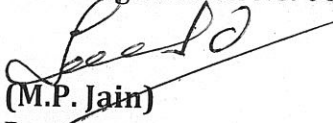


7. (a) Undisputed statutory dues including provident fund, employee' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise and value added tax wherever applicable to the company which have not been deposited with the appropriate authorities on account of any dispute.
8. In our opinion, on the basis of books and records examined by us and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks. The company does not have any dues to financial institutions, government or debenture holders.
9. The Company has not raised any money by way of initial public offer or further public offer or debt instruments. In our opinion, and according to the information and explanation given to us, the term loans have been applied for the purposes for which they were raised, other than temporary deployment pending allocation.
10. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company or by its officers or employees during the year.
11. In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. The company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Act, and where applicable the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private allotment of shares or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.
15. The Company has not entered into any non-cash transactions with the directors or persons connected with him as covered under Section 192 of the Companies Act, 2013. Accordingly, provisions of clause 3 (xv) of the Order are not applicable to the Company.



16. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934. Accordingly, provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For P.C. Goyal & Co.,
Chartered Accountants
Firm Registration No. 002368N


(M.P. Jain)

Partner

M. No. 082407

Dated: 18th May, 2018

Place: New Delhi



ANNEXURE-2 TO INDEPENDENT AUDITORS' REPORT

Annexure referred to in our report of even date to the members of TIMARPUR OKHLA WASTE MANAGEMENT COMPANY PRIVATE LIMITED on the accounts for the year ended 31st March, 2018

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

We have audited the internal financial controls over financial reporting of TIMARPUR OKHLA WASTE MANAGEMENT COMPANY PRIVATE LIMITED ("the Company") as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

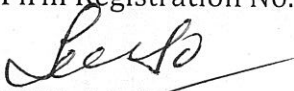
Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For P.C. Goyal & Co.,
Chartered Accountants
Firm Registration No. 002368N


(M.P. Jain)

Partner
M. No. 082407
Dated: 18th May, 2018
Place: New Delhi



Timarpur-Okhla Waste Management Company Private Limited
BALANCE SHEET AS AT MARCH 31, 2018
CIN No.U37100UP2005PTC069574

(Amount in ₹)

Particulars	Note No	As at	As at
		March 31, 2018	March 31, 2017
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	1	2,861,417,376	2,774,667,033
(b) Capital work-in-progress		23,649,728	148,415,347
(c) Intangible assets	2	259,712	284,790
(d) Financial Assets			
(i) Other financial assets	3	27,500,479	173,885
(2) Current assets			
(a) Inventories	4	59,351,915	58,127,426
(b) Financial Assets			
(i) Trade receivables	5	89,105,380	57,302,229
(ii) Cash and cash equivalents	6	4,504,851	4,398,601
(iii) Other financial assets	7	162,539,144	256,003,582
(c) Current tax assets (Net)	8	-	975,913
(d) Other current assets	9	6,200,061	9,330,122
TOTAL ASSETS		3,234,528,646	3,309,678,928
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	599,950,000	599,950,000
(b) Other Equity		939,461,995	835,334,871
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	963,941,429	1,147,849,324
(ii) Other financial liabilities	12	-	8,525,891
(b) Provisions	13	4,329,503	-
(c) Deferred tax liabilities (Net)	14	11,033,084	-
(d) Other non-current liabilities	15	85,714,285	90,476,190
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	221,834,146	208,344,847
(ii) Trade payables	17	14,513,185	16,495,102
(iii) Other financial liabilities	18	371,990,138	395,948,616
(b) Other current liabilities	19	14,052,814	6,754,087
(c) Provisions	20	159,282	-
(d) Current tax liabilities (net)	21	7,348,783	-
TOTAL EQUITY AND LIABILITIES		3,234,528,646	3,309,678,928
Significant accounting policies and notes to financial statements	28		

As per our report of even date attached
For P.C. Goyal & Co.
Chartered Accountants
Firm Registration No. 002368N

M.P. Jain

M.P. Jain
Partner
M.No. 082407
Place : New Delhi
Dated : 18th May 2018



For and on behalf of the Board of Directors of
Timarpur-Okhla Waste Management Company Private Limited

Umesh Chopra

Umesh Chopra
Director
DIN - 05277483

Manoj Kumar Agarwal

Manoj Kumar Agarwal
CFO

Neelesh Gupta

Neelesh Gupta
Whole Time Director
DIN - 06687420

Timarpur-Okhla Waste Management Company Private Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

		(Amount in ₹)	
Particulars	Note No	Year ended March 31, 2018	Year ended March 31, 2017
I Revenue from operations	22	578,369,390	500,777,599
II Other income	23	6,067,001	12,279,632
III		Total Income (I+II)	513,057,231
IV Expenses			
Employee benefits expense	24	88,080,679	91,182,461
Finance costs	25	141,589,833	165,252,066
Depreciation and amortization expense	26	97,543,803	88,054,903
Other expenses	27	126,602,570	152,496,079
		Total expenses (IV)	496,985,509
V Profit/(loss) before exceptional items and tax (III- IV)		130,619,506	16,071,722
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		130,619,506	16,071,722
VIII Tax expense:			
(1) Current tax		15,083,990	16,686
(2) Deferred tax		26,221,485	-
(3) MAT Credit Entitlement		(15,083,990)	-
		Total Tax Expense (VIII)	16,686
IX Profit (Loss) for the year (VII-VIII)		104,398,021	16,055,036
X Other Comprehensive Income items that will not be reclassified to profit and loss			
(i) Re-measurement gains (losses) on defined benefit plans		(375,308)	679,048
(ii) Income tax effect on above		104,411	-
		Total Other Comprehensive Income	679,048
XI Total Comprehensive Income for the year (IX+X)(Comprising profit (loss) and other comprehensive income for the year)		104,127,124	16,734,084
XII Earnings per equity share			
(1) Basic (Amount in ₹)		1.74	0.27
(2) Diluted (Amount in ₹)		1.74	0.27
Significant accounting policies and notes to financial statements	28		

As per our report of even date attached
For P.C. Goyal & Co.
Chartered Accountants
Firm Registration No. 002368N

M.P. Jain

M.P. Jain
Partner
Firm No. 082407
Place : New Delhi
Dated : 18th May 2018



For and on behalf of the Board of Directors of
Timarpur-Okhla Waste Management Company Private Limited

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Umesh Chopra
Director
DIN - 05277483

Manoj Kumar Agarwal
Manoj Kumar Agarwal
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