CELEBRATING 25 YEARS OF EXCELLENCE

RAMKY GROUP

Towards sustainable growth

TOWARDS A CLEANER, GREENER TOMORROW

ANNUAL REPORT 2018 - 19

RAMKY ENVIRO ENGINEERS LIMITED

CELEBRATING 25 YEARS OF EXCELLENCE

As Ramky Enviro celebrates its 25th year, embarking onto a new journey, we would like to express our heartfelt gratitude to our supportive family of professionals and clients. We started our humble journey in the year 1994, with a vision to provide sustainable solutions to India's environmental problems. Ramky Enviro has established India's first Integrated Common Hazardous Waste Management, Biomedical Waste Management and Integrated Municipal Waste Management facilities.

Today, we stand as Asia's largest and fastest-growing Waste Management and Environmental Services provider in the Middle East and Africa. An achievement of this magnitude is reflected in the company's long-standing emphasis on providing valuable services in a committed fashion. Our cause to serve and change the world was born from an instilled philosophy to solve humanity's pressing challenges and to harbor ideas of innovation and excellence.

Join us in celebrating this momentous occasion as we take to the stars on a new year ahead.

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Corporate Information

Board of Directors

Mr. B S Shantharaju	- Chairman & Independent Director
Mr. Narayan K Seshadri	- Audit Committee Chairman & Independent Director
Mr. Sanjay Nayar	- Nominee Director
Mrs. Hwee Hua Lim	- Nominee Director
Mr. Rupen Jhaveri	- Nominee Director
Mr. M. Goutham Reddy	- Managing Director & CEO
Mr. Masood A. Mallick	- Joint Managing Director
Mr. Anil Khandelwal	- Joint Managing Director & CFO

Key Managerial Personnel

Mr. M. Goutham Reddy	- Managing Director & CEO
Mr. Masood A. Mallick	- Joint Managing Director
Mr. Anil Khandelwal	- Joint Managing Director & CFO
Mr. Govind Singh	- Company Secretary

Other Key Employees

Mr. Shujath Bin Ali	- General Counsel & Chief Compliance Officer
Mr. Sujiv Nair	- Chief Human Resource Officer

Statutory Auditors

S. R. Batliboi & Associates LLP
Oval Office, 18, ilabs Centre
Hitech City, Madhapur,
Hyderabad – 500081, India
Tel: +91 4061416000

Bankers

State Bank of India

CAG Branch, 8-2-684/2/A,
Anand Banjara Colony,
Road No.12, Banjara Hills,
Hyderabad -500034

Axis Bank Limited

6/3/879/B, 1st Floor,
G Pulla Reddy Building,
Begumpet Road, Hyderabad,
Telangana, 500016

Committees of Board

Audit Committee

1. Mr. Narayan K Seshadri (Chairman)
2. Mr. B S Shantharaju
3. Mr. Rupen Jhaveri

Nomination & Remuneration Committee

1. Narayan Seshadri (Chairman)
2. B S Shantharaju
3. Hwee Hua Lim

Corporate Social Responsibility Committee

1. B S Shantharaju (Chairman)
2. Rupen Jhaveri
3. Hwee Hua Lim
4. M. Goutham Reddy

Executive Board Committee

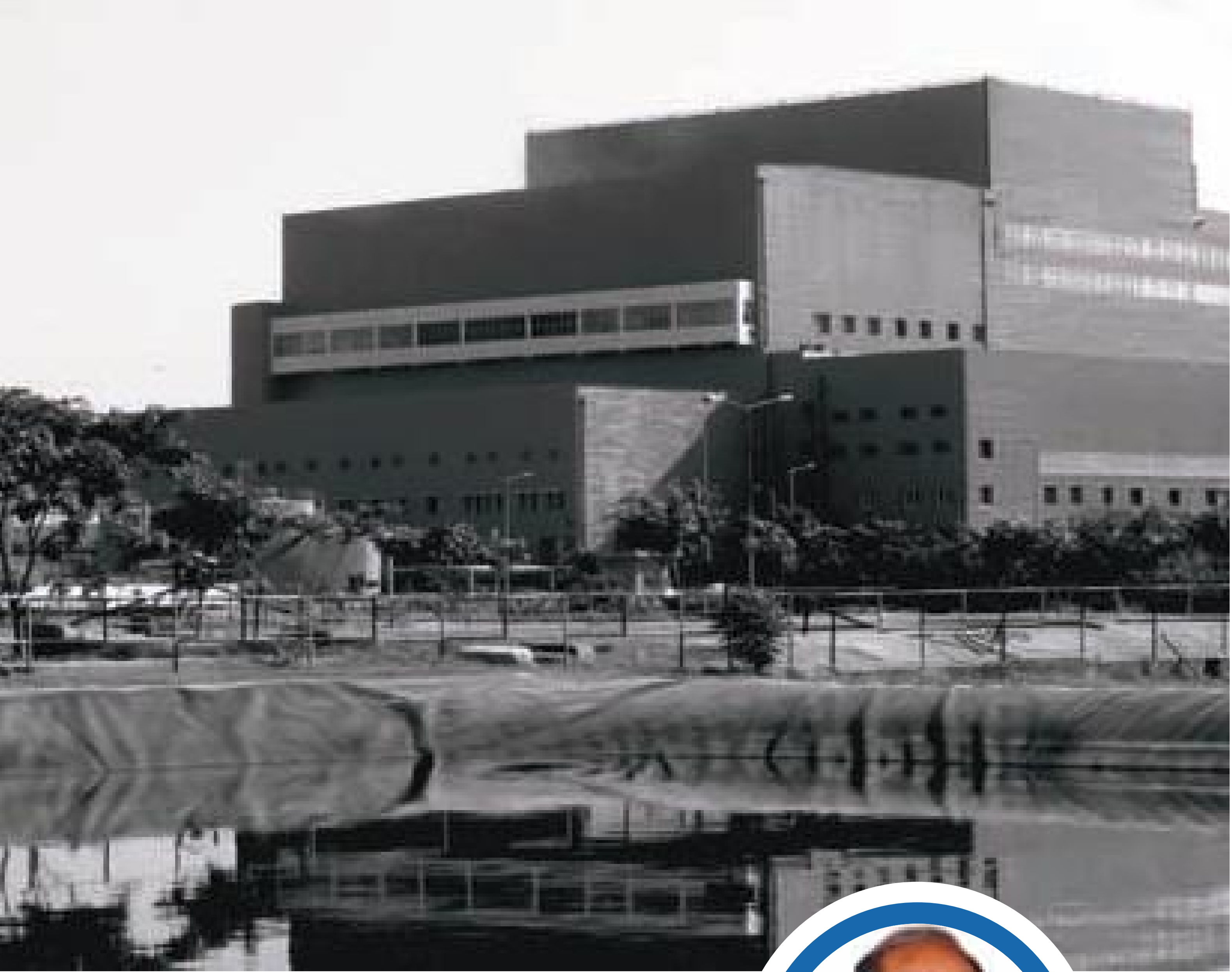
1. M. Goutham Reddy
2. Masood A Mallick
3. Anil Khandelwal

Risk Management Committee

1. Mr. Narayan K. Seshadri
2. Mr. Anil Khandelwal
3. Mr. Shujath Bin Ali
4. Mr. Masood Mallick
5. Mr. M. Goutham Reddy

Registered & Corporate Office:

13th Floor, Ramky Grandiose, Ramky Towers, Gachibowli, Hyderabad 500032, Telangana, India.
Email: cs.reel@ramky.com | Phone: +91-40 23015000 | Fax: +91-40 23015100.



Message from the Chairman

In the words of William Ruckelshaus, EPA's very first head - "Nature provides a free lunch, but only if we control our appetites." The human aspects and impacts of pollution and waste were long issues solely being raised by environmentalists but today are at the centre of discourse and debate amongst policymakers, business leaders, politicians, diplomats and Civilians. As these issues become increasingly central to human life, it is evident that some immediate attention and interventions are required if humanity wishes to sustain. As society and industry becomes more conscious of its 'appetite for growth,' it is also faced with ever-clearer linkages between pollution and resource security, as well as the fundamental limits to growth and sustainability challenges these issues represent today.

Our ancestors would have been subjected to an optimistic bias of the future, picturing peaceful lives interspersed with advanced technology and more efficient lifestyles. While some might argue how those notions of the future have become true, at least partially, the dangers of unprecedented human expansion were perhaps unaccounted for. But it is humanity's very own nature to develop and improve that comes as its saving grace from a bleak future. It is in this context of need that Ramky Enviro emerged as a pioneer in India, with a mission to ensure that as our societies grow, economies prosper and industries expand, the resource-waste-pollution continuum is managed such that the this growth and prosperity is sustainable.

Through the concerted efforts of our workers and acumen, this year represents a new chapter in our journey towards providing environmental solutions in the geographies we operate in and the communities we serve. I feel privileged to say that we are today Asia's leading provider for large scale environmental management services. As in the past, Ramky Enviro continued to expand into new markets and new solutions this past year, once again demonstrating its market leadership and thought leadership.

As the company enters its 25th year, we embark upon a new chapter of growth and excellence in everything we do. With new partners, new projects and new clients, we also reaffirm our unwavering commitment to meeting global standards on this journey of sustainable growth.

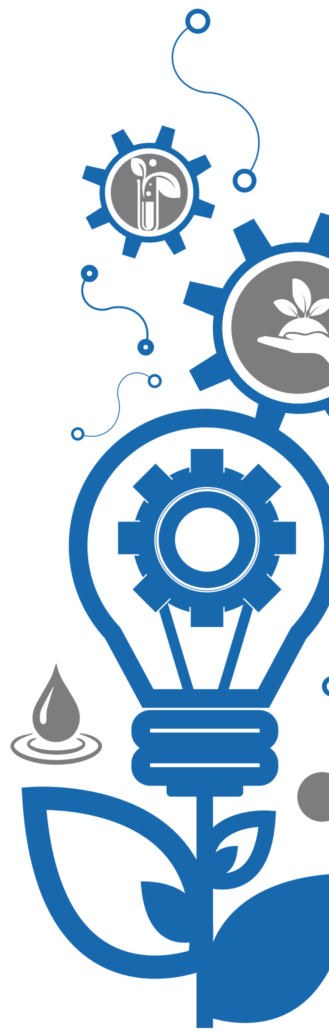
I am very happy to announce the results of yet another successful year for Ramky Enviro and would also like to reaffirm that continued success would have been impossible without the efforts and dedication of our workforce. A family of 16,000 employees and what they do everyday, is the reason why the company continues to grow, from its humble beginnings in Hyderabad, to its current global footprint.

It is for this reason that I express my gratitude to the members of the Ramky Enviro family who have dedicated their lives and expertise in delivering some of the best environmental solutions to communities and industries. The impact that Ramky Enviro has created would not have been possible without their contribution.

It is a part of the legacy that we leave, beginning from 1994, to make a mark over more than 65 locations spanning across 8 countries, including 17 states and Union Territories within India. I would like to express my solemn gratitude to the people who envisioned this future for the company and who continue to inspire us, in our work and operations. And now, dear readers, provide me with the privilege of handing out our achievements and histories with you so that the world can share a glimpse into what Ramky Enviro stands for. And as a closing remark, I believe we must shed light on the nature of necessity that often brings about solutions even in the toughest of predicaments, for only necessity is the mother of invention.

BS Shantharaju

Chairman



Message from the MD & CEO

There was a time when living and having a safe environment was seen to be a basic right bestowed to every person. However, unprecedented abuse of nature by man has led this right to become a fragile and rare privilege, one of utmost importance and concern. Ramky Enviro acknowledges the importance of maintaining a clean and safe environment for everyone and strives to deliver solutions that offer a cleaner alternative to life everywhere. At Ramky Enviro, our story began in 1994, with a dream to transform the nation's waste and its management. By building upon the concepts of sustainable environmental infrastructure and with a unwavering focus on innovation and diligent implementation, the company has not remained steadfast on its principles but also paved the way towards a more sustainable future for the communities and industries it serves.

It gives us immense pleasure to share the success story of Ramky Enviro and its emergence as a leader in waste management and environmental sustainability. We are proud to be India's largest and Asia's leading Environmental solution provider & Waste Management Company. This journey of sustainable growth continues year after year, most recently highlighted by the inauguration of India's largest waste to energy facility at Delhi.

This past year, Ramky Enviro managed more than 6 million tonnes of waste. Its footprint in India expanded to 20 biomedical waste management facilities, 2 e-waste management facilities, 15 industrial waste management facilities and municipal waste management services across 21 cities in India.

Our global footprint continues to grow and now spans Singapore, Oman, UAE, Kuwait, Jordan, and Africa. Our presence in the Middle East also continues to grow in this past year on the back of the construction of Management and Treatment of Medical & Hazardous Waste plant in Abu Dhabi and Material Recovery Facility in Dubai, UAE. Ramky Enviro also continues to champion the cause of supporting sustainability initiatives that leave a positive impact on society in whatever form. As such, the company has also had the privilege of being part of the Swachh Bharat Abhiyaan, a flagship national program promoted by Honourable Prime Minister of India, Shri Narendra Modi.

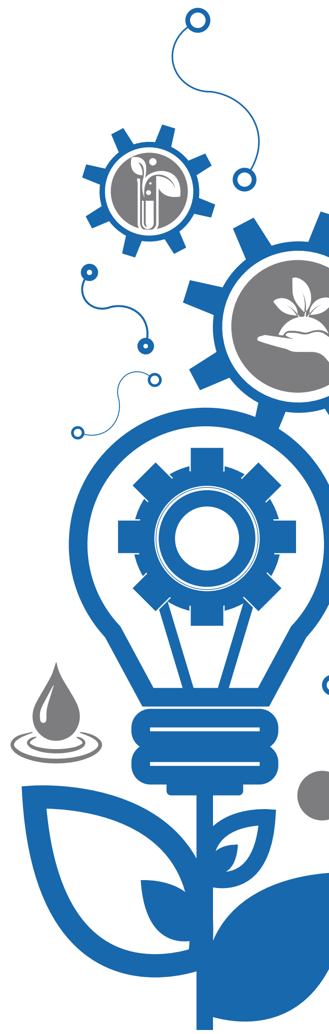
A key enabler for Ramky Enviro has been our diverse group of employees and professionals and their contribution towards our continued success and growth is worthy of recognition.

Not all groups that dream so ambitiously live long enough to see their ideas take flight. As a result, Ramky Enviro' s expansion or rather its ability to maintain and grow its leadership position through all these years is nothing short of a miracle. A miracle, woven by the work and commitment of thousands of visionary men and women, who will continue this legacy as we enter our 25th Anniversary. We express our sincerest regards and reverence to them for having chosen to start and continue their professional lives with Ramky and aspire to grow this family even larger.

As a market leader in emerging economies, Ramky Enviro understands that it has a responsibility towards supporting sustainable growth of societies and industries by providing waste management technologies and environmental solutions that are efficient, robust and fit-for-purpose.

As the company completes another fruitful year, welcoming new challenges and triumphs, we look with immense support and gratitude towards our clientele and customers who span across governments, civic departments, and the corporates.

As we reaffirm our commitment towards building a sustainable tomorrow for all our stakeholders, I would like to take this opportunity to extend our gratitude to our shareholders and to the Board of Directors without whom, the vision and direction of the company would be incomplete. Combined with the strength of the workforce that is the backbone of the company, the Ramky Enviro family will continue to add new pages to its story in times to come, for tomorrow lies in the hands of those who dare to dream ahead today.



Yours Sincerely,

M. Goutham Reddy

Managing Director & CEO

Board of Directors

Mr. B S Shantharaju
Independent Chairman

Mr. B.S. Shantharaju (Independent Chairman of the Board of Directors) has helped to lead and grow some of India's largest public services companies, most recently as CEO of Indus Towers, which he helped build into one of the world's largest operating telecom tower companies. Prior to Indus Towers, Mr. Shantharaju served as CEO of Delhi International Airports and as Managing Director for Gujarat Gas Company Limited. Earlier in his career, he held positions at BG Group, SmithKline Beecham Pharmaceuticals (now part of Glaxo Smithkline), Hindustan Aeronautics and Eicher Tractor.

Mr. Narayan Seshadri
Ind. Director & Audit Comm. Chairman

Mr. Narayan Seshadri (Independent Director & Audit Committee Chairman) is Chairman & CEO of Tranzmute Capital, which he co-founded in 2008, and Halcyon Resources and Management. In addition, he currently serves as an Independent Director on the boards of several companies including AstraZeneca Pharma India, Kalpataru Power Transmission, Magma Fincorp, PI Industries, and WABCO India. In 2006 he established a Special Situations Fund to invest in distressed and undervalued businesses. Prior to that, he led KPMG Consulting, India after he merged Andersen's Business Consulting practice into it.

Mr. Sanjay Nayar
Nominee Director

Mr. Sanjay Nayar joined KKR in 2009 and is a Member and CEO of KKR India. He is also a member of the Asia Portfolio Management Committee and the Asian Investment Committee. He is on the board of KKR's portfolio companies Radiant Healthcare, Bharti Infratel, Magma Financial Services, and Coffee Day Holdings, and has had significant involvement with KKR's investment in Apollo Hospitals. He also supports expanding the range of KKR's credit and capital markets offerings across the region. Before joining KKR, he served as CEO of Citigroup's Indian and South Asian operations and as a member of Citigroup's Management Committee and Asia Executive Operating Committee. Currently, he is a member of the board of USISPF and SEBI's NISM Board of Governors. Mr. Nayar was additionally the deputy chairman of the Indian Banks Association (IBA) and served on the Committee of the Reserve Bank of India tasked with building the bank's Centre for Advanced Financial Learning (CAFRAL).

Ms. Lim Hwee Hua
Nominee Director

Ms. Lim Hwee Hua is a senior advisor to KKR and executive director of Tembusu Partners. She previously served as an elected member of Singapore's Parliament from December 1996 until May 2011 and served as Minister in the Prime Minister's Office and Second Minister for Finance and Transport, as well as in the role of Deputy Speaker of Parliament and Chairman of the Public Accounts Committee. Before joining the Singapore Cabinet, Ms. Lim was Managing Director at Temasek Holdings where she oversaw divestments, company restructurings and sat on several corporate boards.

Mr. Rupen Jhaveri
Nominee Director

Mr. Rupen Jhaveri joined KKR in 2009 and has been a member of the India investing team since its founding. At KKR, he has led investments in Ramky Enviro, Alliance Tires, Magma Fincorp, Dalmia Cement, Max Financial Services, Emerald Media, SBI Life Insurance, Bharti Infratel, and HDFC. Before joining KKR, he was with Goldman, Sachs & Co. in its principal investment area and Warburg Pincus in Mumbai where he was involved in several investments including Mahindra & Mahindra, NDTV, Amtek Auto, Sigma Electric, Sintex, Dainik Bhaskar, amongst others.

Mr. M. Goutham Reddy
Managing Director & CEO

- Mr. Goutham Reddy is the Managing Director and CEO of Ramky Enviro Engineers Limited. He leverages his expertise in areas including infrastructure, waste management, and real estate to drive the Company's direction and growth. Mr. Reddy brings nearly 20 years of environmental engineer experience. He received his Master's degree in Environmental Engineering in the US and has also received training in waste management in Australia and environmental monitoring training in Sweden.

Mr. Anil Khandelwal
Joint Managing Director & CFO

- Mr. Anil Khandelwal is a qualified Chartered Accountant who has joined REEL as Joint Managing Director and CFO, where he manages aspects of the Company's finance and accounts, supply chain, legal, IT, risk and contracts management. With over 30 years of professional experience working with international corporations, Mr. Khandelwal brings extensive financial and commercial expertise to REEL, managing capital and cash flow needs to foster organizational growth in India and international markets. Before joining REEL, he was associated with Tata Projects Ltd as the Chief Financial Officer.

Mr. Masood A. Mallick
Joint Managing Director

- Mr. Masood Mallick (Joint Managing Director and Executive Director) has advised leading international corporations, investors, financial institutions and law firms on environmental issue management in India and internationally for close to 25 years. He is a recognized subject matter expert in the management of hazardous materials, waste management and rehabilitation of contaminated sites. Before joining Ramky Enviro, Mr. Mallick served as a Managing Director and a member of the Global Senior Leadership Team at Environmental Resources Management (ERM), a global provider of environmental, health, safety, risk, and social consulting services. He led ERM's operations in South Asia and co-led its Global Innovation initiative. Mr. Mallick has also advised the Government of India on environmental policy and legislation, including regulatory standards and the country's Sustainable Development Goals.

Other Key Employees

Mr. Shujath Bin Ali
General Counsel & CCO

- Mr. Shujath Bin Ali is the General Counsel & Chief Compliance Officer and heads the Legal and Compliance sectors of the company and brings in a combined experience of more than 17 years in terms of corporate law, governance, compliance, and risk management.
- Mr. Shujath has also served as Senior Director – General Counsel, Compliance Officer, and Company Secretary at PAREXEL International–India providing strategic legal counsel and operational legal support for India Operations.
- His resume includes a diverse list of companies including working as a Senior Legal Counsel and Corporate Secretary for International Paper-India and Associate Vice President - Legal and Corporate Secretary for Deloitte US-India offices.

Mr. Sujiv Nair
Chief Human Resource Officer

- Mr. Sujiv Nair is the Chief HR Officer, he has over 25+ years of global experience across diverse sectors that include Manufacturing, Paints, Pharmaceuticals, Information Technology, ITES, R&D and Skill Development with Multinational, Entrepreneurial and Government Organizations. He served as the Chief Executive Officer for Telangana Academy for Skills and Knowledge in his last role.

Industry presence and where we stand

Ramky Enviro has had a stellar year with strong performance across the board. Among the numerous accolades and felicitations that Ramky Enviro received, some of the more recent ones that reflect the company journey towards operational excellence include:

3SKOTCH Award: MSW Bilaspur, June 2018.

3R Excellence Awards in Municipal Solid Waste Management: Delhi, Chennai and Hyderabad MSW Projects, April 2018.

Best Waste Management Company of the Year 2018: Medicare Environmental.

Frost & Sullivan Annual Environmental Industries Awards 2017: Ramky Enviro.

Environmental Leadership Award – USAEP (the United States Asia Environment Partnership): Ramky Enviro.

These awards are a testament to pivotal position that Ramky Enviro occupies in the environmental industry, and its emergence of the years to become the most valuable waste management company in India and a leading player in Asia.

Looking beyond the awards, the future outlook of the waste management industry is strong (expected to grow at a global CAGR of 6% from 2018 to 2025, the report by Allied Market Research).

REEL occupies a strong grip on the entire waste value chain, with over 25 years of operational history in management of the whole gamete wastes and bye-products in an environmentally sound and scientific manner.

Ramky Enviro today handles approximately 13,500 tonnes per day (c. 5 million tonnes per annum) of municipal solid waste across 21 cities spread across India, with a market share of c. 27% (of the waste managed scientifically in the country). This makes Ramky Enviro the largest player in the municipal waste sector, by far, and it has maintained this market leadership over the last 14 years.

Ramky Enviro manages over 1 million tonnes per annum of Industrial Hazardous waste, with a market share of c. 50% of the wastes managed scientifically. REEL is pioneer in this sector and operates 15 Industrial waste management facilities distributed over 12 states across India. Once again, Ramky Enviro is the largest player in the industrial hazardous waste sector, by far, and it has maintained this market leadership over the last 19 years.

With over 19 years of operations managing biomedical waste, Ramky Enviro has set up facilities in 20 cities across India, servicing more than 340,000 hospital beds and 30,000 Health care establishments. With its presence across all major cities in the country, Ramky Enviro is uniquely poised to take advantage of the growth in the Indian health care sector.

Ramky Enviro is also on the forefront in managing and recycling emerging waste streams in a new and growing India. REEL today operates 5 Construction and Demolitions (C&D) waste recycling facilities in India, all of which have been made operational in the last year.

REEL caters to a large, stable and diversified customer base (c. 40,000+ customers) across varied industries such as pharmaceuticals, chemicals, fertilizers, Hospitals, Municipalities etc.

However, one of the key questions that remain in spite this significant growth is the amount of waste that still goes unmanaged/ untreated, as a result of open or illegal dumping. As the country moves towards greater compliance on the back of increased enforcement of regulations and greater public awareness, the available waste market in India alone is poised to grow to USD 4bn by 2020. With its track record, current market standing across all major segments and geographies, and a strong focus on growth, Ramky Enviro stands to gain a significant of the growth in this market.

KKR Acquisition

In February 2019, global investment firm KKR completed its 60% stake acquisition of REEL for approximately US$510 million via a combination of primary and secondary investments.

KKR's investment in REEL marked one of the largest private equity acquisitions in India, as well as being the first private equity buyout in the country's highly attractive environmental services sector. In addition to investing in REEL from its flagship Asia Pacific private equity fund, KKR also announced that its investment in REEL is part of its Global Impact strategy, which is focused on identifying and investing behind businesses with positive social or environmental impact that measurably contribute solutions to one or more of the United Nations Sustainable Development Goals.

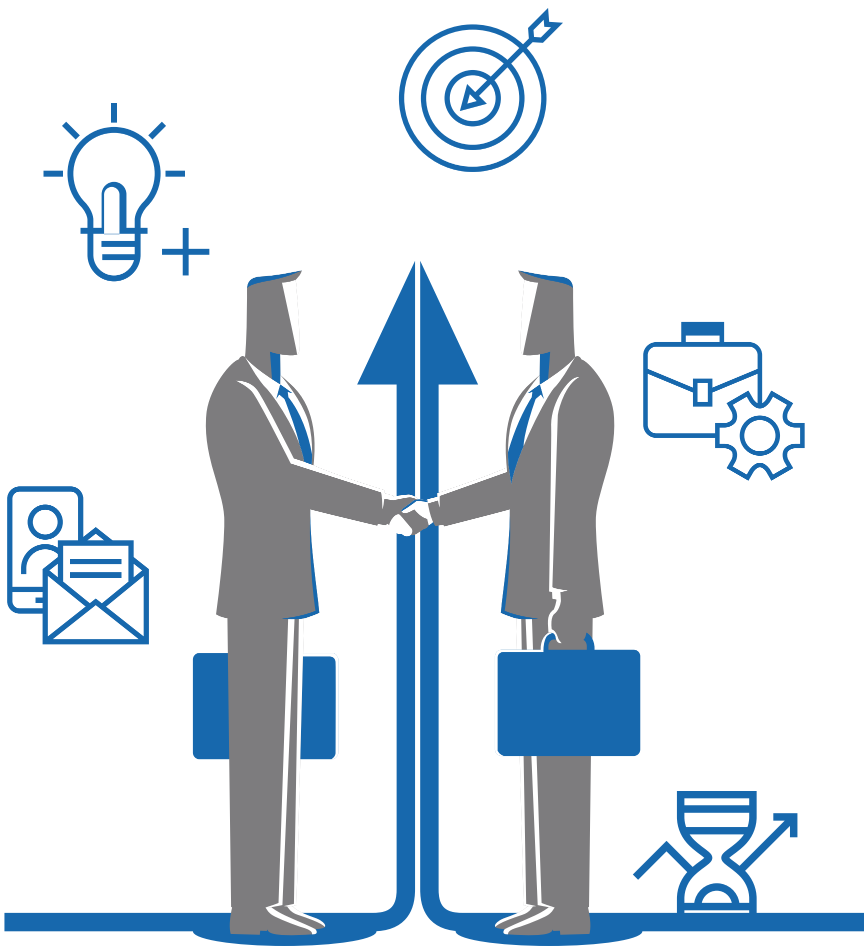
At the time of the deal's announcement, Sanjay Nayar, CEO of KKR India, cited REEL's work in uniquely supporting the Swachh Bharat (Clean India) Mission, a government-backed initiative to reduce pollution and improve critical sanitation infrastructure to boost living standards in cities, towns and rural villages nationwide.

“Our team is pleased to invest in the growth of a company that provides critical services and infrastructure to reduce pollution and address the needs of India's expanding urban population," Mr. Nayar said in August 2018.

With KKR’s support, members of the REEL team look forward to advancing the Company’s mission of responsibly addressing the environmental issues that emerging economies including India are facing today. REEL looks to do this by leveraging KKR’s resources both in India and worldwide to enhance REEL's operational best practices and add value by focusing on engineering innovation, attracting managerial talent and boosting efficiency, in addition to building on REEL's rigorous focus on environmental, health and safety initiatives. KKR plans to work alongside REEL's experienced management team to enhance the Company's mission of becoming a world-class leader in environmental management at a time when implementing sustainable solutions is more important than ever.

By way of background, KKR is a pioneer of the global private equity and alternative asset management industry. Since KKR’s founding in 1976, it has worked to create shared value for its fund investors, stakeholders, and the companies in which KKR invests. With deep roots in private equity, KKR today has expanded into other alternative asset classes and has an established presence in the global capital markets. As of June 30, 2019, KKR is a leading global investment firm managing more than US$205 billion of assets across multiple strategies.

Through over 40 years of investment experience, KKR has honed its focus on the integration of environmental, social, and governance (ESG) considerations into its investment processes, and considers ESG issue management a key area where KKR can add value to its portfolio companies, including REEL. Further, KKR is invested in being a purposeful and strategic partner in the communities where it invests and operates.



Milestones

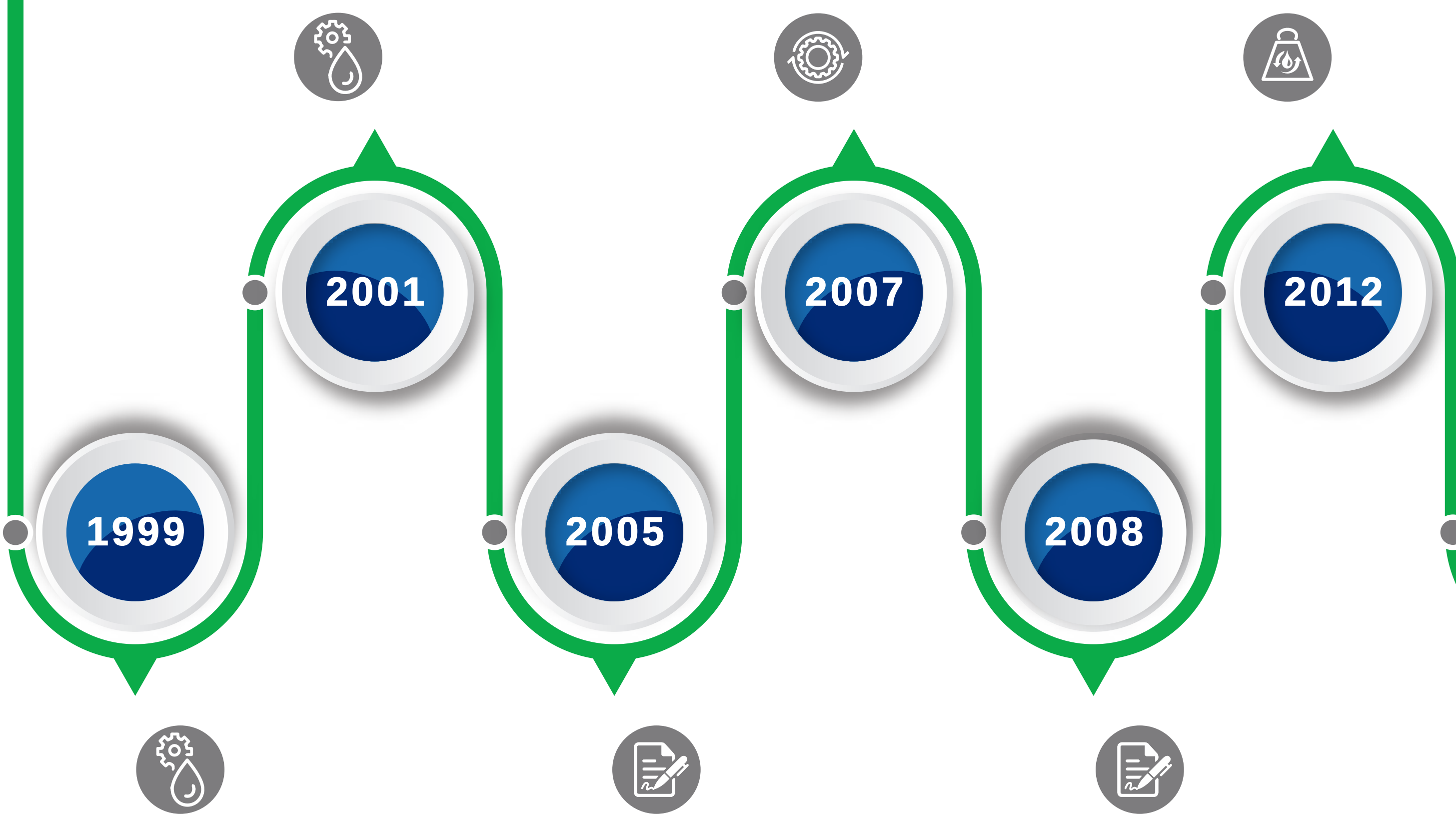
The current milestones that Ramky Environmental Engineers Ltd has set out for itself are the result of years of envisioning and planning. From setting its first largest industrial waste management facility in 1999 to increase its presence to four sites in 2004. In 2005, the company won its first contract for municipal waste collection in Ahmedabad, making the venture its first push into municipal solid waste(MSW). The company made its giant leap in 2012 when it processed more than 500,000 tonnes of waste in a year. The company would later go on to commission the largest WTE in the country in the year 2017, having diversified itself into the areas of industrial waste, municipal waste, bio-medical waste, e-waste, environment services, and recycling.

Statistically, the company has met on mark its thresholds and even exceeded the expectations of stakeholders and investors. With new units opening up soon all across the country, the REEL group will be a principal component in the materialization of India's dream in eradicating wastes from urban and rural areas. The REEL group will continue to surpass new avenues as the years come by. REEL has positioned itself as a key player in the industry that has expanded far beyond its humble alcoves of solid waste management.. The company's marked expansion will play to its benefit in procuring new groups

Largest IWM Facility established in the state of Maharashtra

9 IWM Operational Facilities

Exceeded 500,000 tonnes of IWM waste managed in a year



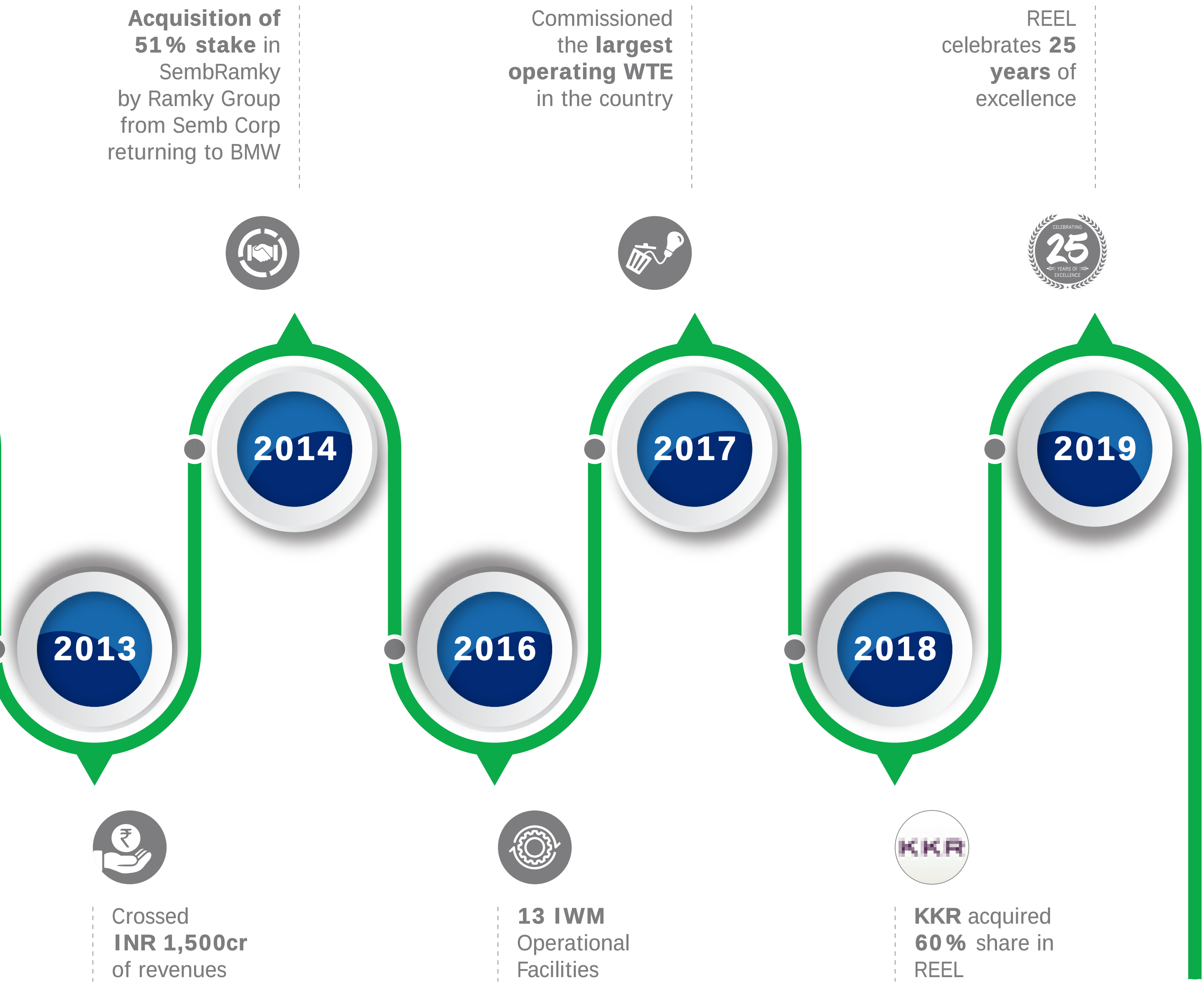
First IWM Facility established in the country

Won its **first contract** for municipal waste collection in Ahmedabad marking the entry in MSW

Won one of the **largest contracts** for collection of waste in Mumbai for 1,000 TPD as well as providing a fresh generation of industries with the services they need for waste management operations. Taking on the lead as one of the fastest growing developing economies in the world, India will be the focal point for new product innovations and stunning startup environments. And where there is industry, there is sure to be waste. As the group expands to other nations and secures additional tenders for waste management facilities, combined with its new alliances, REEL will grow to the levels of a global name that would be favored first.

The challenges that persist are of grave importance and have become a part of the company's agenda in ensuring that it continues on growth's path. New markets with advanced technology and competitors have always existed and have never left the watchful eyes of the company's decision-makers who continue to push it to new heights.

As for the milestones that REEL will be focusing on, they include a firm yet fixed focus on developing newer facilities in rural and urban centers and supporting government initiatives to spread the virtues of automated waste management.



Operational Highlights

Waste water Management

- We treat **700 million litres** per day

Biomedical Waste Management

- We service **340,000** Beds
- **30,000** Healthcare establishments
- Largest player in the country
- **19 years** of operations

RAMKY GROUP

Towards sustainable growth

Hazardous Waste Management

- We handle **1 million tonnes per Annum**
- Serving **9,600** customers
- **15** facilities in India and **3** in Middle East
- **18 years** of operations

Municipal Waste Management

- We manage **13,500 tonnes** per day across 21 cities
- Largest player in the country
- **14 years** of operations

Construction & Demolition Waste Management

- **650 thousand tonnes** per Annum
- Operations in **5 cities** and expanding

Environmental Consulting Services

- End to end services to over **200+ clients**
- Accredited by **NABET, ISO, MoEFCC & NABL**

Recycling and Resource recovery

- We recover **70,000 tonnes** of Recyclables every year

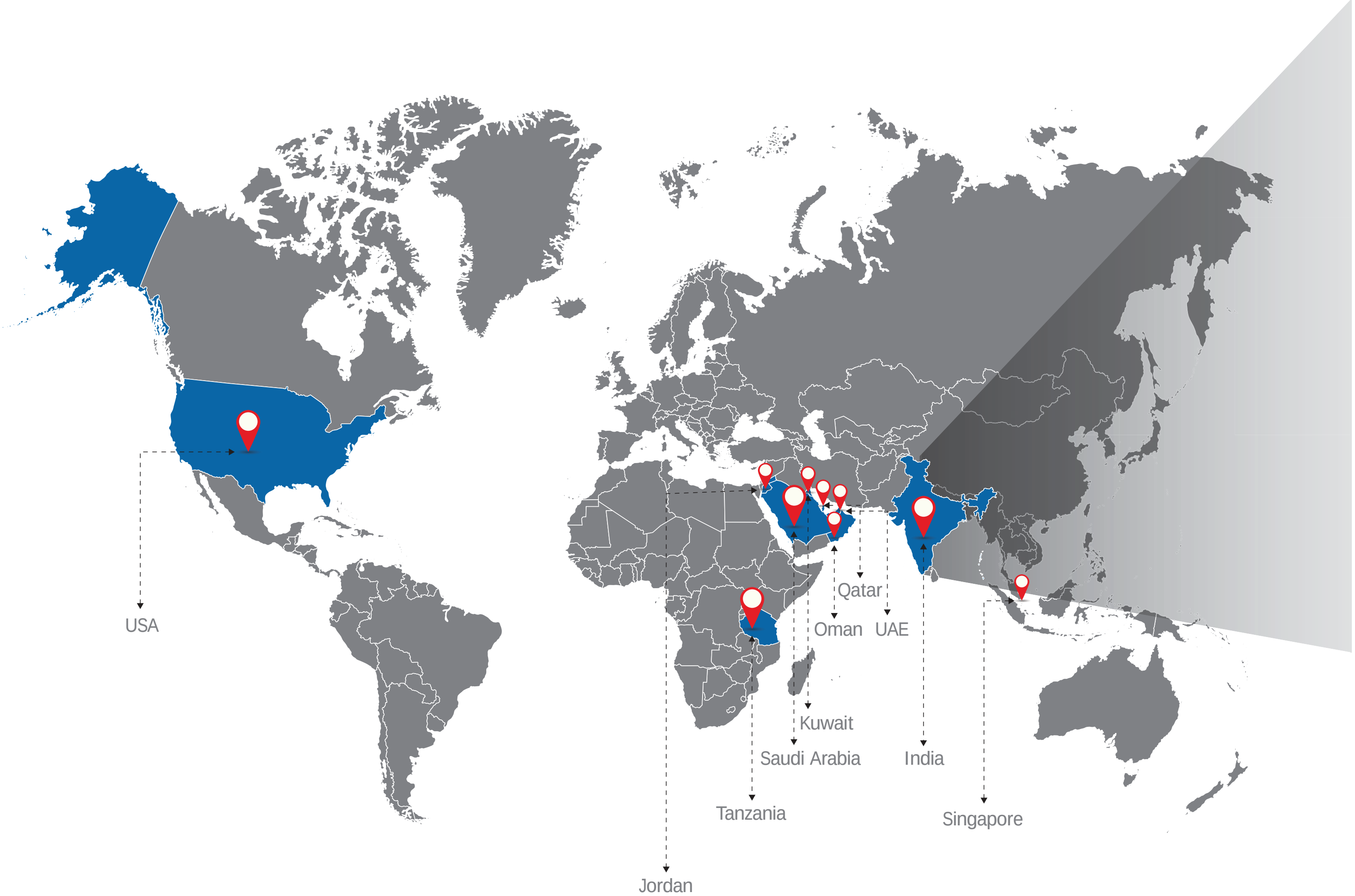
Waste to Energy

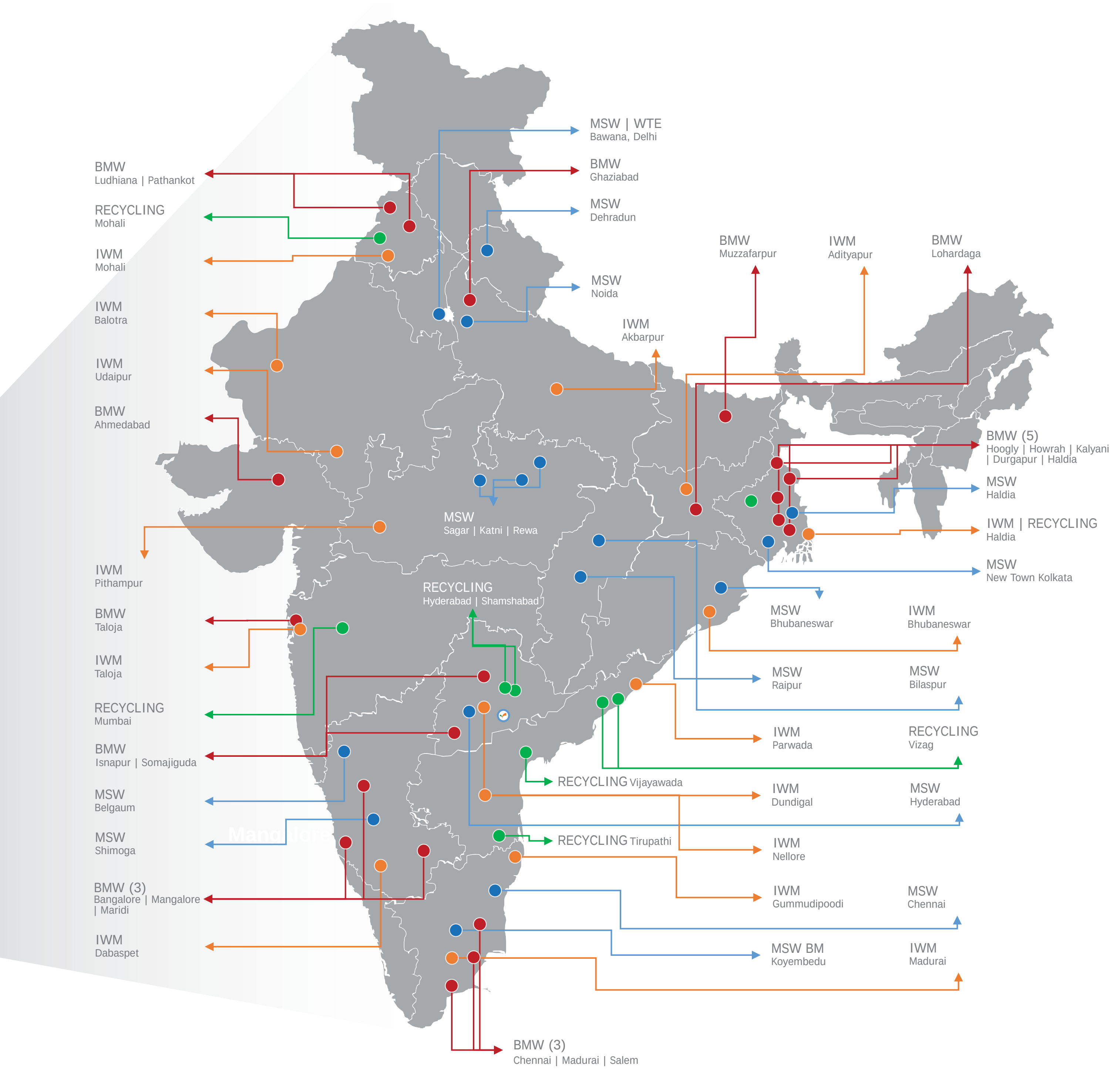
- India's largest **Waste to Energy Plant**
- **24MW** capacity
- **4,38,000 tonnes** of combustion capacity

Our Footprint

Ramky Enviro Engineers Ltd. ("Ramky Enviro"), is a global environmental solutions provider offering advanced and sustainable solutions to address important waste management needs in high-growth markets. The Company is committed to building a sustainable future for communities around the world by improving access to waste recycling, recovery and reuse services and setting up waste-to-energy facilities globally.

Since the company's founding in 1994, Ramky Enviro has established India's first Integrated Common Hazardous Waste Management, Bio-Medical Waste Management and Municipal Solid Waste Management facilities and introduced a broad set of high quality solutions in Indian and international markets. Headquartered in Hyderabad, India, Ramky Enviro's footprint extends across most Indian states and internationally in markets including the UAE, Singapore, Saudi Arabia, Oman, USA, Kuwait and Qatar.





Legend

Corporate Office · Municipal Waste Facility · Industrial Waste Facility

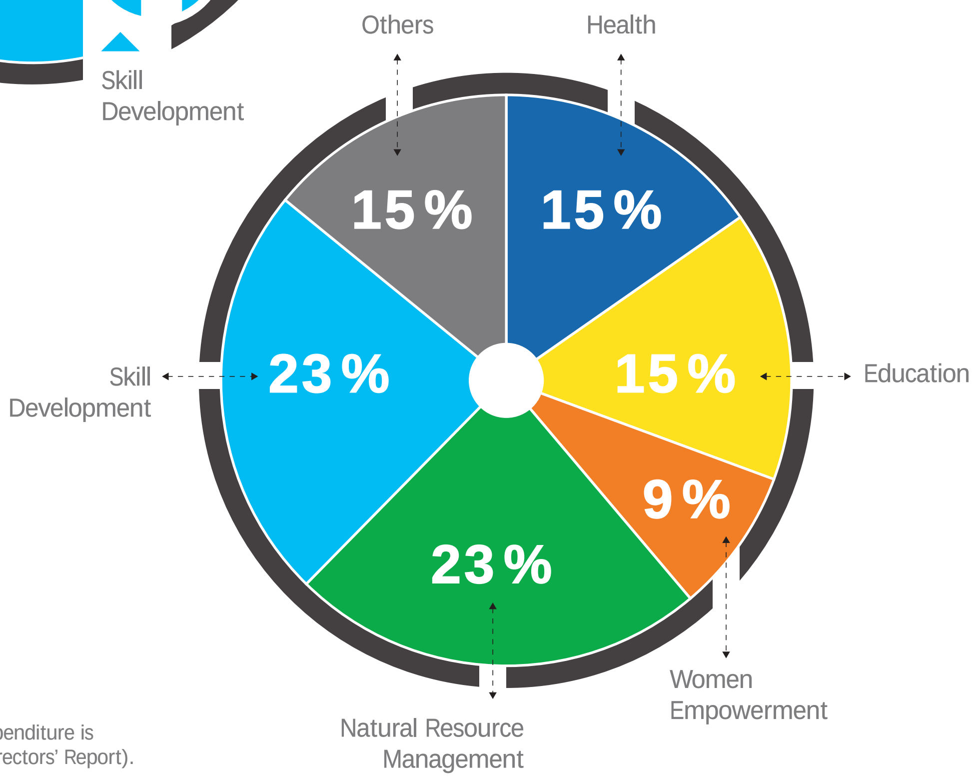
Bio-Medical Waste Facility · Recycling Facility (E-Waste | Paper | Plastic | C&D)

Corporate Social Responsibility

Our organizations' vision is to focus on equitable, sustainable and accessible development opportunities for the communities we serve, employees, consumers, stakeholders and the public at large. The Corporate Social Responsibility ("CSR") is an integral, self- regulating mechanism through which the business monitors and safeguards its active compliance with global norms and ethical standards. The goal of Ramky Enviro Engineers Limited is to embrace responsibility for its actions and take actions that has a positive impact on the stakeholders.

This report covers the CSR activities undertaken by the Company, in alignment with Schedule VII of the Companies Act, 2013.

During the year under review your company has focused on the following areas under CSR:-



(Detailed report on the CSR expenditure is enclosed as annexure to the Directors' Report).

Education

Health

Skill Development

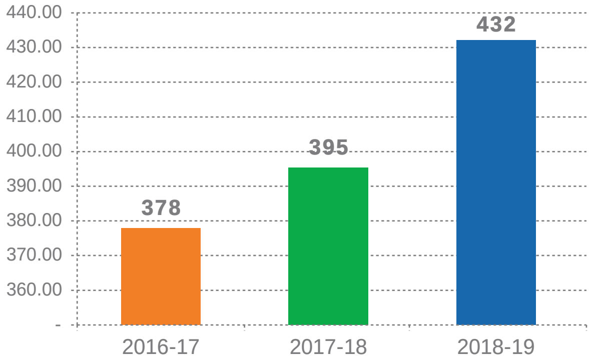
Natural resource management

Installation of RO plant, Bangalore

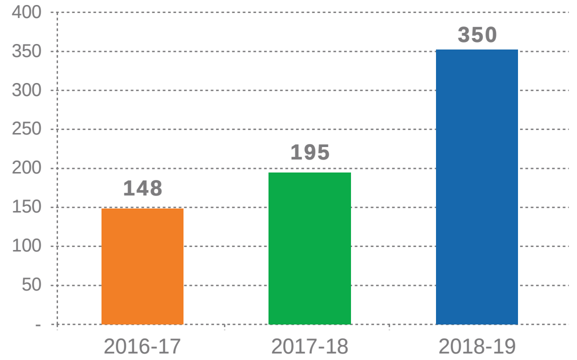
Financial Indicators

STANDALONE

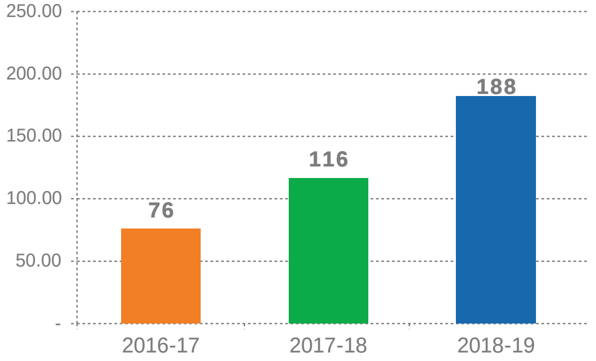
TURNOVER (Amt. in Crores)



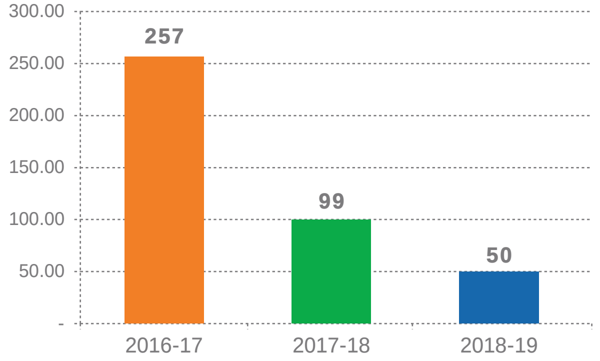
EPS (Amt. in Rupees)



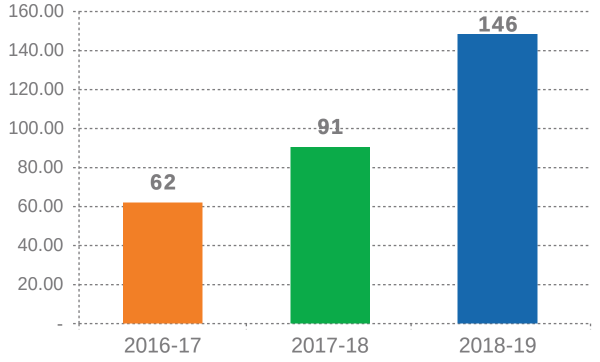
PBT (Amt. in Crores)



DEBT POSITION (Amt. in Crores)

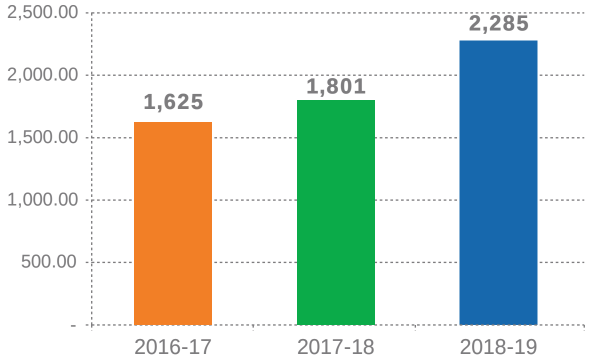


PAT (Amt. in Crores)

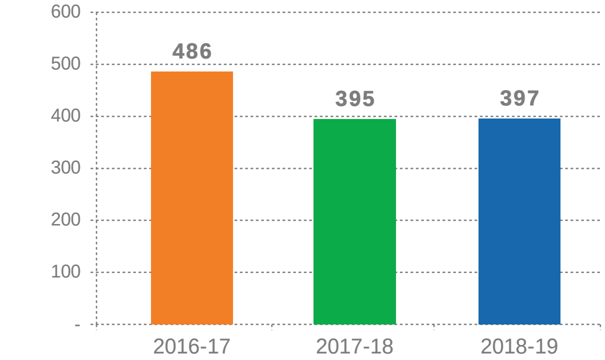


CONSOLIDATED

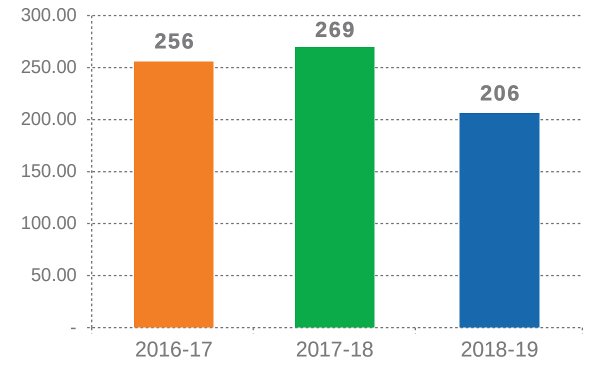
TURNOVER (Amt. in Crores)



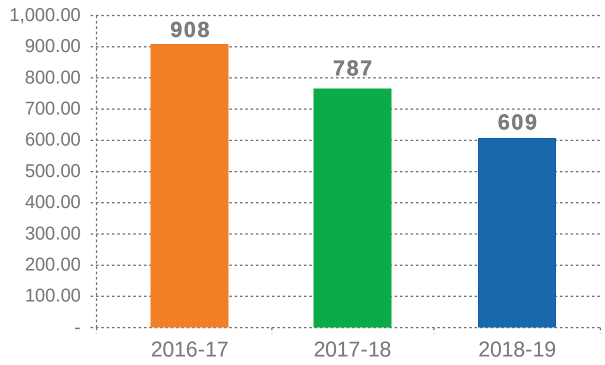
EPS (Amt. in Rupees)



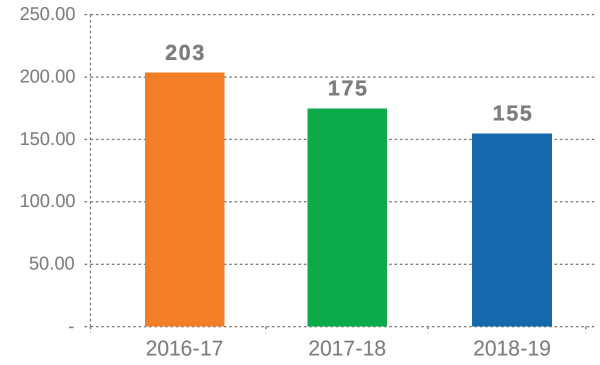
PBT (Amt. in Crores)



DEBT POSITION (Amt. in Crores)



PAT (Amt. in Crores)



RAMKY ENVIRO ENGINEERS LIMITED

CELEBRATING 25 YEARS OF EXCELLENCE

RAMKY GROUP

Towards sustainable growth

25th BOARDS' REPORT TO SHAREHOLDERS 2018-19

BOARDS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 25th Directors' Report together with the Financial Statements from 1st April, 2018 to 31st March 2019 along with annexures thereto and Report of Auditor's thereon.

1. **FINANCIAL RESULTS:**

Analysis of the Company's audited Consolidated and Standalone Financial results is given below:

a) **Consolidated financial results**

(In Crores)

Particulars	1st April, 2018 to 31st March, 2019	1st April, 2017 to 31st March, 2018
Revenue from contract with customers (I)	2211	1,746
Other income (II)	73	56
Total Income(III = I + II)	**2285**	**1,801**
Total Expenditure (IV)	2,023	1,493
Exceptional items (V)	(56)	(41)
Net Profit Before Tax (VI = III – IV+ V)	**206**	**269**
Total Tax Expense	51	95
Net Profit After Tax	**155**	**175**

b) **Standalone financial results**

(In Crore)

Particulars	1st April, 2018 to 31st March, 2019	1st April, 2017 to 31st March, 2018
Revenue from contract with customers (I)	380	359
Other income (II)	52	36
Total Income(III = I + II)	**432**	**3953**
Total Expenditure (IV)	374	269
Exceptional items (V)	130	(10)
Net Profit Before Tax (VI = III – IV+ V)	**188**	**116**
Total Tax Expense	42	26
Net Profit After Tax	**146**	**91**

2. **PERFORMANCE:**

On Consolidated basis, during the financial year ended as on 31st March 2019, the Company recorded total revenue of Rs. 2,211 crore (previous financial year Rs. 1,746 crore). The Company made a Net Profit after Tax for the current year amounting to Rs 155 crore as compared to (previous financial year Rs 175 crore).

On Standalone basis, during the financial year ended as on 31st March 2019, the Company recorded total revenue of Rs. 380 crore (previous financial year Rs. 359 crore). The Company made a Net Profit after Tax for the current year amounting to Rs 146 crore as compared to (previous financial year Rs 91 crore).

(Amounts mentioned in the point no.1& 2 are rounded off to the nearest amount in crores)

3. **CHANGE IN THE NATURE OF BUSINESS IF ANY:**

Your Company or any of its subsidiaries or joint ventures have not changed the nature of Business during the financial year under review.

4. **SHARE CAPITAL AS ON 31 MARCH 2019:**

Authorized Share Capital	2,062,500,000/-
Issued, Subscribed, & Paid up Share Capital	61,926,045

Summary of changes in Authorized Share Capital

✓ During the year under review, there was a reclassification of Authorized Share Capital with addition for optionally convertible Preference shares (OCRPS) and Redeemable Preference Shares. Accordingly, the consent of the members of the Company was accorded on 5th Feb, 2019. Further pursuant to the merger order of Hon'ble NCLT, Hyderabad Bench the Authorized Capital was increased to INR 2,062,500,000/- (Rupees Two Hundred and Six Crores Twenty Five Lakhs only) divided into 2,02,522,450 Class A Equity Shares of face value INR 10/- (Rupees ten only), 100 (one hundred) Class B Equity Shares of face value INR 10/- (Rupees te n only), 1,00,000 (one lakh) cumulative compulsorily convertible preference shares of face value INR 100/- (Rupees hundred only) each, 13,44,000 optionally convertible redeemable preference shares of face value INR 15/- (Rupees Fifteen only) each and 71,145 redeemable preference shares of face value of INR 100 (Rupees hundred only) each.

S. No	Authorized Capital before reclassification And Scheme of Merger	Authorized Capital after reclassification and Merger approval
1.	**Equity Shares:** Class A - 2,59,99,900 shares of Rs.10/- each	**Equity Shares:** Class A - 2,02,522,450 shares of Rs.10/- each
2.	Class B – 100 shares of Rs.10/- each	Class B - 100 shares of Rs.10/- each.
	Preference shares: Compulsory Convertible Preference Shares - 1,00,000 shares of Rs.100/- each	**Preference shares:** Cumulative Compulsory Convertible Preference Shares - 1,00,000 shares of Rs.100/- each. Optionally Convertible Redeemable Preference Shares – 13,44,000 shares of Rs.15/- each. Redeemable Preference Shares – 71,145 shares of Rs.100/- each.

- ✓ During the year under review, the members of the Company accorded their consent on 7th Feb, 2019 for issue of 13,43,431 (thirteen lakhs forty three thousand four hundred and thirty one) optionally convertible redeemable preference shares of the Company of the face value of INR 15 (Rupees Fifteen only) each for a per share issue price of Rs. 9,483.18 (Rupees nine thousand four hundred and eighty-three and eighteen paise only) ("OCRPS") on Private Placement to M/s Metropolis Investment Holdings Pte. Ltd.
- ✓ Accordingly, the Board of Directors, at their meeting held on 8th Feb, 2019, allotted 13,43,431 (thirteen lakhs forty three thousand four hundred and thirty one) optionally convertible redeemable preference shares of the Company of the face value of INR 15 (Rupees Fifteen only) each for a per share issue price of Rs. 9,483.18 (Rupees nine thousand four hundred and eighty-three and eighteen paise only) ("OCRPS") on Private Placement Basis to M/s Metropolis Investment Holdings Pte. Ltd.
- ✓ During the year under review, the Hon'ble National Company Law Tribunal (the "Tribunal"), Hyderabad Bench vide its order dated 14th March, 2019 sanctioned the Scheme of Amalgamation between M/s Ramky Enviro Engineers Limited (the "REEL") and M/s Bhubaneswar Industrial Waste Management (Orissa) Private Limited. Accordingly, the Authorized Capital of Rs. 1,79,25,00,000 (Rupees one hundred and Seventy-nine crores and twenty five lakhs only) of M/s Bhubaneswar Industrial Waste Management (Orissa) Private Limited was merged into REEL.

Summary of changes in Issued, Subscribed & Paid up Share Capital

S. No	Paid up capital as on 31st Mar, 2018	Paid up capital as on 31st Mar, 2019
1.	**Equity Shares:** Class A – 4,177,358 shares of Rs.10/- each Class B - 100 shares of Rs.10/- each	**Equity Shares:** Class A – 4,177,358 shares of Rs.10/- each Class B - 100 shares of Rs.10/- each
2.	**Preference shares:** Compulsory Convertible Preference Shares (CCPS)- 71,145 shares of Rs.100/- each.	**Preference shares:** Optionally convertible redeemable preference shares - 13,43,431 Shares of Rs. 15/- each.

- ✓ During the year under review, the Company changed the terms of Compulsory Convertible Preference Shares ("CCPS") into redeemable preference shares and the same were redeemed on 8th February, 2019.
- ✓ The voting rights of Class B Equity shares was changed ranking pari-passu with Class A Equity Shares.

5. RESERVES:

On the standalone basis, your Directors have decided to retain the entire profit for the year in the retained earnings.

6. DIVIDEND:

The Board of Directors in its meeting held on 08th February, 2019 had approved payment of interim dividend of Rs. 556/- per Equity Share on 41,77,358 Class A Equity Shares of the Company of face value of Rs. 10/- each fully paid-up aggregating to Rs. 2,32,26,11,048 (Rupees Two Hundred and Thirty-Two Crores Twenty Six Lakhs Eleven Thousand and Forty Eight only) out of the profits for the financial year 2017-18. Interim dividend was paid to the shareholders as per their shareholding in the Company as on 07th February 2019 (Record Date).

Your Directors do not propose any final dividend.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The members of the Company's Board are eminent persons of proven competence and integrity. Besides experience, strong financial acumen, strategic astuteness and leadership qualities, they have a significant degree of commitment towards the Company and devote adequate time to the meetings and preparation. The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business.

As on 31 March 2019, the Board of your Company comprises as follows:

S. No	Name	Designation
1	Mr. M. Goutham Reddy	Managing Director
2	Mr. Masood Alam Mallick	Whole time Director (Joint Managing Director) (w.e.f. 29th Dec 2018)
3	Mr. Anil Khandelwal	Whole time Director (Joint Managing Director) (w.e.f. 29th Dec 2018)
4	Mr. BS Shantharaju	Independent Director (w.e.f. 08th Feb 2019)
5	Mr. Sanjay Omprakash Nayar	Nominee Director (w.e.f. 08th Feb 2019)
6	Mr. Rupen Mukesh Jhaveri	Nominee Director (w.e.f. 08th Feb 2019)
7	Ms. Hwee Hua Lim	Nominee Director (w.e.f. 08th Feb.2019)

As on 31 March 2019, the KMPs of your Company comprises as follows:

1	Mr. M. Goutham Reddy	Managing Director
2	Mr. Masood Alam Mallick	Whole time Director (Joint Managing Director) (w.e.f. 29th Dec 2018)
3	Mr. Anil Khandelwal	Whole time Director (Joint Managing Director) (w.e.f. 29th Dec 2018)
4	Mr. Anil Khandelwal	Chief Financial Officer (wef 14th December, 2019)
5	Mr. Govind Singh	Company Secretary

The details relating to Directors and Key Managerial Personnel (KMP's) and the changes during the financial year and subsequent to financial year are herein below:

Appointments:

During the year under review, following Directors were appointed:

Name of Director	Date of Appointment
Nominee Director	
Mr. Sanjay Omprakash Nayar [Nominee Director]	8th Feb, 2019.
Mr. Rupen Mukesh Jhaveri [Nominee Director]	
Ms. Hwee Hua Lim [Nominee Director]	
Independent Director	
Mr. B S Shantharaju [Independent Director]	8th Feb, 2019.
Whole Time Director (designated as Joint Managing Director)	
Mr. Masood Alam Mallick	29th Dec, 2018.
Mr. Anil Khandelwal	29th Dec, 2018.

Resignations:

During the year under review, following Directors resigned from the office:

Name of Director	Designation	Effective date of Resignation
Mr. Parag Baduni	Nominee Director	8th Feb, 2019 –10:15AM
Mr. G. Krishna Kumar	Director	
Mr. Menon Radhakrishnan Balakrishna	Independent Director	
Mr. A Satyanarayana	Director	
Mr. A Rama Devi	Director	
Mr. Rameshwarlal Badrilalji Kabra	Director	08th Feb, 2019 – 05:45 PM

Key Managerial Personnel:

Name of KMP	Event Date
Appointment	
Mr. Anil Khandelwal, [CFO]	14th Dec, 2018.
Mr. Masood Alam Mallick	29th Dec, 2018
Resignation	
Mr. G Hemanth Kumar Reddy [CFO]	w.e.f. 1st Jan, 2019.

During the year under review the following changes occurred:

1. Mr. Anil Khandelwal, who was appointed as an Additional Director at the Board meeting held on 29th Dec, 2018 was regularized at 24th Annual General Meeting held on 30th Dec, 2018.

2. Mr. Masood Alam Mallick, who was appointed as an Additional Director at the Board meeting held on 29th Dec, 2018 was regularized at 24th Annual General Meeting held on 30th Dec, 2018.

3. Appointment of Mr. Anil Khandelwal who was appointed as Whole Time Director of the company (designated as Joint-Managing Director) at the Board Meeting held on 29th Dec 2018 was approved by the Shareholders at the 24th Annual General Meeting of the Company held on 30th Dec, 2018 for a period of five years with effect from 29th Dec, 2018 to 28th Dec, 2023.

4. Appointment of Mr. Masood Alam Mallick who was appointed as Whole Time Director of the company (designated as Joint-Managing Director) at the Board Meeting held on 29th Dec 2018 was approved by the Shareholders at the 24th Annual General Meeting of the Company held on 30th Dec, 2018 for a period of five years with effect from 29th Dec, 2018 to 28th Dec, 2023.

5. Mr. Sanjay Omprakash Nayar, Mr. Rupen Mukesh Jhaveri and Ms. Hwee Hua Lim were appointed by the Board as Nominee Directors at the Board Meeting held on 08th Feb, 2019 and same was ratified by the shareholders at the Extra Ordinary General Meeting held on 8th Feb, 2019.

6. Mr. B S Shantharaju was appointed by the Board as Independent Director at the Board Meeting held on 08th Feb, 2019 and same was ratified by the shareholders at the Extra Ordinary General Meeting held on 8th Feb, 2019.

7. Mr. Parag Baduni, Mr. G. Krishna Kumar, Mr. Menon Radhakrishnan Balakrishna, Mr. A Satyanarayana, Mr. A Rama Devi and Mr. Rameshwarlal Badrilalji Kabra resigned with effect from 08th Feb, 2019.

8. Mr. Anil Khandelwal has been appointed as CFO with effect from 14th Dec, 2018 at the Board Meeting held on 29th Dec 2018.

9. Mr. G Hemanth Kumar Reddy has resigned as CFO with effect from 01st Jan, 2019.

10. Mr. Goutham Reddy Mareddy, Managing Director of the Company who retires by rotation at the forthcoming Annual General Meeting of the Company and being eligible offers himself for re-appointment. Board of Directors has proposed for re-appointment of the said retiring Director in the forthcoming Annual General Meeting of the Company.

Change in the Board after closing of the financial year until the date of signing of Directors report:

1. Mr. Narayan Keelveedhi Seshadri was appointed as Additional Director (Independent) w.e.f. 7th May, 2019. Accordingly, the resolution seeking his regularization will be placed before the members at the ensuing Annual General Meeting.

8. STATEMENT ON DECLARATION FROM INDEPENDENT DIRECTORS:

The Independent Directors of the Company have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as Independent Director during the year. The declaration of Independent Directors is attached as **Annexure -I**

9. AUDITORS:

A. Statutory Auditor:

During the year under review, the Members of the Company at the Annual General Meeting **('AGM')** held on December 30, 2018 approved the appointment of M/s S. R. Batliboi & Associates LLP, Chartered Accountants, Hyderabad (Firm Registration No. 101049W/E300004), as the statutory auditors of the Company for a period of Four years commencing from the conclusion of the 24th Annual General Meeting held until the conclusion of 28th Annual General Meeting of the Company.

Vide notification dated 07 May 2018, MCA has done away with the requirement of seeking ratification of members for appointment of Statutory Auditors at every Annual General Meeting.

Accordingly, resolution seeking approval for ratification is not provided in the notice.

B. Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed CS N.V.S.S. Suryanarayana Rao, Practicing Company Secretary, in the Board meeting held on 2nd May, 2019 to carry out the Secretarial Audit of the Company. The Report of the Secretarial Audit for FY 2018-19 is attached herewith as **Annexure-II**.

C. Internal Auditor:

Pursuant to the provisions of Section138 of the Companies Act, 2013 the Company had appointed M/s KPMG, India as Internal Auditors for the Financial Year 2018-19 in the Board Meeting held on 15th November, 2018.

10. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITOR UNDER SECTION 143(12):

During the year under review, there were no frauds reported by the Auditor as provided under Section 143(12).

11. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY STATUTORY AUDITOR AND SECRETARIAL AUDITOR

During the year under review no observations raised by the Statutory Auditors of the Company for which Board explanation is required

The following are the observations raised by the Secretarial Auditor along with the explanation/ comments given by Board.

Sr. No.	Observation made by the Auditor	Explanation/ Comments by Board.
1.	There was a delay in filing E-forms (list mentioned in Report) beyond the statutory limits specified under the Act	These were procedural delays and the forms were taken on record on payment of additional fees. The board has advised the management to ensure that such delays should not happen'
2.	There have been delays in payment of statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and service tax, cess and other statutory dues throughout the period under review.	The Board recognised in previous year these delays have happened and the same have been rectified. The board has advised the management to ensure that such delays should not happen'

Sr. No.	Observation made by the Auditor	Explanation/ Comments by Board.
3.	There was a delay in filing the following returns by the Company under the provisions of the Foreign Exchange Management Act, 1999 and the Regulations framed thereunder: a. Annual Return of Foreign Liabilities and Assets (FLA Return) b. Annual Performance Report (APR)	The Company is in process of filing compounding application for delay.
4.	The Company is yet to file the APR for its wholly owned subsidiary Ramky International Singapore PTE Limited	The APR is under review and will be filed shortly

12. COMPLIANCE TO SECRETARIAL STANDARDS:

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The details of Loans, Guarantees or Investments provided under Section 186 of the Act referred are covered in notes to Financial Statements.

14. MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED DURING THE FINANCIAL YEAR 2018-19 AND FROM THE END OF THE FY 2018-19 TILL THE DATE OF THE REPORT.

During the financial year under review, no material changes and commitments have occurred, which affect the financial position of the Company and there is no change in the nature of business of the Company except as mentioned hereunder;

1. On 5th February, 2019 Mrs. A Dakshayani, Promoter Shareholder of the Company transferred 11,00,000 Class A equity Shares held in dematerialized form to Mr. Alla Ayodhya Rami Reddy and further Mr. Alla Ayodhya Rami Reddy transferred 10,000 Class A equity Shares to M/s Ramky Estates and Farms Limited.
2. On 7th February, 2019 Class A Equity Shares held in dematerialized form by the following shareholders were transferred to Oxford Ayyappa Consulting Services India Private Limited.

Sr. No	Name of selling shareholder	Number of Class A Equity Shares transferred	Name of acquiring shareholder
1.	Mr. Alla Ayodhya Rami Reddy	30,573	Oxford Ayyappa Consulting Services India Private limited
2.	Mrs. A Dakshayani	48,388	Oxford Ayyappa Consulting Services India Private limited
3.	Mr. Sharan	13,664	Oxford Ayyappa Consulting Services India Private limited
4.	Mr. Ishaan	13,706	Oxford Ayyappa Consulting Services India Private limited
5.	Ramky Estates and Farms Limited	10,72,630	Oxford Ayyappa Consulting Services India Private limited
6.	Tara India Holdings A Limited	10,870	Oxford Ayyappa Consulting Services India Private limited
7.	Vistra ITCL India Limited (formerly known as IL&FS Trust Company Limited) (a/c Tara India Fund III Domestic Trust)	2,727	Oxford Ayyappa Consulting Services India Private limited
8.	Vistra ITCL India Limited (formerly known as IL&FS Trust Company Limited) (a/c Tara India Fund III Trust)	2,068	Oxford Ayyappa Consulting Services India Private limited
9.	Vistra ITCL India Limited (formerly known as IL&FS Trust Company Limited) (a/c IL&FS Infrastructure Equity Fund – I (IIEF-I))	10,412	Oxford Ayyappa Consulting Services India Private limited

Sr. No	Name of selling shareholder	Number of Class A Equity Shares transferred	Name of acquiring shareholder
10.	Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Pte Limited	26,140	Oxford Ayyappa Consulting Services India Private limited

3. On 8th February, 2019 M/s Oxford Ayyappa Consulting Services India Private Limited transferred 24,85,488 Class A Equity Shares held in dematerialized form to Metropolis Investment Holdings Pte Ltd.

4. On 8th February, 2019 the existing Shareholders of the Company transferred 100 (One Hundred) Class B Equity Shares held in dematerialized form and 71,145 (Seventy-One Thousand One Hundred And Forty Five Only) Class A Preference Shares to M/s Oxford Ayyappa Consulting Services India Private Limited. The details of the same are herein below:

Sl. No.	Class/ Type of Shares	No. of Shares	Name of Shareholder	Name of the Transferee
1.	Class B Equity Shares	21 (Twenty One)	Tara India Holdings A Limited	Oxford Ayyappa Consulting Services India Private Limited
2.	Class B Equity Shares	5 (Five)	Vistra ITCL India Limited (formerly known as IL&FS Trust Company Limited) (Tara India Fund III Domestic Trust)	Oxford Ayyappa Consulting Services India Private Limited
3.	Class B Equity Shares	4 (Four)	Vistra ITCL India Limited (formerly known as IL&FS Trust Company Limited) (Tara India Fund III Trust)	Oxford Ayyappa Consulting Services India Private Limited
4.	Class B Equity Shares	20 (Twenty)	Vistra ITCL India Limited (formerly known as IL&FS Trust Company Limited) (IL&FS Infrastructure Equity Fund – I (IIEF-I))	Oxford Ayyappa Consulting Services India Private Limited
5.	Class B Equity Shares	50 (Fifty)	Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Pte Limited	Oxford Ayyappa Consulting Services India Private Limited
6.	Class A Preference Shares	14,810 (Fourteen Thousand Eight Hundred and Ten)	Tara India Holdings A Limited	Oxford Ayyappa Consulting Services India Private Limited
7.	Class A Preference Shares	3,716 (Three Thousand Seven Hundred and Sixteen)	Vistra ITCL India Limited (formerly known as IL&FS Trust Company Limited) (Tara India Fund III Domestic Trust)	Oxford Ayyappa Consulting Services India Private Limited
8.	Class A Preference Shares	2,817 (Two Thousand Eight Hundred and Seventeen)	Vistra ITCL India Limited (formerly known as IL&FS Trust Company Limited) (IL&FS Infrastructure Equity Fund – I (IIEF-I))	Oxford Ayyappa Consulting Services India Private Limited
9.	Class A Preference Shares	14,186 (Fourteen Thousand One Hundred and Eighty Six)	Vistra ITCL India Limited (formerly known as IL&FS Trust Company Limited) (IL&FS Infrastructure Equity Fund – I (IIEF-I))	Oxford Ayyappa Consulting Services India Private Limited
10.	Class A Preference Shares	35,616 (Thirty Five Thousand Six Hundred and Sixteen)	Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Pte Limited	Oxford Ayyappa Consulting Services India Private Limited

5. Upon receipt of the consent from M/s Oxford Ayyappa Consulting Services India Private Limited, the Board of Directors on 8th Feb, 2019 accorded its consent to the change the terms of the existing Class A Preference Shares issued by the Company:

The brief terms are provided herein below:

Face Value

The Series A Preference Shares is a compulsorily redeemable preference share having a face value of Rs. 100 (Rupees One Hundred only) ("Face Value").

Term

The Class A Preference Shares shall, on the Closing Date, be compulsorily redeemed for cash in accordance with the provisions of the Transaction Documents.

Conversion

The Series A Preference Shares shall not be convertible.

Redemption

The Series A Preference Shares shall be compulsorily redeemable on the Closing Date as more fully detailed in terms of the Transaction Documents (including the price, timing and terms of such redemption).

Voting Rights

The Series A Preference Shares shall carry such voting rights as permitted in terms of Applicable Law.

Transferability

The Series A Preference Shares shall not be transferable without the explicit consent of the Investor in writing and shall be compulsorily redeemed in accordance with the provisions of the Transaction Documents.

6. Upon receipt of the consent from M/s Oxford Ayyappa Consulting Services India Private Limited, on 8th February, 2019 the Board of Directors of the Company accorded their consent to change in terms of the existing Class B Equity Shares as set out herein below:

   (A) Subject to Paragraph (B) below, each Class B Equity Share shall have/ carry such percentage of the voting power in the Company as is equal to 0.1 per cent. of the total voting power of the Company.

   (B) Notwithstanding the foregoing, the voting power of Class B Equity Shares as set out in Paragraph (A) above shall cease / expire irrevocably, with immediate effect and without any further action, upon the earlier of (a) the conversion or redemption of any or all of the Class A Preference Shares, or (b) the transfer of any or all of the Class A Preference Shares and/or these Class B Equity Shares to Oxford Ayyappa Consulting Services India Private Limited or any person other than (1) Tara India Holdings A Limited, (2) Tara India Fund III Domestic Trust, (3) Tara India Fund III Trust (4) IL&FS Infrastructure Equity Fund – I (IIEF-I) (5) Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Pte Limited, such that, irrevocably and with immediate effect from such act, the voting power of each Class B Equity Share shall be the same as that of each Class A Equity Share.

7. On 8th February, 2019 the Board of Directors takes on record the transfer of 100 (one hundred) Class B Equity Shares from Oxford Ayyappa Consulting Services India Private Limited to Metropolis Investment Holdings Pte. Ltd.

8. On 8th February, 2019 the Board of Directors of the Company accorded their consent for redemption of 71,145 (Seventy One Thousand One Hundred and Forty Five only) Redeemable Preference Shares of face value of INR 100 (Rupees One Hundred only) at a redemption price of INR 87,708.20 each aggregating to INR 624,00,00,000 (Rupees six hundred and twenty four crores) be redeemed out of the proceeds of issue of Optionally Convertible Redeemable Preference Share of face value of Rs. 15 (Rupees Fifteen only) each to Metropolis Investment Holdings Pte. Ltd. on February 8 2019, as per the request of the holder of such Redeemable Preference Shares in line with the terms of such securities, by surrender of shares by the holders.

9. On 8th February, 2019 the Board of Directors of the Company accorded their consent to make investment in the 6,65,000 Equity shares of INR 10 each of Pithampur Auto Cluster by subscribing the Shares offered on rights issue basis.

10. **Investments Received during the year:**

    During the financial year under review, M/s Metropolis Investment Holdings Pte Ltd acquired 59.5% of Equity Shares of M/s Ramky Enviro Engineers Limited **("REEL")** for approximately US$510 million via a combination of primary and secondary investments. The details of the acquisition are presented herein below:

S. No	Transaction
1	Transfer of Shares
M/s Metropolis Investment Holdings Pte Ltd received 24,85,488 Class A Equity Shares held in dematerialized form from M/s Oxford Ayyappa Consulting Services India Private Limited pursuant to Transaction documents dated 20th Aug, 2018. M/s Metropolis Investment Holdings Pte. Ltd. received 100 Class B Equity Shares held in dematerialized form from Oxford Ayyappa Consulting Services India Private Limited pursuant to Transaction documents dated 20th Aug, 2018.	

2	Allotment of Shares
Pursuant to the acceptance of Private Placement offer dated 7th Feb, 2019, 13,43,431 (thirteen lakhs forty-three thousand four hundred and thirty-one) Optionally Convertible Redeemable Preference Shares ("OCRPS") having face value of INR 15 (Rupees Fifteen only) each at a premioum of 9468.18 (Rupees nine thousand four hundred and sixty eight and eighteen paise only) to Metropolis Investment Holdings Pte. Ltd.	

Subsequent to the financial year under review, no material changes and commitments have occurred from the end of the FY 2018-19 till the date of the report.

15. EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92 and 134 of the Act and rules framed thereunder, the extract of annual return in Form MGT-9 is given in **Annexure-III** which forms part of this report and the same is available on the website of the Company (http://ramkyenviroengineers.com).

16. DETAILS OF SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATE COMPANIES:

During the financial year the following companies have become Subsidiary, Joint Ventures or Associate Companies of the Company:

1. Dhanbad Integrated MSW Limited

During the financial year the following companies have ceased as Subsidiary, Joint Ventures or Associate Companies of the Company:

1. Evergreen Cleantech Facilities Management (India) Limited
2. Madhya Pradesh Waste Management Private Limited
3. Maridi Eco Industries Private Limited
4. Regency Yamuna Energy Limited

A detailed report on the performance of the aforesaid Subsidiary, Joint Ventures or Associate Companies and their contribution to the overall performance of the Company during the period under review is provided under form AOC-1, attached herewith as **Annexure-IV.**

17. NUMBER OF BOARD MEETINGS:

The Meeting of the Board of directors was held Fourteen (14) times during the year on the following dates:

S. No	Date of Meeting	No of Directors Attended
1	26th June, 2018	05
2	12th August, 2018	07
3	31st August, 2018	05
4	15th November, 2018	04
5	21st November, 2018	03
6	29th December, 2018	07
7	5th February, 2019	07
8	7th February, 2019	07
9	8th February, 2019	04
10	8th February, 2019	04
11	8th February, 2019	04
12	8th February, 2019	04
13	8th February, 2019	04
14	27th March, 2019	07

18. COMMITTEES:

1. AUDIT COMMITTEE

The primary objective of the Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

The Audit Committee was reconstituted on 27th Mar, 2019 & 7th May, 2019. The details of the same are herein below:

Date of Reconstitution	Members of the Audit Committee as on the date of reconstitution
27th Mar 2019	1. B S Shantharaju 2. Rupen Jhaveri 3. Sanjay Nayar
07th May 2019	1. Narayan Seshadri (Chairman) 2. B S Shantharaju 3. Rupen Jhaveri

The Audit Committee met 4 times during the year on the following dates:

S. No	Date of Meeting	No of Members Attended
1	12th August, 2018	03
2	31st August, 2018	02
3	15th November, 2018	02
4	29th December, 2018	03

2. NOMINATION AND REMUNERATION COMMITTEE ("NRC"):

The objectives of the NRC is to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

The role and function of NRC includes criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

The NRC Committee was reconstituted on 8th Feb, 2019, 27th Mar, 2019 & 7th May, 2019. The details of the same are herein below:

Date of Reconstitution	Members of the NRC Committee as on the date of reconstitution
08th Feb 2019	1. B S Shantharaju 2. Hwee Hua Lim 3. Sanjay Nayar
27th Mar 2019	1. B S Shantharaju 2. Hwee Hua Lim 3. Rupen Jhaveri
07th May 2019	1. Narayan Seshadri (Chairman) 2. B S Shantharaju 3. Hwee Hua Lim

The Meeting of the Nomination and Remuneration Committee ("NRC") was held four times (4) during the year on the following dates.

S. No	Date of Meeting	No of Members Attended
1	15th November, 2018	02
2	29th December, 2018	03
3	08th February, 2019	02
4	27th March, 2019	03

3. **CORPORATE SOCIAL RESPONSIBILITY ("CSR") COMMITTEE**

The CSR Committee was reconstituted on 8th Feb, 2019, 27th Mar, 2019 & 7th May, 2019. The details of the same are herein below:

Date of Reconstitution	Members of the CSR Committee as on the date of reconstitution
08th Feb 2019	1. B S Shantharaju (Chairman) 2. Sanjay Nayar 3. Hwee Hua Lim 4. M. Goutham Reddy
27th Mar 2019	1. B S Shantharaju (Chairman) 2. Rupen Jhaveri 3. Hwee Hua Lim 4. M. Goutham Reddy
07th May 2019	1. B S Shantharaju (Chairman) 2. Rupen Jhaveri 3. Hwee Hua Lim 4. M. Goutham Reddy

The Meeting of the Corporate Social Responsibility Committee ("CSR") was held once during the year on 29th December, 2018. Further, the Board of Directors at their meeting held on 2nd May, 2019 adopted the CSR Charter. The CSR Policy along with the Charter is provided as **Annexure-V** to this report.

The report on CSR disclosures as required under Section 135 of the Act read with Rules framed thereunder is provided in **Annexure-VI** to this report.

4. **EXECUTIVE BOARD COMMITTEE.**

In accordance with the applicable provisions of the Companies Act, 2013, the Board framed an Executive Board Committee to reduce the work load of the Board and to meet the day to day business requirements of the Company.

The Meetings of the Executive Board Committee Meeting ("CSR") were held 16 times during the year.

19. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has adopted zero tolerance for sexual harassment at workplace and has formulated a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Company has complied with provisions relating to the constitution of POSH Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, the Board has revised Anti-Sexual Harassment Policy of the Company. There was no complaint pending as on March 31, 2019.

The company has adopted a revised Anti-Sexual Harassment policy in the Board meeting held on 15th November, 2018, and the same is enclosed as **Annexure –VII.**

20. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has adopted Vigil Mechanism for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of Company's Code of Conduct and Ethics.

The Whistle Blower Policy is enclosed as **Annexure-VIII**.

Whistle Blower can make a disclosure to the Chief Compliance Officer (CCO) orally in person, through email at ethics@ramky.com or leave a voice massage at +91 8096875557. Chief Compliance Officer shall submit a report to the Audit Committee on a regular basis about all the communication made to him with the results of investigation.

21. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has adequate Internal Financial Controls consistent with the nature of business and size of the operations, to effectively provide for safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statues, accounting policies, approval procedures and to ensure optimum use of available resources. These systems are reviewed and improved on a regular basis. It has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

Further, the Internal Auditors are empowered to oversee & report to the Audit Committee about the status of Internal Financial Controls quarterly.

22. DIRECTORS RESPONSIBILITY STATEMENT:

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2018-19.

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

a) in the preparation of the accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed and that there are no material departures;

b) the Directors had selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for the period;

c) the Directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors had prepared the annual accounts on a going concern basis; and

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. RELATED PARTY TRANSACTIONS:

The details in FORM AOC 2 of the Company Accounts Rules 2014 pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) is attached to this Report as **Annexure-IX**.

24. DEPOSITS FROM PUBLIC:

Your Company has not accepted any deposits during the financial year as per Section 73 of the Companies Act, 2013 and the Rules made thereunder as such and hence no amount of principal or interest is outstanding as on date of this Balance Sheet.

25. RISK MANAGEMENT POLICY:

During the year under review, in the Board meeting held on 31st August, 2018 the Risk Management Committee was empowered to oversee the applicability of Anti-Bribery and Anti-Corruption policies of the Company.

The Risk Management Committee was reconstituted on 27th Mar, 2019 & 2nd July, 2019. The details of the same are herein below:

Date of Reconstitution	Members of the Risk Management Committee as on the date of reconstitution
27th Mar 2019	1. M. Goutham Reddy 2. Masood Mallick 3. Anil Khandelwal 4. Rupen Jhaveri
02nd July, 2019	1. Mr. Narayan K. Seshadri 2. Mr. Anil Khandelwal 3. Mr. Shujath Bin Ali 4. Mr. Masood Mallick 5. Mr. M. Goutham Reddy

The roles & responsibilities of the Risk Management Committee includes the following, and which is to be conducted in coordination with the Board and other Board committees, as appropriate.

i. Carry out responsibilities as assigned by the Board.

ii. Monitor and Review Risk Management Plan as approved by the Board. Review and Recommend Risk Assessment Report and Risk Management Report for approval of the Board.

iii. Ensure that appropriate system of risk management is in place, Oversee recent developments in the Company and periodic updating of Company's Enterprise Risk Management Program for assessing, monitoring and mitigating the risks. Periodically, but not less than annually, review the adequacy of the Company's resources to perform its risk management responsibilities and achieve objectives.

The Company in the Board meeting held on 20th August, 2019 has adopted the Risk Management Policy.

26. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:

During the year under review,

1. Application to Registrar of Companies ("ROC"), Andhra Pradesh & Telangana was made for obtaining the extension of 3 months(three) i.e. up to 31st December, 2018 for convening the 24th Annual General Meeting of the Company for the financial year 2017-18 and the same was approved by the ROC on 25thSeptember,2018.

2. The Hon’ble National Company Law Tribunal **(the “Tribunal”),** Hyderabad Bench vide its order dated March 14, 2019 sanctioned the Scheme of Amalgamation of M/s Bhubaneswar Industrial Waste Management (Orissa) Private Limited with M/s Ramky Enviro Engineers Limited.

27. ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

Pursuant to the provisions of the Companies Act, 2013, the Board carries out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees by seeking their inputs on various aspects of Board/Committee Governance on the following:

1) The contribution to and monitoring of corporate governance practices, participation in the long-term strategic planning

2) The fulfilment of Directors’ obligations and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee meetings.

3) The Chairman of the Nomination and Remuneration Committee shall have one-on-one meetings with the Executive and Non-Executive Directors. These meetings are intended to obtain Directors’ inputs on effectiveness of Board/Committee processes.

4) The Independent Directors at their meeting, shall review the performance of Board, Chairman of the Board and of Non-Executive Directors.

The Nomination and Remuneration Committee also evaluates the performance of the Board, its Committees and Directors as per the Evaluation policy approved by the Board of Directors of the Company.

With the change in the shareholding, the Board and its Committees have been reconstituted between 29th December 2018 and 2nd May 2019. In view of the short tenure, the annual evaluation of the Board, its Committees and Individual Directors except Mr. M. Goutham Reddy has been deferred to next year.

The Board of Directors at their meeting held on 2nd May 2019 adopted the NRC Policy.

The Nomination and remuneration policy is attached herewith as **Annexure-X**. The same has also been placed on the website of the Company http://ramkyenviroengineers.com/.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013

The disclosures required under Section 134 (3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2019 are as follows:

A. CONSERVATION OF ENERGY, TECHNOLOGY ABSORBTION:

Company’s operations require electric energy for its computer systems, air conditioners and other lightening equipment, which are not energy intensive. However, adequate measures have been taken to reduce energy consumption, wherever possible.

Steps taken on conservation of energy and impact thereof:	a) Conducted Energy Audits in all sites to reduce power consumption b) Purchasing of Energy Efficient Equipment c) Upgradation of HVAC Systems d) Installation of Motion Sensors for Lights e) Awareness to Employees to Switch off the Machines, AC’s, Lights, Fans etc whenever not required f) Transparent windows & roofs to improve the day light and reduce the lights usage
Steps taken by the company for utilizing alternate sources of energy:	Roof Top Solar Power Plants around 1MW initiated for alternate energy source & roof top as a modern technology without utilizing the ground space.
Capital investment on energy conservation equipment:	Rs. 7.5 Cr investment for the year 2019 - 2020.

B. TECHNOLOGY ABSORPTION:

1	Efforts made towards technology absorption	1. Solar Power 2. HPSV / HPMV to LED 3. Minimum 0.99 PF (Leading Power Factor) 4. Excess Contract Maximum Demand Reduction 5. Timely Energy Audits, Inspections & Peridiocal Maintenance 6. Conversion of Normal Motor Starting like DOL / Star Delta to VFD
2	the benefits derived like product improvement, cost reduction, product development or import substitution	1. Lesser Energy Consumption after conversion to VFD's & maintaining leading power factor. 2. Minimum Charges / Fixed Charges reduced after CMD correction 3. Minimised the units consumption after replacement of existing to LED lights
3	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Nothing has been imported
4	the details of technology imported;	NA
5	whether the technology been fully absorbed;	NA
6	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Presently existing technologies has been absorbed and in future & in coming year planning to absorb some imported technologies towards energy conservation.
7	the expenditure incurred on Research and Development	Approx. Rs. 25 Lakhs in the year 2019 – 2020

C. FOREIGN EXCHANGE EARNING AND OUTGO:

During the year the Company has the following Foreign Exchange Earnings & Outgo: (Amount in Rs.)

S. No	Particulars	As on 31st Mar, 2019	As on 31st Mar, 2018
1	Foreign Exchange Earnings	Nil	Nil
2	Foreign Exchange Outgo	87,58,58,505	16,61,54,828

29. ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment. The Board also desires to place on record its sincere appreciation for the support and co-operation that the Company received from the customers, strategic partners, bankers, auditors, consultants and all others associated with the Company

For and on behalf of the Board of
Ramky Enviro Engineers Limited

Date:26.09.2019
Place: Mumbai

M. Goutham Reddy
Managing Director
DIN: 00251461

Masood Alam Mallick
Whole Time Director
DIN: 0105990

Intimation by Director

[Pursuant to Section 149(6) of the Companies' Act 2013]

To
The Board of Directors
Ramky Enviro Engineers Limited
13th Floor, Ramky Grandiose, Ramky Towers Complex,
Gachibowli Hyderabad 500032, Telangana.

I, BS Shantharaju, S/o. Shri Siddaiah Sidde Gowda R/o. Villa 270, Adarsh Palm Retreat Outer Ring Road, Devarabeesana Halli, Bellandur Bangalore 560103, Independent Director of the Company hereby declare that:

a. I am a person of integrity and possess relevant expertise and experience to carry out the role of independent director;

b. (i) I am not a promoter of the company or its holding, subsidiary or associate company;

(ii) I am not related to promoters or directors in the company, its holding, subsidiary or associate company;

c. I have or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial year;

d. None of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

e. Neither myself nor any of my relative(s)---

(i) hold(s) or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which I am proposed to be appointed;

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which I am proposed to be appointed, of --

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

(iii) hold(s) together with my relatives two per cent. or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or

f. I would comply with such rules applicable to an Independent director, which may be prescribed by the Central Government from time to time.

Place: Bangalore
Date: 01/04/2019

BS Shantharaju
DIN: 00068501

Intimation by Director

[Pursuant to Section 149(6) of the Companies' Act 2013]

To
The Board of Directors
Ramky Enviro Engineers Limited
13th Floor, Ramky Grandiose, Ramky Towers Complex,
Gachibowli Hyderabad 500032, Telangana.

I, Narayan Keelveedhi Seshadri, son of Mr. Keelveedhi Srinivas Seshadri, resident of Flat No. 51, 2nd Floor, Hill Park Chs Ltd, Plot No. 04, A. G. Bell Marg, Malabar Hill Mumbai Maharashtra 400006, Independent Director of the Company hereby declare that:

a. I am a person of integrity and possess relevant expertise and experience to carry out the role of independent director;

b. (i) I am not a promoter of the company or its holding, subsidiary or associate company;

(ii) I am not related to promoters or directors in the company, its holding, subsidiary or associate company;

c. I have or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial year;

d. None of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

e. Neither myself nor any of my relative(s)---

(i) hold(s) or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which I am proposed to be appointed;

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which I am proposed to be appointed, of ---

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

(iii) hold(s) together with my relatives two per cent. or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or

f. I would comply with such rules applicable to an Independent director, which may be prescribed by the Central Government from time to time.

Place: Mumbai **Narayan Keelveedhi Seshadri**
Date: 02/05/2019 DIN: 00053563

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and ruleNo.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

The Members,
Ramky Enviro Engineers Limited
13th Floor, Ramky Grandiose,
Ramky Towers Complex
Gachibowli, Hyderabad,
Telangana - 500032

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Ramky Enviro Engineers Limited,(hereinafter called the **"Company"**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2019, ("**Audit Period**") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the "**Act**") and the rules made there under and other applicable provisions of the Companies Act, 1956 which are still in force;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under (*Not Applicable to the Company during the year under review*);

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI** Act");(*Not Applicable to the Company during the year under review*)

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (*Not Applicable to the Company during the year under review*)

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (*Not Applicable to the Company during the year under review)*

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (*Not Applicable to the Company during the year under review)*

d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (*Not Applicable to the Company during the year under review)*

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (*Not Applicable to the Company during the year under review)*

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (*Not Applicable to the Company during the year under review)*

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (*Not Applicable to the Company during the year under review)* and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (*Not Applicable to the Company during the year under review)*

(vi) Other laws applicable to the Company as per the representations made by the Management.

I have also examined compliance with the applicable clauses of the following:

Secretarial Standard-1 and Secretarial Standard-2, with respect to Board and General Meetings respectively, issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned abovesubject to the following observations:

1. *There was a delay in filing the following forms beyond the statutory limits specified under the Act:*

S. No.	Form	Purpose	SRN	Additional Fees (INR)
1	DIR-12	Change in terms of Appointment of CFO	H42714667	1200
2	SH-7	Redemption of 71,145 Redeemable Preference Shares	H46754586	1200
3	MGT-14	Change in terms and conditions of Appointment of Mr. M. Goutham Reddy, Managing Director of the Company.	H34827477	1200
4	MGT-14	Approval and ratification of inter-Corporate Deposit of Rs. 86,79,303 given to Bangalore Industrial Waste Management (Karnataka) Private Limited	H34827477	6000
5	MGT-14	Approval to make investment/loan and/or give guarantee or provide security to any other body corporate not exceeding Rs. 2,000 Crores	G85825487	2400
6	MGT-14	Approval to give Inter Corporate Deposits of Rs. 230,000,000/- to Ramky Infrastructure Limited in one or multiple tranches from time to time.	H35012582	6000
7	MGT-14	Approval to give Inter Corporate Deposits of Rs.220,000,000/- to Ramky Infrastructure Limited in one or multiple tranches from time to time.	H35011154	6000
8	MGT-14	change in terms and conditions of conversion of existing compulsory convertible preference shares; approval to give an option to lender to convert the debt to equity in case of default to repay the loan	G88846423	2400
9	MGT-14	To make the investment in equity share of Pithampur Auto Cluster by subscribing the shares offered under right issue.	H85996270	6000

2. *There have been delays in payment of statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and service tax, cess and other statutory dues throughout the period under review.*

3. *There was a delay in filing the following returns by the Company under the provisions of the Foreign Exchange Management Act, 1999 and the Regulations framed thereunder:*

   a. *Annual Return of Foreign Liabilities and Assets (FLA Return)*

   b. *Annual Performance Report (APR)*

4. *The Company is yet to file the APR for its wholly owned subsidiary Ramky International Singapore PTE Limited.*

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The change in the composition of the Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act. Adequate notice is given to all Directors to schedule the Board Meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried out unanimously and are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Signature: ______________________

N.V.S.S. Suryanarayana Rao

ACS Membership Number: **5868**

Certificate of Practice Number: **2886**

Place: Hyderabad

Date: **26.09.2019**

Note: This report is to be read with my letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report.

Annexure-A

The Members,
Ramky Enviro Engineers Limited
13th Floor, Ramky Grandiose,
Ramky Towers Complex
Gachibowli, Hyderabad,
Telangana - 500032

My report of even date is to be read with this letter.

a. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

b. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.

c. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

d. Where ever required, I have obtained Management Representation about the compliance, laws, rules and regulations and happening of events etc.

e. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

f. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Signature: ________________________________

N.V.S.S. Suryanarayana Rao

ACS Membership Number: **5868**

Certificate of Practice Number: **2886**

Place: Hyderabad

Date: **26.09.2019**

ANNEXURE- III

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2019
[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

S. No.	CIN	U74140TG1994PLC018833
1	Registration Date	28.11.1994
2	Name of the Company	Ramky Enviro Engineers Limited
3	Category/Sub-category of the Company	Category: Public Company Company Limited by Shares and having Share Capital Sub-category : Non-Govt. Company
4	Address of the Registered office & contact details	13th Floor, Ramky Grandisoe, Ramky Towers Complex Gachibowli Hyderabad Telangana 500032 India Phone No. 040-2301 5000 (60 - Lines) E-mail: govind.singh@ramky.com Web site: www.ramkyenviroengineers.com
5	Whether listed company	Unlisted
6	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot number 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, India Ph. +91 040 67161603

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Industrial Waste Management (Hazardous waste disposal services)	38221	71.39
2	Municipal Solid Waste Management (Non Hazardous waste disposal services)	38210	14.83

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No.	Name & Address of the Company	CIN/GLN	Holding /Subsidiary /Associate	% of Total shares held	Applicable Section
1.	Ramky IWM Private Limited	U93030TG1994PTC017003	Subsidiary	100	2(87)(ii)
2.	Mumbai Waste Management Limited	U90001TG2001PLC037829	Subsidiary	74	2(87)(ii)
3.	Tamilnadu Waste Management Limited	U74140TG2002PLC039702	Subsidiary	100	2(87)(ii)
4.	West Bengal Waste Management Limited	U90002WB2004PLC098219	Subsidiary	97	2(87)(ii)
5.	Ramky Reclamation and Recycling Limited	U74920TG2007PLC054147	Subsidiary	100	2(87)(ii)
6.	Ramky MSW Private Limited	U74999TG2007PTC097705	Subsidiary	100	2(87)(ii)
7.	Ramky E-Waste Management Limited	U74999TG2008PLC058138	Subsidiary	100	2(87)(ii)
8.	Visakha Solvents Limited	U74900TG2008PLC061618	Subsidiary	51	2(87)(ii)

9.	Hyderabad Integrated MSW Limited	U90001TG2009PLC063407	Subsidiary	100	2(87)(ii)
10.	Delhi MSW Solutions Limited	U90001TG2009PLC063708	Subsidiary	51	2(87)(ii)
11.	Hyderabad MSW Energy Solutions Private Limited	U93000TG2010PTC071850	Subsidiary	100	2(87)(ii)
12.	Pithampur Industrial Waste Management Private Limited	U90000TG2010PTC071919	Subsidiary	100	2(87)(ii)
13.	Delhi Cleantech Services Private Limited	U74900TG2011PTC073159	Subsidiary	100	2(87)(ii)
14.	Ramky Enviro Services Private Limited	U90001TG2010PTC071974	Subsidiary	100	2(87)(ii)
15.	Chennai MSW Private Limited	U90001TG2012PTC078589	Subsidiary	100	2(87)(ii)
16.	Jodhpur MSW Private Limited	U90001TG2012PTC082400	Subsidiary	100	2(87)(ii)
17.	Dehradun Waste Management Private Limited	U90001TG2012PTC083445	Subsidiary	100	2(87)(ii)
18.	Chhattisgarh Energy Consortium (India) Private Limited	U40109TG2007PTC052271	Subsidiary	51	2(87)(ii)
19.	B & G Solar Private Limited	U93000TN2010PTC075502	Subsidiary	51	2(87)(ii)
20.	Adityapur Waste Management Private Limited	U37200TG2013PTC088316	Subsidiary	100	2(87)(ii)
21.	Maridi Bio Industries Private Limited (Formerly named as Cuttack Solid Waste Management Private Limited)	U90001TG2011PTC072453	Subsidiary	100	2(87)(ii)
22.	Vilholi Waste Management System Private Limited	U37200KA2016PTC080524	Associate	26	2(6)
23.	Pithampur Auto Cluster Limited	U74999MP2004NPL020090	Associate	20.15	2(6)
24.	Ramky International (Singapore) Pte. Ltd, Singapore	200707310N	Subsidiary	100	2(87)(ii)
25.	Al Ahlia Environmental Services Co. (L.L.C), Sultanate of Oman	1050579	Associate	50	2(6)
26.	Ramky Enviro Engineers Middle East FZ-LLC, Dubai	17860	Subsidiary	100	2(87)(ii)
27.	Ramky Risal Environmental Services Co. LLC, Kingdom of Saudi Arabia	-	Associates	70	2(6)

Step Down Subsidiaries (as per Section 2(87) explanation clause (a))				
28.	REWA MSW Holdings Limited	U90009TG2018PLC115315	Subsidiary	As per the Explanation Clause (a) of Section 2(87) of the Companies Act, 2013
29.	Katni MSW Management Private Limited	U74900TG2015PTC099438	Subsidiary	
30.	Saagar MSW Solutions Private Limited	U74900TG2015PTC099451	Subsidiary	
31.	REWA MSW Management Solutions Limited	U90009TG2018PLC115443	Subsidiary	
32.	REWA Waste to Energy Projects Limited	U90009TG2018PLC115447	Subsidiary	
33.	Medicare Environmental Management Private Limited	U24117AP1997PTC026555	Subsidiary	
34.	Ramky Energy and Environment Limited	U40105AP2006PLC049237	Subsidiary	
35.	Pro Enviro Recycling Private Limited	U37100TG2012PTC083163	Subsidiary	
36.	Deccan Recyclers Private Limited	U74900TG2016PTC102696	Subsidiary	
37.	Ramky ARM Recycling Private Limited	U74999TG2019PTC122002	Subsidiary	
38.	Dhanbad Integrated MSW Limited	U90000TG2019PLC130033	Subsidiary	
39.	RVAC Private Limited- Singapore	200702747E	Subsidiary	
40.	PT Ramky Indonesia	-	Subsidiary	
41.	Ramky Cleantech Services Pte. Ltd.- Singapore	200912246G	Subsidiary	
42.	Ramky Environmental Technology (Shenzen) Co. Limited	440301503403574	Subsidiary	
43.	Ramky International (India) Pte. Limited	199004212M	Subsidiary	
44.	Ramky Cleantech Services (Philippines) Pte. Ltd	201404781W	Subsidiary	
45.	Ramky Cleantech Services (China) Pte. Ltd.	201300560D	Subsidiary	
46.	Bio Medical Waste Treatment Plant Private Limited	U90000PB2006PTC029638	Subsidiary	
47.	Hyderabad C&D Waste Private Limited	U74999TG2015PTC100867	Subsidiary	
48.	Ramky Solutions Pte. Ltd., Singapore	201825623M	Subsidiary	
49.	Ramky-Royal Building Maintenance and Services Inc., Philippines	-	Subsidiary	

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Equity Share Class-A

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st -April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	27,11,602	159,229	28,70,831	68.72	16,91,870	0	16,91,870	40.50	(28.22)
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	12,54,310	0	12,54,310	30.03	0	0	0	0	(30.03)
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	**39,65,912**	**159229**	**41,25,141**	**98.75**	**16,91,870**	**0**	**16,91,870**	**40.5**	**(58.25)**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	2,485,488	0	2,485,488	59.50	59.50
i) Others (specify), Private equity investor	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	**0**	**0**	**0**	**0**	**2,485,488**	**0**	**2,485,488**	**59.50**	**59.50**
2. Non-Institutions									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	15,207	0	15,207	0.36	0	0	0	0	(0.36)
ii) Overseas	37,010	0	37,010	0.89	0	0	0	0	(0.89)
b) Individuals	0	0	0	0	0	0	0	0	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh					0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0					
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st -April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Foreign Bodies – D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	**52,217**	**0**	**52,217**	**1.25**	**0**	**0**	**0**	**0**	**(1.25)**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**52,217**	**0**	**52,217**	**1.25**	**2,485,488**	**0**	**2,485,488**	**59.50**	**59.50**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**4,018,129**	**159,229**	**4,177,358**	**100**	**4,177,358**	**0**	**4,177,358**	**100**	159.50

Equity Share Class B

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st -April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	0	0	0	0	0	0	0	0	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	100	0	100	100	100
i) Others (specify), Private equity investor	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	100	0	100	100	100
2. Non-Institutions									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	29	0	29	29	0	0	0	0	0
ii) Overseas	71	0	71	71	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st -April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non-Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0					
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies – D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	**100**	**0**	**100**	**100**	**0**	**0**	**0**	**0**	**0**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**100**	**0**	**100**	**100**	**100**	**0**	**100**	**100**	100
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**100**	**0**	**100**	**100**	**100**	**0**	**100**	**100**	**100**

B) Shareholding of Promoters-

Sl.No	Shareholder's Name	Shareholding at the beginning of the year [As on 1st -April-2018]			Shareholding at the end of the year [As on 31st -March-2019]			% change in shareholding during the year
		No. of Equity Share Class A	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Equity Share Class A	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	A. Ayodhya Rami Reddy	1,611,602	38.58	27.00	16,08,399	38.50	27	(0.08))
2.	A. Dakshayani	1,148,388	27.49	0.00	0	0	0	(27.49)
3.	Y. R. Nagaraja	63,984	1.53	0.00	63,984	1.53	0.00	0
4.	Y. N. Madhu Rani	19,144	0.46	0.00	19,144	0.46	0.00	0
5.	A. Dasaratha Rami Reddy	137	0.00	0.00	137	0.0033	0	0.0033
6.	A. Veeraraghavamma	137	0.00	0.00	137	0.0033	0	0.0033
7.	A. Sharan	13,665	0.33	0.00	1	0	0	(0.33)
8.	A. Ishaan	13,707	0.33	0.00	1	0	0	(0.33)
9.	M. Goutham Reddy	40	0.00	0.00	40	0.00	0.00	0
10.	M. Udaya Kumari	27	0.00	0.00	27	0.00	0.00	0
11.	Oxford Ayyappa Consulting Services (India) Private Limited	1,254,310	30.03	0.00	0	0	0	(30.03)

C) **Change in Promoters' Shareholding (please specify, if there is no change)**

Sl.No	Name of Shareholder	Shareholding at the beginning of the year		Changes during the year		Cumulative Shareholding during the year		Shareholding at the end of the year
		No. of shares	% of total shares of the company	Date of change in shareholding	Changes during the year	No. of shares	% of total shares of the company	
1	A. Ayodhya Rami Reddy	16,11,602	38.58	05.02.2019	11,00,000	27,01,602	65	16,08,399
				07.02.2019	(10,93,203)	16,08,399	38.50	
2	A. Dakshayani	11,48,388	27.50	05.02.2019	(11,00,000)	48,388	0	0
				07.02.2019	(48,388)	0	0	
3	A. Sharan	13665	0.33	07.02.2019	(13,664)	1	0.00	1
4	A. Ishaan	13707	0.33	07.02.2019	(13,706)	1	0.00	1
5	Oxford Ayyappa Consulting Services (India) Private Limited	12,54,310	30.03	07.02.2019	12,31,178	24,85,488	59.50	0
		0	0	08.02.2019	(24,85,488)	0	0	

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Equity Shares- Class A

Name of Top 10 Class A Equity Shareholders	Shareholding at the beginning of the year (April 01, 2018)		Shareholding at the end of the year (March 31, 2019)	
	No of Class A Equity Shares	% of total Shares	No of Class A Equity Shares	% of Shares
Tara India Holdings A Limited	10,870	0.26	0	0
VISTRA ITCL INDIA LIMITED (formerly known as IL&FS Trust Company Limited) (Tara India Fund III Domestic Trust)	2,727	0.06	0	0
VISTRA ITCL INDIA LIMITED (formerly known as IL&FS Trust Company Limited) (IL&FS Infrastructure Equity Fund – I (IIEF-I))	2,068	0.05	0	0
VISTRA ITCL INDIA LIMITED (formerly known as IL&FS Trust Company Limited) (IL&FS Infrastructure Equity Fund – I (IIEF-I))	10,412	0.25	0	0
Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Pte Limited	26,140	0.62	0	0
Metropolis Investment Holding Pte. Ltd	0	0	24,85,488	59.50

Equity Share – Class B

Name of Top 10 Class B Equity Shareholders	Shareholding at the beginning of the year (April 01, 2018)		Shareholding at the end of the year (March 31, 2019)	
	No of Class B Equity Shares	% of Shares	No of Class B Equity Shares	% of Shares
Tara India Holdings A Limited	21	21	0	0
VISTRA ITCL INDIA LIMITED (formerly known as IL&FS Trust Company Limited) (Tara India Fund III Domestic Trust)	5	5	0	0
VISTRA ITCL INDIA LIMITED (formerly known as IL&FS Trust Company Limited) (IL&FS Infrastructure Equity Fund – I (IIEF-I))	4	4	0	0
VISTRA ITCL INDIA LIMITED (formerly known as IL&FS Trust Company Limited) (IL&FS Infrastructure Equity Fund – I (IIEF-I))	20	20	0	0
Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Pte Limited	50	50	0	0
Metropolis Investment Holding Pte. Ltd.	-	-	100	100

b) **Change in public shareholding of top 10 shareholder**
(Please specify, if there is no change)
Equity shares Class A

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year		Changes during the year		Cumulative Shareholding during the year		Share-holding at the end of the year
		No. of shares	% of total shares of the company	Date of change in shareholding	Changes during the year	No. of shares	% of total shares of the company	
1	Tara India Holdings A Limited	10,870	0.26	07.02.2019	(10,870)	-	-	-
2	VISTRA ITCL INDIA LIMITED (formerly known as IL&FS Trust Company Limited) (Tara India Fund III Domestic Trust)	2,727	0.06	07.02.2019	(2,727)	-	-	-
3	VISTRA ITCL INDIA LIMITED (formerly known as IL&FS Trust Company Limited) (IL&FS Infrastructure Equity Fund – I (IIEF-I))	2,068	0.05	07.02.2019	(2,068)	-	-	-
4	VISTRA ITCL INDIA LIMITED (formerly known as IL&FS Trust Company Limited) (IL&FS Infrastructure Equity Fund – I (IIEF-I))	10,412	0.25	07.02.2019	(10,412)	-	-	-
5	Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Pte Limited	26,140	0.62	07.02.2019	(26,140)	-	-	-
6	Metropolis Investment Holding Pte. Ltd	-	-	08.02.2019	24,85,488	24,85,488	59.50	24,85,488

Equity shares Class B

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year (1 April 2018)		Changes during the year		Cumulative Shareholding during the year		Share-holding at the end of the year
		No. of shares	% of total shares of the company	Date of change in shareholding	Changes during the year	No. of shares	% of total shares of the company	
1	Tara India Holdings A Limited	21	21	08.02.2019	21	-	-	-
2	VISTRA ITCL INDIA LIMITED (formerly known as IL&FS Trust Company Limited) (Tara India Fund III Domestic Trust)	5	5	08.02.2019	5	-	-	-
3	VISTRA ITCL INDIA LIMITED (formerly known as IL&FS Trust Company Limited) (IL&FS Infrastructure Equity Fund – I (IIEF-I))	4	4	08.02.2019	4	-	-	-
4	VISTRA ITCL INDIA LIMITED (formerly known as IL&FS Trust Company Limited) (IL&FS Infrastructure Equity Fund – I (IIEF-I))	20	20	08.02.2019	20	-	-	-
5	Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Pte Limited	50	50	08.02.2019	50	-	-	-
6	Metropolis Investment Holding Pte. Ltd.	-	-	08.02.2019	100	100	100	100

E) **Shareholding of Directors and Key Managerial Personnel:**

S. No.	Name of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (April 01, 2018)		Shareholding at the end of the year (March 31, 2019)	
		No of Class A Equity Shares	% of Shares	No of Class A Equity Shares	% of Shares
1	Mr. M. Goutham Reddy	40	0	40	0
2	Mr. Masood Alam Mallick	0	0	0	0
3	Mr. Anil Khandelwal	0	0	0	0
4	Mr. Parag Baduni	0	0	0	0
5	Mr. A. Satyanarayana	0	0	0	0
6	Mr. G. Krishna Kumar	0	0	0	0
7	Mr. Radhakrishnan B. Menon	0	0	0	0
8	Mr. Rameshwarlal Badrilalji Kabra	0	0	0	0
9	Ms. A. Rama Devi	0	0	0	0
10	Mr. Sanjay Omprakash Nayar	0	0	0	0
11	Mr. Narayan Keelveedhi Seshadri	0	0	0	0
12	Mr. B S Shantharaju	0	0	0	0
13	Mr. Rupen Mukesh Jhaveri	0	0	0	0
14	Ms. Hwee Hua Lim	0	0	0	0
15	Mr. G. Hemanth Kumar Reddy	0	0	0	0
16	Mr. Govind Singh	0	0	0	0

V. **INDEBTEDNESS -**Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	8,973.41	936.15		9,909.56
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	8,973.41	936.15		9,909.56
Change in Indebtedness during the financial year				
● Addition	3,469.16	-		3,469.16
● Reduction	(7,439.61)	(402.49)		(7,842.10)
Net Change	(3,970.45)	(402.49)		(4,372.49)
Indebtedness at the				
end of the financial year				
i) Principal Amount	5,002.96	533.66		5,536.62
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	5,002.96	533.66		5,536.62

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager: **(Amount in Lakhs)**

Sl. No.	Particulars of Remuneration per Annum	Name of the MD/WTD or Manager			Total Amount
		M Goutham Reddy (MD)	Mr. Masood Alam Mallick (WTD)	Anil Khandelwal (WTD & CFO)	
1.	Gross salary	143.58	55.20	124.36	242.54
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-		
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	-	-		
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-		
2.	Stock Option	-	-		
3.	Sweat Equity	-	-		
4.	Commission - as % of profit - others, specify	-	-		
5.	Others, please specify	-	-		
Total (A)		**143.58**	**55.20**	**124.36**	**323.14**
Ceiling as per the Act		Within the compliance of provisions of Act.	Within the compliance of provisions of Act.	Within the compliance of provisions of Act.	

B. Remuneration to other directors: NIL

C. **REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD**:

(Amount in Lakhs)

Sl. No.	Particulars of Remuneration per Annum	Company Secretary Govind Singh	CFO *G Hemanth Kumar Reddy	CFO (KMP) Anil Khandelwal
1.	Gross salary	12.45	12	-
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-		-
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	-		-
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-		-
2.	Stock Option	-		-
3.	Sweat Equity	-		-
4.	Commission - as % of profit - others, specify	-		-
5.	Others, please specify	-		
Total		12.45	12	-

*resigned wef 1st January, 2019.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY – Nil					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS – Nil					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT – Nil					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of
Ramky Enviro Engineers Limited

Date:26.09.2019
Place: Mumbai

M. Goutham Reddy
Managing Director
DIN: 00251461

Masood Alam Mallick
Whole Time Director
DIN: 0105990

Annexure- IV

FORM AOC -1

Statement containing salient features of the financial statements of subsidiaries/associate companies/Joint ventures

Statement pursuant to first proviso to sub section (3) of section 129 of the companies act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014.

Part –A : Subsidiaries **(Rs in Lakhs)**

S. No	Name of the entity	Reporting Currency	Exchange Rate	Share Capital	Reserves& surplus	Total Assets	Total Liabilities*	Investment other than investment in Subsidiary#	Turnover**	Profit / (Loss) before Tax	Provision for Taxation	Profit / (Loss) after taxation	Proposed Dividend	% of shareholding***
1	Mumbai Waste Management Limited	INR	-	499.00	37,329.79	45,727.65	45,727.65	2,214.76	18,956.02	10,851.89	3,455.63	7,396.26	-	100%
2	Ramky IWM Private Limited	INR	-	585.90	717.06	10,031.60	10,031.60	-	1,266.56	(760.33)	(231.74)	(528.59)	-	100%
3	Tamilnadu Waste ManagemeZZnt Limited	INR	-	2,595.41	496.68	7,580.38	7,580.38	-	5,668.37	(289.07)	(923.54)	634.47	-	100%
4	Chhattisgarh Energy Consortium (India) Private Limited	INR	-	1,204.00	(1,050.82)	153.17	153.17	-	4,137.55	(948.29)	-	(948.29)	-	51%
5	West Bengal Waste Management Limited	INR	-	2,644.50	3,422.99	10,204.19	10,204.19	4,548.10	4,694.51	(3,243.91)	95.64	(3,339.55)	-	97%
6	B & G Solar Private Limited	INR	-	472.90	468.96	1,309.00	1,309.00	-	257.22	92.59	29.28	63.31	-	51%
7	Ramky E-Waste Management Limited	INR	-	180.00	(15.22)	165.93	165.93	-	0.61	0.27	-	0.27	-	100%
8	Visakha Solvents Limited	INR	-	150.00	608.09	1,016.43	1,016.43	-	2,372.80	75.47	19.87	55.60	-	51%
9	Hyderabad MSW Energy Solutions Private Limited	INR	-	50.00	249.81	24,178.39	24,178.39	-	15,599.72	343.00	(1.37)	344.37	-	100%
10	Ramky Reclamation and Recycling Limited	INR	-	602.18	(193.98)	1,116.47	1,116.47	-	124.47	(337.56)	(92.89)	(244.67)	-	100%
11	Ramky MSW Private Limited	INR	-	1,664.24	(2,653.54)	2,291.58	2,291.58	-	2.19	(117.81)	(70.81)	(47.00)	-	100%
12	Pithampur Industrial Waste Management Private Limited	INR	-	1.00	(1.98)	0.59	0.59	-	-	0.32	-	0.32	-	100%
13	Ramky Enviro Services Private Limited	INR	-	1.00	365.59	847.25	847.25	-	940.48	387.64	110.33	277.31	-	100%
14	Chennai MSW Private Limited	INR	-	100.00	180.68	8,020.47	8,020.47	-	13,935.65	2,740.30	988.81	1,751.49	-	100%
15	Jodhpur MSW Private Limited	INR	-	10.00	(994.37)	16.77	16.77	-	67.29	(112.72)	(19.94)	(92.78)	-	100%
16	Adityapur Waste Management Private Limited	INR	-	1.00	(442.24)	3,740.05	3,740.05	-	404.73	(308.45)	(66.24)	(242.21)	-	100%
17	Dehradun Waste Management Private Limited	INR	-	1.00	132.17	2,374.10	2,374.10	-	743.92	(104.40)	15.94	(120.34)	-	100%
18	Delhi Cleantech Services Private Limited	INR	-	45.65	(1,243.22)	374.02	374.02	-	0.48	(260.83)	(48.78)	(212.05)	-	100%
19	Maridi Bio Industries Private Limited	INR	-	200.00	1.61	236.87	236.87	-	100.33	74.92	19.48	55.44	-	100%
20	Delhi MSW Solutions Limited	INR	-	13,785.67	(14,162.12)	79,794.25	79,794.25	-	23,265.51	(8,016.39)	(3,394.14)	(4,622.25)	-	100%
21	Hyderabad Integrated MSW Limited	INR	-	14,221.26	6,622.01	63,516.25	63,516.25	-	25,326.26	3,577.54	810.62	2,766.92	-	100%
23	Katni MSW Management Private Limited	INR	-	1.00	(397.44)	4,714.77	4,714.77	-	1,285.52	(124.86)	(21.64)	(103.22)	-	100%
24	Saagar MSW Solutions Private Limited	INR	-	1.00	(119.00)	2,940.68	2,940.68	-	1,503.32	(53.51)	(12.62)	(40.89)	-	100%
25	Hyderabad C&D Waste Private Limited	INR	-	1.00	(146.71)	1,182.71	1,182.71	-	1,672.49	(144.89)	(37.67)	(107.22)	-	100%
26	Bio Medical Waste Treatment Plant Private Limited	INR	-	2.78	122.47	174.47	174.47	-	303.71	3.66	3.07	0.59	-	55%
27	Deccan Recyclers Private Limited	INR	-	1.00	(2.29)	108.11	108.11	-	350.36	(17.72)	(4.08)	(13.64)	-	100%

S. No	Name of the entity	Reporting Currency	Exchange Rate	Share Capital	Reserves& surplus	Total Assets	Total Liabilities*	Investment other than investment in Subsidiary#	Turnover**	Profit / (Loss) before Tax	Provision for Taxation	Profit / (Loss) after taxation	Proposed Dividend	% of shareholding***
28	Rewa MSW Holding Limited	INR	-	1.00	(0.93)	2.53	2.53	-	-	(0.63)	(0.16)	(0.47)	-	100%
29	Rewa MSW Management Solutions Limited	INR	-	1.00	(1,102.75)	3,511.90	3,511.90	-	2600.07	(1,327.73)	(284.55)	(1,043.28)	-	100%
30	Rewa Waste 2 Energy Project Limited	INR	-	1.00	2.27	158.12	158.12	-	152.94	2.41	(0.07)	2.48	-	100%
31	Ramky ARM Recycling Limited	INR	-	502.61	(42.31)	511.39	511.39	-	-	(58.30)	(15.99)	(42.31)	-	51%
32	Dhanbad Integrated MSW Limited	INR	-	1.00	(21.28)	84.45	84.45	-	-	(21.28)	-	(21.28)	-	100%
33	Pro Enviro Recycling Private Limited	INR	-	1.00	(233.93)	260.94	260.94	-	291.27	(104.28)	(26.93)	(77.35)	-	51%
34	Ramky International (Singapore) Pte. Ltd.	SGD[1]	51.36	109.38	145.32	324.53	324.53	-	3.97	(114.97)	-	(114.97)	-	100%
35	RVAC Private Limited	SGD[1]	51.36	14.55	(10.19)	11.75	11.75	-	21.78	0.41	(0.83)	1.24	-	98.56%
36	Ramky Cleantech Services Pie. Ltd	SGD[1]	51.36	108.19	113.33	441.78	441.78	-	779.42	55.04	11.15	43.89	-	74%
37	Ramky Cleantech Services (China) Pte. Ltd	SGD[1]	51.36	0.00001	(10.19)	0.70	0.70	-	2.17	(2.54)	-	(2.54)	-	100%
38	PT Ramky Indonesia	SGD[1]	51.36	1.38	(1.35)	0.04	0.04	-	-	-	-	-	-	100%
39	Ramky Environmental Technology (Shenzhen) Co. Ltd	SGD[1]	51.36	2.76	(3.16)	1.13	1.13	-	-	-	-	-	-	100%
40	Ramky Cleantech Services (Philippines) Pte. Ltd	SGD[1]	51.36	0.00001	(0.29)	1.50	1.50	-	-	(0.03)	-	(0.03)	-	100%
41	Ramky-Royal Building Maintenance and Services Inc	SGD[1]	51.36	2.51	0.98	4.60	4.60	-	4.47	1.01	0.31	0.70	-	50%
42	Ramky International (India) Pte. Ltd.	SGD[1]	51.36	70.44	(0.19)	70.49	70.49	-	-	(0.02)	-	(0.02)	-	100%
43	Ramky Solutions Pte. Ltd.	SGD[1]	51.36	45.00	(11.27)	173.50	173.50	-	143.73	(8.67)	2.47	(11.14)	-	100%
44	Ramky Enviro Engineers Middle East FZ-LLC	AED[1]	18.87	3.00	337.65	531.99	531.99	-	690.20	26.90	-	26.90	-	100%
45	Ramky Risal Environmental Services LLC	SAR[1]	18.58	9.35	(87.15)	88.01	88.01	-	-	(19.30)	-	(19.30)	-	70%
46	Medicare Environmental Mangament Pvt limited	INR	-	51.10	7,538.24	11,474.68	11,474.68	-	6,977.57	1,144.48	(153.71)	1,298.20	-	100%
47	Ramky Energy and Environment Limited	INR	-	4,137.16	486.83	5,263.76	5,263.76	-	1,801.53	(1,187.98)	59.16	(1,247.14)	-	100%
48	Pro Enviro C&D Waste Management Private Limited	INR	-	1.00	(79.43)	843.39	843.39	-	583.07	(98.67)	(20.55)	(78.12)	-	49%

* Total Liabilities includes Share Capital and Reserves/Surplus

** Income from other sources included in Turnover

*** % of Share Holding includes Convertible Preference Shares.

1. Amounts are in the currencies of SGD, AED and SAR respectively.

Investment in subsidiaries including investment in group companies (co-subsidiaries, associates) have been excluded.

Name of the subsidiaries which are yet to commence operations: NIL

Name of the subsidiaries which have been liquidated or sold during the year:

1. Bhubaneswar Industrial Waste Management (Orissa) Private Limited (Amalgamated)

2. Evergreen Cleantech Facilities Management (India) Limited

3. Madhya Pradesh Waste Management Private Limited

Part B: Associates and Joint ventures

S. No	Name of the associates/Joint venture (JV)	FARZ LLC	Vilholi Waste Management System Private Limited	Al Ahlia Environmental Services Co. (L.L.C)	Al Ahlia Waste Treatment LLC
1	Latest audited balance sheet	31.03.2019	31.03.2019	31.03.2019	31.03.2019
2	Share of Associate /JV held by the company at the year end a. Number ➢ Equity ➢ Preference b. Amount of Investment in associate/Jv ➢ Equity ➢ Preference c. Extent of Holding %	No of Equity shares: 2,50,000 Amount of Investment in JV: INR 47,17,450 Extend of Holding %: 25	No of Equity shares: 2,600 Amount of Investment in JV: INR 26,000 Extend of Holding %: 26	No of Equity shares: 1,25,000 Amount of Investment in JV: OMR 1,25,000 Extend of Holding %: 50	Amount of Investment in JV: INR 1,45,00,000 Extend of Holding %: 49
3	Description of how there is significant influence	The Voting Power is more than 20%	The Voting Power is more than 20%	The Voting Power is more than 20%	The Voting Power is more than 20%
4	Reason why the associate /Joint Venture is not consolidated	NA	NA	NA	NA
5	Networth attributable to shareholding as per latest audited balance sheet	31,30,000/-	0.00/-	0.00/-	13,14,38,000/-
6	Profit /Loss for the year i. Considered for consolidation ii. Not considered for consolidation	(11,54,783)	(20,87,615)	57,24,500	(28,10,955)

* Convertible Preference Shares are included in Preference Shares

Name of the associate(s) or Joint Venture(s) which are yet to commence operations: Nil

Name of the associates or joint ventures which have been liquidated or sold during the year:

1. Regency Yamuna Energy Limited
2. Maridi Eco Industries Private Limited

For and on behalf of the Board of
Ramky Enviro Engineers Limited

Date:26.09.2019
Place: Mumbai

M. Goutham Reddy
Managing Director
DIN: 00251461

Masood Alam Mallick
Whole Time Director
DIN: 0105990

Corporate Social Responsibility Policy (CSR) & Guidelines

1. Concept

1.1 Objective & Scope

Corporate Social Responsibility ("**CSR**") is an integral, self- regulating mechanism through which the business monitors and safeguards its active compliance with global norms and ethical standards. The goal of Ramky Enviro Engineers Limited is to embrace responsibility for its actions and take actions that has a positive impact on the stakeholders.

The main object of the CSR Policy is to lay down guidelines for Ramky Enviro Engineers Limited (hereinafter referred to as "**Company**") in relation to its CSR activities.

This Policy covers current as well as proposed CSR activities to be undertaken by the Company, in alignment with Schedule VII of the Companies Act, 2013 ("**Act**"), as amended from time to time. It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities.

1.2 Vision Statement

To focus on equitable, sustainable and accessible development opportunities for the communities we serve, employees, consumers, stakeholders and the public at large.

1.3 Modalities of Execution of CSR activities

CSR activities shall be implemented by the Company partnering with companies incorporated under Section 8 of the Act, Trust and Societies with proven track record and excellence, set up by the Company either singly or jointly with any other company or by the Central Government or State Government or any entity established under an Act of Parliament or a State Legislature, as set out in the Companies Act, 2013.

CSR initiatives shall be implemented in project mode with clear defined objectives, allocation of resources and timeline. While executing CSR Projects / programmes / activities utmost care should be taken by the CSR Committee to ensure active involvement of community/ beneficiaries in planning, implementation and monitoring.

2. Governance

- Pursuant to the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("**CSR Rules**") and amendments thereto, the Board of Directors has constituted the Corporate Social Responsibility Committee.
- The Members of CSR Committee shall be appointed by the Board of Directors of the Company.
- The Committee will consist of at least 3 (three) Directors (one of whom shall be Independent Director), subject to the provisions of the Act, and the Articles of Association of the Company.

  In addition to the members, the Committee can invite such persons (in non-voting capacity) to attend their meeting and deliberations, subject to such persons executing a confidentiality / non-disclosure agreement, or being bound by confidentiality obligations, and also confirm absence of conflict of interest in writing.

2.1 Organisation structure for governance

2.1.1 Board of Directors shall form CSR Committee in accordance with the AOA of the Company and

- Appoint Chairman of CSR Committee
- Approve the CSR Policy
- Disclose reasons for un-utilisation of funds, if any.

2.1.2 CSR Committee

Powers of Committee

- Ensure effective implementation of the CSR Policy.
- Recommend CSR activities as stated under Schedule VII of the Act.
- Approve the authorization to agencies including Ramky Foundation/ other Companies/firms/NGOs etc. to undertake CSR activities independently and/ or in collaboration and to separately report the same in accordance with the CSR Rules.
- Recommend the CSR Budget and ensure spending of the allocated funds as per the CSR policy on approved areas.
- Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules.
- Open a Bank Account and transfer any unspent amounts to the 'Unspent Corporate Social Responsibility Account' of the Company, and spend such amounts, within the time periods prescribed under the Act (upon it being Mandated under the Act).
- Create transparent monitoring mechanism for implementation of CSR Initiatives in India.
- Submit the Reports to the Board in respect of the CSR activities undertaken by the Company.
- Monitor CSR Policy from time to time.
- Monitor activities/charter of authorized officers, who are authorized to ensure that the CSR activities of the Company are implemented effectively.
- Authorize executives of the Company to attend the CSR Committee meetings.
- In addition to the members, the Committee can invite such persons (in non-voting capacity) to attend their meeting and deliberations, subject to such persons executing a confidentiality / non-disclosure agreement, or being bound by confidentiality obligations, and also confirm absence of conflict of interest in writing.

Frequency of Meetings

- The CSR Committee shall meet at least once in every quarter Members of the CSR Committee can agree upon mutually regarding time and place for the said meetings.

- Quorum for the meeting shall be 2 (two).
- The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means in accordance with the provisions of the Act and rules made there under from time to time.
- Minutes of the CSR Committee shall be placed before the Board for noting.

3. Budget & Resources For CSR

A specific project driven budget shall be allocated for CSR activities. Provision for allocation of annual CSR Budget will be made towards the thrust areas identified on year on year basis.

4. Powers of Approval

The expenditure to be incurred for CSR activities/programmes/projects will be recommended by CSR Committee for approval of the Board. The following shall be the process of authority:

- Board of Directors shall approve the CSR Budget.
- CSR Committee shall authorize the Managing Director to execute the projects as per the approved budget.
- Such authorized member of the CSR Committee shall sub-delegate and authorize any other officer of the Company as he may deem fit, in consultation with the Committee, for administrative convenience and smooth operations.

5. Identification of Priority Areas

5.1 Priority Areas:

- Women Empowerment
- Education
- Health Care
- Skill Development
- Rural Development and
- Environment

5.2 The Policy shall be open to accommodate any activities as defined in Schedule VII of the Act as and when required. The Company shall give preference to local areas and the surrounding areas where the Company operates for spending the earmarked CSR funds.

5.3 Disqualifying Activities of CSR

- Projects and programes (that are implemented by the Company for employees and their families.)
- Any amount directly or indirectly contributed towards any political party under Section 182 of the Act shall not be considered as CSR spend.
- Activities that are undertaken by the Company in pursuance of its normal course of business will not be considered as CSR activities.
- Any other activities which are not considered as CSR activities under the Act and relevant Rules.

6. Monitoring mechanism for CSR Projects/Programmes

It shall be monitored at following levels:

Board of Directors

↑

CSR Committee

↑

CHRO

CSR Officer (Head CSR) as & when appointed

6.1 Board Level

Board members will review CSR projects based on their output and impact.

6.2 CSR Committee Level

- Committee will hold a meeting on half yearly basis to review and monitor the progress of various CSR projects
- Committee members shall ensure that the expenditure incurred towards projects/activities as per the approved CSR Policy.
- Committee shall ensure activities planned and executed in line with list of activities.
- Committee may seek independent evaluation report, if deemed fit, of the CSR activities undertaken.
- Committee shall encourage the spending of CSR amount in the local area not more than 3-4 km away from the Projects/sites of the Company to have maximum impact
- Evaluate various 3rd Party Projects, recommend to award & review impact analysis post execution.

6.3 CHRO (Chief Human Resource Officer) & CSR Officer (Head CSR) Level

- Explore potential CSR Partners for empanelment
- Formulate CSR programs/plans under CSR policy with approved partners
- Obtain requisite approvals from the Board CSR committee ongoing projects, new proposals and other matters related to CSR
- Drive execution of CSR Programs along with periodic Impact assessment by 3rd party on various parameters as defined and impact analysis
- Monitoring and review of programs through governance with partners, regular field visit,
- interaction with beneficiary communities, etc. including reporting to stakeholders
- Visits to project sites & interaction with the beneficiaries and volunteers
- CSR reporting at regular intervals including any reporting required by law

7. Publication of CSR Policy

As per CSR Rules, the contents of the CSR Policy shall be included in the Directors' Report and the same shall be displayed on the Company's website.

8. Policy Review & Amendments

The CSR Committee shall review its CSR Policy annually and make suitable changes and submit the same for the approval of the Board.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

I. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

Enclosed herewith as Annexure V

II. Composition of CSR Committee: The Committee members include

a) B S Shantharaju (Chairman)
b) Rupen Jhaveri
c) Hwee Hua Lim
d) M. Goutham Reddy

III. Financial Details

Particulars	Amount (in Rs.)
Average Net Profit of the Company for last three financial years	77,31,56,483
Prescribed CSR expenditure (2% of the average net profit as computed above)	1,54,63,130
Total amount to be spent for the financial year	1,54,63,130
Amount Spent	150,65,198
Amount Unspent	3,97,932

IV. Report on Corporate Social Responsibility (CSR) Policy and Activities as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014

Manner in which the amount spent during the financial year 2018-19 is detailed below: **(In Rupees)**

S. No.	CSR Project or activity identified	Sector in which the project is covered	Project or programmes (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount spent on the projects or programs Sub-heads: 1. Direct Expenditure on projects or programs. 2. Overheads	Amount Spent: Direct or through implementing agency
1	Education Support for the Needy • Note Books distri-butions • Career guidance • Infrastructure support to Govt. schools • Scholarship for poor and meritori-ous students	Education	Vizag, AP; Gummadi Pundi, Tamil Nadu, dundigal, Jawaharnagar – Hyderabad, Narasaraopet – Guntur dist of Andhra Pradesh Dobbaspet , Banglore Haldia, West Bengal, Nimbua, Punjab, Udaipur, Rajasthan, Delhi, Bhuban, Odisha, Pithampur, Madhyapradesh, Taloja, Maharashtra	Direct Expenditure: 40,00,000	Spent through Ramky Foundation
2	Heath camps, Yoga Training programs and Awareness Programs on food and nutrition, Sanitation for community	Health	Vizag, AP; Gummadi Pundi, Tamil Nadu, dundigal, Jawaharnagar – Hyderabad Haldia, West Bengal	Direct Expenditure: 18,00,000	Spent through Ramky Foundation

3	Sensitization and Income Generation activities for women and unemployed youth	Women Empowerment	Vizag, Narasaraopet - AP; GummadiPundi, Tamil Nadu Haldia, West Bengal	Direct Expenditure: 12,00,000	Spent through Ramky Foundation
4	Environment Awareness campaigns • Plantation • World Environment day celebrations • Organic Farming	Natural Resource Management	Dundigal, Telangana, Vizag, AP; Gummadi Pundi, Tamil Nadu Dobaspet, Bangalore Udaipur, Rajasthan Delhi West Bengal Nimbuan, Punjab Pithampur, Madhya Pradesh	Direct Expenditure: 15,00,000	Spent through Ramky Foundation
5	Skill development training to unemployed youth and women	Skill Development	Vizag, Narasaraopet, Pedakakani, Macherla of Andhra Pradesh and Delhi	Direct Expenditure: 7,00,000	Spent through Ramky Foundation
6	Vennela Rural Mart - Garment Production unit	Others	Narsaraopet, Guntur dist, Andhra Pradesh	Direct Expenditure: 10,00,000	Spent through Ramky Foundation
7	Community Development Activities • Installation of RO Plant • CC Road Construc-tion	Others	Gummadi Pundi, Tamil Nadu Dobbaspet , Banglore	Direct Expenditure: 38,36,000	Spent through Ramky Foundation
8	Water supply	Water	Telangana, Hyderabad,Dundigal Village.Ranga Reddy District.	Direct Expenditure: 8,33128	Directly
9	Health Camp	Health	Orrisa, Jajpur District, Kanchichuan Village.	Direct Expenditure: 1,96,070	Directly
	Total			**150,65,198**	

V. **Reasons for not spending 2% of Average Net Profits**

The Company has always endeavoured to ensure full utilization of the required CSR expenditure but the Company could not find any other suitable NGO Partner for this purpose and required more time to identify suitable NGO partner to conduct CSR activities. The unspent amount shall be carreid forward to next financial year and spent.

VI. **Responsibility Statement of CSR**

We hereby affirm that the CSR Policy, as approved by the Board, shall be implemented and CSR Committee monitors the implementation of CSR projects and activities in compliance with our CSR Objectives.

For and on behalf of the Board of
Ramky Enviro Engineers Limited

Date:26.09.2019
Place: Mumbai

M. Goutham Reddy
Managing Director
DIN: 00251461

Masood Alam Mallick
Whole Time Director
DIN: 0105990

ANTI-SEXUAL HARASSMENT POLICY

1. Introduction to the policy

1.1 ***Ramky Enviro Engineers Limited*** believes in equal employment opportunity. We do not tolerate verbal or physical conduct creating an intimidating, offensive, or hostile environment for employees. Harassment of any kind including sexual harassment is forbidden in the Company and every employee has the right to be protected against it.

We are committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company believes that all employees of the Company have the right to be treated with dignity.

The Anti-Sexual Harassment Policy has been formed under the provisions of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and corresponding rules ("**POSH Act**"), to prohibit, prevent or deter the commission of acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment.

2. Scope

2.1 This policy is applicable to employees, workers, volunteers, probationer and trainees including those on deputation, part time, contract, working as consultants or otherwise (whether in the office premises or outside while on assignment). This policy shall be considered to be a part of the employment contract or terms of engagement of the persons in the above categories.

2.2 Where the alleged incident occurs to our employee by a third party while on a duty outside our premises, the Company shall perform all reasonable and necessary steps to support our employee.

3. What constitutes Sexual Harassment?

3.1 Sexual Harassment means such unwelcome sexually determined behavior (directly or through implication), like physical contact and advances by the employee(s) including:

A. A demand or request for sexual favors, sexually colored remarks, showing pornography, any other unwelcome physical conduct of sexual nature, lurid stares, physical contact or molestation, stalking, sounds, display of pictures, signs,;

B. Eve teasing, innuendos and taunts, physical confinement against one's will;

C. A demand or request for sexual favors, whether verbally or non-verbally, where the submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or promotion/ evaluation of work thereby denying an individual equal opportunity at employment;

D. An act or conduct by a person in authority which makes the environment at workplace hostile or intimidating to a person or unreasonably interferes with the individual's privacy and productivity at work;

E. Verbal harassment of a sexual nature, such as lewd comments, sexual jokes or references, and offensive personal references; demeaning, insulting, intimidating, or sexually suggestive comments (oral or written) about an individual's personal appearance or electronically transmitted messages (Jokes, remarks, letters, phone calls);

F. Any other behavior which an individual perceives as having sexual overtones.

4. Redressal system

4.1 If you have been sexually harassed by anyone at the workplace or during the course of your working with the Company, through means which are mentioned in Section 3, we urge you to come forward with a written complaint as early as you can. Your complaint will be taken seriously and confidentiality would be maintained by us in the matter. We will have zero tolerance towards such practices once they are proven.

A complaint with respect to sexual harassment may be made by a written or electronic application addressed to ***the Internal Complaints Committee, through any member of the Internal Complaints Committee***. The Company may prescribe a format for filing complaints, which may be used by employees to make the process more efficient.

The Internal Complaints Committee may administer a declaration form to verify that the contents of the complaint are true and genuine, before it proceeds further with the complaint. Where necessary (for example, when the complaint is incomplete), the complainant may be contacted to provide further details in relation to the complaint to enable the Internal Complaints Committee to appreciate the situation more comprehensively.

The complaint must be given to the persons specified above within 3 months of the occurrence (the complaint can be made within 6 months if the person is able to prove that there were some exceptional circumstances due to which complaint could not be made earlier) and we advise you to be vigilant and keep any document with you which can be used to substantiate an allegation. The redressal system will work based on other evidence if you cannot produce any documentary evidence.

If the complainant cannot make a written complaint because of physical or mental incapacity or death, the legal heirs or any persons as mentioned under the POSH Act (such as a relative, friend etc.), can make the complaint on her behalf.

4.2 An **Internal Complaints Committee** as per the provisions of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 shall be constituted by the Board of Directors of the company to look into the matters concerning sexual harassment. A complainant can approach any member of the committee with her written complaint. The Presiding Officer and other members of the committee shall hold office for such period, not exceeding three years, from the date of their nomination as may be specified by the employer.

4.3 **Redressal Mechanism:**

Once the complaint is received by the Committee:

i. The person who is accused by the complainant will be informed that a complaint has been filed against him (he will be made aware of the details of the allegation and also the name of the complainant as it would be necessary for proper inquiry) and no unfair acts of retaliation or unethical action will be tolerated.

ii. The complainant has the opportunity to ask for conciliation proceedings by having communication with the accused in the presence of the Committee. Please note that in such conciliation the complainant cannot demand monetary compensation as the basis for the conciliation.

iii. The Committee shall provide the copies of the settlement as recorded during conciliation to the employer, to take action as specified in the recommendations, as well as the aggrieved employee and the respondent.

If the matter has been settled by conciliation but the respondent is not complying with the terms and conditions, the aggrieved party can approach the Committee for Redressal.

iii. The Committee will question both the complainant and the alleged accused separately. If required, the person who has been named as a witness will need to provide the necessary information to assist in resolving the matter satisfactorily.

iv. The Committee shall call upon all witnesses mentioned by both the parties.

v. The Committee can ask for specific documents from a person if it feels that they are important for the purpose of investigation.

vi. The complainant has the option to seek transfer or leave, or other relief as provided under the POSH Act (such as preventing the respondent from reporting on the complainant's work performance), so that the inquiry process can continue smoothly and to prevent recurrence of similar situations or discomfort to the complainant. The leave can extend for a maximum period of 3 months. Leave granted under this provision will be paid leave and will not be counted in the number of leaves that the complainant is statutorily entitled to. The complainant may be required to work from home, if it is practicable, keeping in mind the nature of work of the complainant, health and mental condition. However, the complainant is under a good faith obligation and shall not abuse the process to request unjustifiably long periods of leave, keeping in mind the economic effects of the leave to the organization. The Committee shall have the discretion to grant leave of an appropriate duration, depending on the facts and circumstances of the case, or grant an alternate measure such as transferring the employee or the accused, as it deems fit.

Where leave is granted to the complainant, the Committee shall make best attempts to ensure speedy completion of the inquiry process and to minimize adverse economic consequences to the Company arising out of the absence of the complainant from the workplace.

vii. The complainant and the accused shall be informed of the outcome of the investigation. The investigation shall be completed within 3 months of the receipt of the complaint. If the investigation reveals that the complainant has been sexually harassed as claimed, the accused will be subjected to disciplinary action accordingly.

A. The report of the investigation shall be supplied to the employer, the accused and the complainant within 10 days of completion of the investigation.

B. The employer will act on the recommendations of the Committee within 60 days of the receipt of the report.

viii. The contents of the complaint made, the identity and addresses of the aggrieved employee, respondent and witnesses, any information relating to conciliation and inquiry proceedings, recommendations of the Internal Committee and the action taken by the employer shall not be published, communicated or made known to the public, press and media in any manner

ix. Any party aggrieved by the report can prefer an appeal in the appropriate Court or Tribunal in accordance with the service rules within 90 days of the recommendation been given to the employer.

5. Disciplinary Action:

5.1 Where any misconduct is found by the Committee, appropriate disciplinary action shall be taken against the accused. Disciplinary action may include transfer, withholding promotion, suspension or even dismissal. This action shall be in addition to any legal recourse sought by the complainant.

If it is found out through evidence by the Committee that the complainant has maliciously given false complaint against the accused, disciplinary action shall be taken against the complainant as well.

Regardless of the outcome of the complaint made in good faith, the employee lodging the complaint and any person providing information or any witness, will be protected from any form of retaliation. While dealing with complaints of sexual harassment, the Committee shall ensure that the complainant or the witness are not victimized or discriminated against by the accused. Any unwarranted pressures, retaliatory or any other type of unethical behavior by the accused against the complainant while the investigation is in progress should be reported by the complainant to the Complaints Committee as soon as possible. Disciplinary action will be taken by the Committee against any such complaints which are found genuine.

5.2 This policy shall be disseminated to each employee of the company as well as new recruits who will have to acknowledge that they have read and understood the policy and that they shall abide by the policy.

WHISTLE BLOWER POLICY

A. INTRODUCTION

Ramky Enviro Engineers Limited (the "Company") is committed to lawful and ethical behavior in its everyday activities. This Policy is applicable to all directors, officers, employees, agents, representatives, and other associated persons of the Company (which may include consultants, advisors and temporary employees) (collectively "Company Personnel").

The Company expects all Company Personnel to act in accordance with all applicable laws, regulations, and Company policies, and to observe the highest standards of business and personal ethics in conducting their duties and responsibilities. The Company therefore expects and requires any Company Personnel who have knowledge of, or reason to suspect, any violation of law or the Company's Policies to report such concerns to the Chief Compliance Officer immediately.[1] Reports may be made anonymously. If any Company Personnel fail to report known or suspected violations, then the relevant Company Personnel may be subject to disciplinary action, up to and including termination.

It is the Company's policy that, if the report of known or suspected violations is made honestly and in good faith, no adverse employment-related action will be taken against any Company Personnel in retaliation for reporting a violation or suspected violation of anti-corruption laws or this Policy.

All concerns raised by Company Personnel shall be treated with strict confidence and the Company shall take disciplinary action up to and including termination for anyone who threatens or engages in retaliation, retribution, or harassment of any other person who has reported or is considering reporting a violation under this Policy.

B. CATEGORIES OF COMPLAINTS TO BE REPORTED

Company Personnel are free to report, without fear of retaliation, any concerns or issues, or any inappropriate act or conduct, whether actual, potential, or suspected. This list is not exhaustive. However, the list below is intended to provide a sample of the types of misconduct that should be reported under this Policy:

- Violations of the Company's Anti-Bribery and Anti-Corruption Policy;
- Acceptance of or giving kickbacks or bribes by Company Personnel or the Company's business partners;
- Violations of Company policy by the Company's agents, vendors, and business partners;
- Misappropriation of funds;
- Fraudulent accounting of transactions;
- Unauthorized use of money or funds;
- A criminal offence or an unlawful act;
- Abuse of position or conflicts of interest for any unauthorized use or for personal gain, e.g., favoring a related party for a contract;
- Sexual Harassment;
- Bullying.

D. ROLES AND RESPONSIBILITIES

Though Company Personnel are expected to report potential violations of Company policy, whistleblowers should not act on their own in conducting any investigation. The Company takes all complaints seriously and will investigation all reports made pursuant to this Policy as appropriate. Whistleblowers may remain anonymous if they choose to do so. However, the Company may in certain circumstances ask that whistleblowers cooperate with any investigation conducted under this Policy, including by providing additional information relating to any report of potential violations. Depending on the circumstances, the Company may provide the whistleblower with information regarding the results of any investigation made pursuant to a report under this Policy, including any remedial actions taken.

E. REPORTING AND INVESTIGATION

If any Company Personnel has reason to believe that he/she has become aware of any concern or misconduct of any nature as shared above, he/she should immediately do one of the following: (i) email concerns ethics.reel@ramky.com; leave a voice message at +91 8096875557 describing the concern, or (iii) contact the Chief Compliance Officer directly.

G. DISCRIMINATION, RETALIATION OR HARASSMENT

The Company strictly prohibits any discrimination, retaliation or harassment against any person who raises a report under this policy. It is imperative that any victim of such discrimination, retaliation or harassment brings the matter to the Chief Compliance Officer's attention promptly so that the matter can be investigated and addressed promptly and appropriately.

H. TREATMENT AGAINST FALSE COMPLAINTS

A whistleblower who knowingly makes a false complaint or allegations may be subject to disciplinary action.

I. RETENTION

All documents relating to the reporting, investigation and enforcement of this Policy shall be maintained under the supervision of the Chief Compliance Officer.

J. ADDITIONAL ENFORCEMENT INFORMATION

In addition to the Company's internal complaint procedure, employees should also be aware that certain law enforcement agencies are authorized to review questionable accounting or auditing matters, or potentially fraudulent reports of financial information. Nothing in this policy is intended to prevent an employee from reporting information to the appropriate agency when the employee has reasonable cause to believe that the violation of a statute or regulation has occurred.

K. APPLICABILITY OF LOCAL LAWS

In instances where the local law contradicts this Policy, the local law prevails. This Policy should be read and applied in conjunction with the Company's Anti-Bribery and Anti-Corruption Policy and Gifts & Entertainment Policy. In instances where this Policy is more restrictive than the applicable rules and regulations, Company Personnel are required to abide by this Policy.

Company Personnel should contact the Chief Compliance Officer with any questions relating to this Policy.

Form No.AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. **Details of contracts or arrangements or transactions not at arm's length basis: N.A.**
2. **Details of contracts or arrangements or transactions at Arm's length basis:**

(In Rupees)

Particulars	Details	Details	Details	Details
Name (s) of the related party & nature of relationship	**Tamilnadu Waste Management Limited**	**West Bengal Waste Management Limited**	**Mumbai Waste Management Limited**	**Mumbai Waste Management Limited**
	Wholly owned Subsidiary Company	**Subsidiary Company**	**Subsidiary Company**	**Subsidiary Company**
	(1)	**(2)**	**(3)**	**(4)**
Nature of contracts/ arrangements/transaction	Revenue from Sale of Goods	Sale of goods	Revenue from Sale of Goods	Purchases-Raw Material
Duration of the contracts/ arrangements/transaction	One year	One year	One year	One year
Salient terms of the contracts or arrangements or transaction including the value, if any	260,96,000/-	38,78,000/-	136,05,000/-	12,28,000/-
Date of approval by the Board	15 November 2018	15 November 2018	15 November 2018	15 November 2018
Amount paid as advances, if any	--	--	--	--

Name (s) of the related party & nature of relationship	**Ramky Energy and Environment Limited**	**Ramky Energy and Environment Limited**	**Ramky Reclamation and Recycling Limited**	**Ramky E-Waste Management Limited**
	Subsidiary Company	**Subsidiary Company**	**Wholly owned Subsidiary Company**	**Wholly owned Subsidiary Company**
	(5)	**(6)**	**(7)**	**(8)**
Nature of contracts/ arrangements/transaction	Revenue from Waste disposal activities	Revenue from consultancy & other services	Revenue from Waste disposal activities	Revenue from Waste disposal activities
Duration of the contracts/ arrangements/transaction	One year	One year	One year	One year
Salient terms of the contracts or arrangements or transaction including the value, if any	14,36,000/-	14,000/-	1,59,000/-	4,28,000/-
Date of approval by the Board	15 November 2018	15 November 2018	15 November 2018	15 November 2018
Amount paid as advances, if any	--	--		

Name (s) of the related party & nature of relationship	**Ramky IWM Private Limited**	**Visakha Solvents Limited**	**Madhya Pradesh Waste Management Private Limited**	**Ramky Pharma City (India) Limited**
	Wholly owned Subsidiary Company	**Subsidiary Company**	**Entities controlled by persons having control/ significant influence over company**	**Entities controlled by persons having control/ significant influence over company**
	(9)	**(10)**	**(11)**	**(12)**
Nature of contracts/ arrangements/transaction	Rent	Revenue from waste disposal activities	Advance from customers	Electricity Charges - Office
Duration of the contracts/ arrangements/transaction	One year	One year	One Year	One year
Salient terms of the contracts or arrangements or transaction including the value, if any	91,65,000/-	10,53,000/-	6,14,00,000/-	4,66,000/-
Date of approval by the Board	15 November 2018	15 November 2018	15 November 2018	15 November 2018
Amount paid as advances, if any	--	--	--	

Name (s) of the related party & nature of relationship	**Delhi MSW Solutions Limited**	**Hyderabad MSW Solutions Limited P Ltd (Formerly Known as East Coast Industries (India) P Ltd**	**Ramky Pharma City (India) Limited**	**Madhya Pradesh Waste Management Private Limited**
	Wholly owned Subsidiary Company	**Wholly owned Subsidiary Company**	**Entities controlled by persons having control/ significant influence over company**	**Entities controlled by persons having control/ significant influence over company**
	(13)	**(14)**	**(15)**	**(16)**
Nature of contracts/ arrangements/transaction	Revenue from Sale of goods	Revenue from consultancy & other services	Water charges	Repair and Maintenance- Building
Duration of the contracts/ arrangements/transaction	One year	One year	One Year	One Year
Salient terms of the contracts or arrangements or transaction including the value, if any	1,901,000	219,58,000/-	47,68,000/-	7,98,000/-
Date of approval by the Board	15 November 2018	15 November 2018	15 November 2018	31 August 2018
Amount paid as advances, if any	--	--	--	--

Name (s) of the related party & nature of relationship	**Ramky Infrastructure Limited**	**Ramky Infrastructure Limited**	**Ramky Infrastructure Limited**	**Medicare Environmental Management Private Limited**
	Entities controlled by persons having control/ significant influence over company	**Entities controlled by persons having control/ significant influence over company**	**Entities controlled by persons having control/ significant influence over company**	**Group Company**
	(17)	**(18)**	**(19)**	**(20)**
Nature of contracts/ arrangements/transaction	Revenue from Waste disposal activities	Revenue from consultancy & other services	Advances given to suppliers	Purchase of raw materials
Duration of the contracts/ arrangements/transaction	Up to 31 March 2019	One year	One year	One Year
Salient terms of the contracts or arrangements or transaction including the value, if any	9,03,15,000/-	5,000/-	--	12,97,000
Date of approval by the Board	12 August 2018	12 August 2018	12 August 2018	15 November 2018
Amount paid as advances, if any	--	--	4,93,88,000/-	--

Name (s) of the related party & nature of relationship	**Ramky Estates and Farms Limited**	**Smilax Laboratories Limited**	**Smilax Laboratories Limited**	**Frank Lloyd Tech Management Services Limited**
	Entities controlled by persons having control/ significant influence over company	**Entities controlled by persons having control/ significant influence over company**	**Entities controlled by persons having control/ significant influence over company**	**Entities controlled by persons having control/ significant influence over company**
	(21)	**(22)**	**(23)**	**(24)**
Nature of contracts/ arrangements/transaction	Revenue from consultancy & other services	Revenue from Waste disposal activities	Revenue from consultancy & other services	Consultancy Charges
Duration of the contracts/ arrangements/transaction	One year	Five years	Five years	Five years
Salient terms of the contracts or arrangements or transaction including the value, if any	57,06,000/-	42,68,000/-	51,000/-	81,00,000/-
Date of approval by the Board	31 August 2018	12 August 2018	12 August 2018	31 August 2018
Amount paid as advances, if any	--	--	--	--

Name (s) of the related party & nature of relationship	Saagar MSW Solutions Limited	Deccan Recyclers Private Limited	Deccan Recyclers Private Limited	Deccan Recyclers Private Limited
	Step down WOS	Step down WOS	Step down WOS	Step down WOS
	(25)	(26)	(27)	(28)
Nature of contracts/ arrangements/transaction	Revenue from sale of Goods	Revenue from Waste disposal activities	Purchases of Goods	Purchases of Raw Material
Duration of the contracts/ arrangements/transaction	One year	One year	One year	One year
Salient terms of the contracts or arrangements or transaction including te value, if any	39,64,000/-	17,58,5000/-	45,000/-	70,000/-
Date of approval by the Board	15 November 2018	15 November 2018	15 November 2018	15 November 2018
Amount paid as advances, if any	-	-	-	-

Name (s) of the related party & nature of relationship	Deccan Recyclers Private Limited	Maridi Eco Industries Private Limited	Medicare Environmental Management Private Limited	Medicare Environmental Management Private Limited
	Step down WOS	Group Company	Group Company	Group Company
	(29)	(30)	(31)	(32)
Nature of contracts/ arrangements/transaction	Advance from customer received	Revenue from Waste disposal activities	Revenue from Waste disposal activities	Advances from Customer received
Duration of the contracts/ arrangements/transaction	One year	One year	One year	One year
Salient terms of the contracts or arrangements or transaction including the value, if any	100,00,000/-	21,67,000/-	70,35,000/-	40,00,000/-
Date of approval by the Board	15 November 2018	15 November 2018	15 November 2018	15 November 2018
Amount paid as advances, if any	--	--	--	--

Name (s) of the related party & nature of relationship	Madhya Pradesh Waste Management Private Limited	Ramky Enviro Services Pvt. Ltd	Ramky Pharma City (India Limited)	Ramky Enviro Services Private Limited
	Entities controlled by persons having control/ significant influence over company	Wholly owned Subsidiary Company	Entities controlled by persons having control/ significant influence over company	Wholly owned Subsidiary Company
	(33)	(34)	(35)	(36)
Nature of contracts/ arrangements/transaction	Rent expense	Revenue from waste disposal activities	Lease Rentals	Purchase of raw material
Duration of the contracts/ arrangements/transaction	Three Year	One year	25 Years	One Year

Salient terms of the contracts or arrangements or transaction including the value, if any	9,40,000/-	2,82,000/-	1,40,000/-	61,38,000/-
Date of approval by the Board	15 November 2018	15 November 2018	15 November 2018	15 November 2018
Amount paid as advances, if any	--	--	--	--

Name (s) of the related party & nature of relationship	**Alla Dakshayani**	**Medicare Environmental Management Private Limited**	**Madhya Pradesh Waste Management Private Limited**	**Ramky IWM Private Limited**
	Promoter Group	**Group Company**	**Entities controlled by persons having control/ significant influence over company**	**Wholly owned Subsidiary Company**
	(37)	**(38)**	**(39)**	**(40)**
Nature of contracts/ arrangements/transaction	Leasing of property	Revenue from consultancy and other services	Trademark License	Repair & Maintenance-Building
Duration of the contracts/ arrangements/transaction	Three Years	One year	One Year	One Year
Salient terms of the contracts or arrangements or transaction including the value, if any	74,61,000/-	1,99,000	--	28,09,000
Date of approval by the Board	31 August 2018	15 November 2018	31 August 2018	15 November 2018
Amount paid as advances, if any	--		--	

Name (s) of the related party & nature of relationship	**Katni MSW Management Private Limited**	**Ramky Pharma City (India) Limited**
	Group Company	**Entities controlled by persons having control/ significant influence over company**
	(41)	**(42)**
Nature of contracts/arrangements/transaction	Revenue from sale of goods	Repairs and Maintenance - Others
Duration of the contracts/arrangements/ transaction	One Year	One Year
Salient terms of the contracts or arrangements or transaction including the value, if any	4,56,97,000	146,69,000/-
Date of approval by the Board	15 November 2018	15 November 2018
Amount paid as advances, if any		

For and on behalf of the Board of
Ramky Enviro Engineers Limited

Date:26.09.2019
Place: Mumbai

M. Goutham Reddy
Managing Director
DIN: 00251461

Masood Alam Mallick
Whole Time Director
DIN: 0105990

Nomination and Remuneration Policy

1. Objective

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 ("**Act**") read along with the applicable rules thereto.

The Key Objectives of the Committee would be:

1. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
2. To guide the Board in relation to identification, appointment and removal of Directors, Key Managerial Personnel and Senior Management.
3. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
4. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
5. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
6. To devise a policy on Board diversity.
7. To develop a succession plan for the Board, Top Management (CXO and their direct reportees) and to regularly review the plan.

2. Definitions

- **"Act"** means the Companies Act, 2013 and rules framed thereunder, as amended from time to time.
- "**Articles** " means the Articles of Association of the Company.
- "**Board"** means Board of Directors of the Company.
- "**Directors"** mean Directors of the Company.
- "**Key Managerial Personnel**" shall have the meaning ascribed to it under Section 2 (51) of the Act, means:
  - Chief Executive Officer or the Managing Director or the Manager;
  - Whole-time director;
  - Chief Financial Officer;
  - Company Secretary;
  - such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
  - such other officer as may be prescribed.
- **"Senior Management"** means personnel of the company who are members of its core management team excluding the Board of Directors comprising and KMPs namely (i) Chief Human Resource Officer, (ii) Chief Compliance Officer, (iii) Chief Operating Officer

3. Role of Committee

3.1 Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee.

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management personnel.

3.2 Policy for appointment and removal of Director, KMP and Senior Management

- **Appointment criteria and qualifications:**

1.1 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

1.2 A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

1.3 The Company shall not appoint or continue the employment of any person as Whole- time Director who has attained the age of 70 (seventy) years. Provided that the term of the person holding this position may be extended beyond the age of 70 (seventy) years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond 70 (seventy)years.

- **Term / Tenure**

a. Managing Director/Whole-time Director: The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Whole-time (Executive) Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b. Independent Director:

1. An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

2. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

3.3 Evaluation

i. The Committee shall carry out review of the KRAs and evaluation of performance of every Director, KMP and Senior Management personnel at regular interval (yearly).

ii. Removal due to reasons for any disqualification mentioned in the Act or under any other applicable law, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.4 Retirement

The Director, KMP and Senior Management personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.5 **Policy relating to the Remuneration for the Managing Director, Whole-time Director, KMP and Senior Management personnel**

Please refer to Addendum -I

4. Membership

i. In accordance with the Articles and subject to the Act, the Committee shall comprise of 2 Independent Directors, and 1 Investor Director (as defined in the Articles).

ii. Minimum Two (2) members shall constitute a quorum for the Committee meeting.

iii. Membership of the Committee shall be disclosed in the Annual Report.

iv. Term of the Committee shall be continued unless terminated by the Board of Directors.

v. In addition to the members, the Committee can invite such persons (in non-voting capacity) to attend their meeting and deliberations, subject to such persons executing a confidentiality / non-disclosure agreement, or being bound by confidentiality obligations, and also confirm absence of conflict of interest in writing.

5. Chairperson

i. Chairperson of the Committee shall be an Independent Director.

ii. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

iii. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

iv. Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. Frequency of Meetings

The meeting of the Committee shall be held at such regular intervals as may be required.

7. Committee Members' Interests

i. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

ii. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. Voting

i. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

ii. In the case of equality of votes, the Chairman of the meeting will not have a casting vote.

9. Nomination Duties

The duties of the Committee in relation to nomination matters include:

i. Ensuring that there is an appropriate induction in place for new Directors and members of the Key Managerial Personnel and Senior Management and reviewing its effectiveness;

ii. Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

iii. Identifying and recommending Directors who are to be put forward for retirement by rotation.

iv. Determining the appropriate size, diversity and composition of the Board;

v. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

vi. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

vii. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

viii. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

ix. Delegating any of its powers to one or more of its members or the Secretary of the Committee;

x. Recommend any necessary changes to the Board; and

xi. Considering any other matters, as may be requested by the Board.

10. Remuneration Duties

The duties of the Committee in relation to remuneration matters include:

i. to monitor the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

ii. to approve the remuneration of the Key Managerial Personnel and the Senior Management maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

ii. to delegate any of its powers to one or more of its members or the Secretary of the Committee.

iv. to consider any other matters as may be requested by the Board.

v. professional indemnity and liability insurance for Directors and senior management.

11. Minutes of Committee Meetings

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.
Addendum –I

i. The remuneration / compensation / commission etc. to the Managing Director, Whole-time Director, KMP and Senior Management personnel will be determined by the Committee and recommended to the Board for approval.

ii. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

iii. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

iv. Where any insurance is taken by the Company on behalf of its Managing Director, Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

v. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management personnel:

a. ***Fixed pay:*** The Managing Director / Whole-time Director/ KMP and Senior Management personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to Provident Fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b. ***Minimum Remuneration:*** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of the Act (including Schedule V).

c. ***Provisions for excess remuneration:*** If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

vi. Remuneration to Non- Executive / Independent Director:

a. Remuneration / Commission: The remuneration / commission shall be fixed as per the conditions in mentioned in the Articles of Association of the Company and the Act.

b. Sitting Fees: The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board and Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c. Commission: Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 5% of the profits of the Company computed as per the applicable provisions of the Act or such limits approved by the shareholders of the Company.

d. Stock Options: An Independent Director shall not be entitled to any stock option of the Company.

Standalone Financial Statements

Independent auditor's report

To the members of
Ramky Enviro Engineers Limited
Report on the audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Ramky Enviro Engineers Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Information Other than the Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) 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 the 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Standalone Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 paragraphs 3 and 4 of the Order.
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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on 31 March 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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 with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended 31 March 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer note 31 to the standalone Ind AS financial statements;

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 – Refer note 16 to the standalone Ind AS financial statements. The Company has no derivative contract; and

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

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Darshan Varma
Partner
Membership Number: 212319
UDIN: 19212319AAAACE1146

Place: Mumbai
Date: 26 September 2019

Annexure 1, referred to in paragraph 1 of our report of even date

Re: Ramky Enviro Engineers Limited (the 'Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The Company has a program of verification to cover all the items of Property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) (a) The Company has granted loans that are repayable on demand, to parties covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.

(b) The Company has granted loans that are repayable on demand, to parties covered in the register maintained under section 189 of the Companies Act, 2013. We are informed that the company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent. The payment of interest has been regular.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues have not been regularly deposited with the appropriate authorities and there have been serious delays in large number of cases.

(b) According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income-tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Statement of Arrears of Statutory Dues Outstanding for More than Six Months

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Remarks, if any
The Odisha Value Added Tax Act, 2004	Work contract tax	4,153,409	2013-14	2013-14	Paid on 27 June 2019
The Andhra Pradesh Value Added Tax Act, 2005	Work contract tax	961,953	2015-16	2015-16	Paid on 27 June 2019
The Rajasthan Value Added Tax Act, 2003	Work contract tax	131,848	2016-17	2016-17	Paid on 09 August 2019
The Odisha Value Added Tax Act, 2004	Value Added Tax	335,608	2014-15	2014-15	Paid on 27 June 2019

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount demanded (Rs)	Amount paid under protest (Rs)	Period to which the amount relates	Forum where the dispute is pending
The Madhya Pradesh Value Added Tax Act, 2002	VAT	3,420,100	957,626	2014-15	Hon'ble M.P. Commercial Tax Appellate Board
The Delhi Value Added Tax Act, 2004	VAT	46,918,339	-	2012-13	Department of Trade and Taxes Government of NCT of Delhi
The Uttar Pradesh Value Added Tax Act, 2008	VAT	38,262	-	2012-13	Commercial Tax Department, Agra
The Uttar Pradesh Value Added Tax Act, 2008	VAT	1,472,050	1,472,050	2014-15	Additional Commissioner Commercial Taxes, Uttar Pradesh
The Uttar Pradesh Value Added Tax Act, 2008	VAT	4,000,000	-	2014-15	Commercial Taxes Department, Kanpur
The Rajasthan Value Added Tax Act, 2003	VAT	822,652	-	2016-17	Commercial Tax Department, Rajasthan
Jharkhand Value Added Tax, 2005	VAT	40,362	-	2013-14 to 2014-15	Commercial Tax Department, Jharkhand
The Finance Act, 1994	Service Tax	5,639,142	-	2007-09	Customs, Excise & Service Tax Appellate Tribunal, New Delhi
The Finance Act, 1994	Service Tax	4,320,062	-	2008-10	Customs, Excise & Service Tax Appellate Tribunal, New Delhi
The Finance Act, 1994	Service Tax	4,375,722	4,509,229	2009-10	Customs, Excise & Service Tax Appellate Tribunal, New Delhi
The Finance Act, 1994	Service Tax	9,939,496	2,500,000	2010-11	Customs, Excise & Service Tax Appellate Tribunal, New Delhi
The Finance Act, 1994	Service Tax	10,562,032	3,683,717	2011-12	Central Excise Commissionerate, Chandigarh
The Finance Act, 1994	Service Tax	3,329,818	124,868	Apr 2012 to Jun 2012	Central Excise Commissionerate, Chandigarh
The Finance Act, 1994	Service Tax	1,082,639,762	67,794,737	2006-11	Central Excise & Service tax appellate Tribunal, Hyderabad
The Finance Act, 1994	Service Tax	185,472,418	-	2011-12	Central Excise & Service tax appellate Tribunal, Hyderabad
The Finance Act, 1994	Service Tax	50,271,700	1,885,189	2009-10 to 2010-11	Central Excise & Service tax appellate Tribunal, Hyderabad
The Finance Act, 1994	Service Tax	71,609,988	2,685,000	April to June-2012	Central Excise & Service tax appellate Tribunal, Hyderabad
The Finance Act, 1994	Service Tax	48,408,529	-	2008-2012	The commissioner of central excise, Customs and service tax, Hyderabad
The Finance Act, 1994	Service Tax	59,598,136	2,234,930	2013-14 to June 2017	Customs, Excise & Service Tax Appellate Tribunal, Chennai
The Finance Act, 1994	Service Tax	12,928,948	-	2012-13	The commissioner of central excise, Customs and service tax, Hyderabad
The Finance Act, 1994	Service Tax	13,147,088	-	October 2013 to March 2016	The commissioner of central excise, Customs and service tax, Hyderabad
The Finance Act, 1994	Service Tax	22,697,030	851,139	2009-10 to2012-13	Customs, Excise & Service Tax Appellate Tribunal, Chennai
The Finance Act, 1994	Service Tax	43,980,724	1,650,000	2011-15	Central Excise & Service tax appellate Tribunal, Hyderabad
The Income Tax Act, 1961	Income Tax	666,381	666,381	2012-13	The Commissioner of Income Tax (Appeals) – XII, Hyderabad
The Income Tax Act, 1961	Income Tax	19,966,236	19,966,236	2010-11	The Income Tax Appellate Tribunal, Hyderabad

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution or bank. The Company did not have any outstanding loans or borrowing dues in respect of a government or dues to debenture holders during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer (including debt instruments) and term loans during the year and hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause (xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the private placement of preference shares issued during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Darshan Varma
Partner
Membership Number: 212319
UDIN: 19212319AAAACE1146

Place: Mumbai
Date: 26 September 2019

Annexure 2 to the independent auditor's report of even date on the standalone Ind AS financial statements of Ramky Enviro Engineers Limited

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 **Ramky Enviro Engineers Limited** ("the Company") as of 31 March 2019, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the 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.

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements 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 over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, 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 judgement, 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 internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of internal financial controls over financial reporting with reference to these standalone Ind AS Financial Statements

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

Inherent limitations of internal financial controls over financial reporting with reference to these Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, 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 with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements 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, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Darshan Varma
Partner
Membership Number: 212319
UDIN:19212319AAAACE1146

Place : Mumbai
Date: 26 September 2019

Balance Sheet as at 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Notes	As at 31-Mar-19	As at 31-Mar-18
Assets			
Non-current assets			
Property, plant and equipment	3A	10,211.80	9,049.36
Capital work-in-progress	3B	2,265.53	3,708.26
Intangible assets	3C	471.03	725.62
Financial assets			
(i) Investments	4A	28,746.42	28,887.55
(ii) Loans	4B	55,604.53	5,810.37
(iii) Trade receivables	4D	8,527.86	-
(iv) Bank balances other than cash and cash equivalents	4F	1,200.07	859.40
(v) Other financial assets	4C	2,956.52	2,923.13
Deferred tax assets (net)	6	3,305.41	3,482.23
Non-current tax assets	7	31.72	2.17
Other non-current assets	8	2,549.33	1,720.22
		1,15,870.22	**57,168.31**
Current assets			
Inventories	5	1,150.81	594.60
Financial Assets			
(i) Investments	4A	9,606.60	-
(ii) Loans	4B	7,471.71	6,221.68
(iii) Trade receivables	4D	14,603.19	11,750.82
(iv) Cash and cash equivalents	4E	843.12	2,063.73
(v) Bank balances other than (iv) above	4F	4,188.64	841.49
(vi) Other financial assets	4C	1,166.91	5,008.41
Other current assets	8	4,601.84	3,210.55
		43,632.82	**29,691.28**
Assets classified as held for sale	42	614.00	6,230.01
Total assets		**1,60,117.04**	**93,089.60**
Equity and liabilities			
Equity			
Equity share capital	9	417.75	488.90
Other equity	10	1,20,943.11	62,982.38
		1,21,360.86	**63,471.28**

Contd..

Balance Sheet as at 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Notes	As at 31-Mar-19	As at 31-Mar-18
Non-current liabilities			
Financial liabilities			
(i) Borrowings	11A	457.47	5,298.08
(ii) Other financial liabilities	13	13,747.99	750.21
Deferred government grant	15	122.97	152.91
Provisions	16	3,147.93	5,013.55
Other non-current liabilities	17	792.89	903.76
		18,269.25	**12,118.51**
Current liabilities			
Financial liabilities			
(i) Borrowings	11B	3,777.39	13.47
(ii) Trade payables	12		
- total outstanding dues of micro and small enterprises		170.21	-
- total outstanding dues of creditors other than micro and small enterprises		6,909.54	4,811.34
(iii) Other financial liabilities	13	2,558.64	7,112.42
Liabilities for current tax (net)	14	2,399.14	1,062.77
Provisions	16	1,078.81	351.54
Other current liabilities	17	3,593.20	4,148.27
		20,486.93	**17,499.81**
Total equity and liabilities		**1,60,117.04**	**93,089.60**
Summary of significant accounting policies	2.2		

The accompanying notes referred to above form an integral part of the standalone financial statements.

As per our report attached of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

per Darshan Varma
Partner
Membership No: 212319

Place: Mumbai
Date: 26 September 2019

For and on behalf of the Board of Directors of
Ramky Enviro Engineers Limited

M Goutham Reddy
Managing Director
DIN: 00251461

Masood Alam Mallick
Joint Managing Director
DIN: 01059902

Anil Khandelwal
Jt.Managing Director & Chief Financial Officer
DIN: 02552099

Govind Singh
Company secretary
Membership No: A41173

Place: Mumbai
Date: 26 September 2019

Statement of Profit and Loss for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Notes	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Income			
Revenue from contracts with customers	18	37,989.45	35,906.77
Other income	19	5,219.23	3,627.94
Total income (I)		**43,208.68**	**39,534.71**
Expenses			
(Increase)/decrease in inventories		(59.83)	12.61
Cost of raw material and components consumed	20	3,261.43	2,264.81
Construction expenses	21	26.65	4.52
Employee benefits expense	22	3,882.33	2,949.48
Finance costs	23	4,549.19	3,987.82
Depreciation and amortisation expenses	24	3,791.29	2,037.90
Other expenses	25	21,974.68	15,668.45
Total expenses (II)		**37,425.74**	**26,925.59**
Profit before exceptional items, taxes (III = I - II)		**5,782.94**	**12,609.12**
Exceptional items (IV)	43	13,041.94	(968.61)
Profit before tax (V = III + IV)		**18,824.88**	**11,640.51**
Tax expense	27		
Current tax		3,092.78	1,589.55
Adjustment of tax relating to earlier periods		926.11	-
Deferred tax		181.75	994.65
Total tax expense (VI)		**4,200.64**	**2,584.20**
Profit for the year VII=(V-VI)		**14,624.24**	**9,056.31**
Other comprehensive Income	26		
Items that will not be reclassified to profit or loss			
Re-measurement losses on defined benefit plans		(14.1)	(4.52)
Income tax effect		4.93	1.56
Other comprehensive income for the year (net of tax) (VIII)		**(9.17)**	**(2.96)**
Total comprehensive income for the year (net of tax) (IX= VII+VIII)		**14,615.07**	**9,053.35**
Earnings per equity share of face value of Rs.10 each	28		
Basic earnings per share		350.08	216.79
Diluted earnings per share		327.49	194.83
Summary of significant accounting policies	2.2		

The accompanying referred to above form an integral part of the standalone financial statements.

As per our report attached of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

per Darshan Varma
Partner
Membership No: 212319

For and on behalf of the Board of Directors of
Ramky Enviro Engineers Limited

M Goutham Reddy
Managing Director
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Anil Khandelwal
Jt.Managing Director & Chief Financial Officer
DIN: 02552099

Govind Singh
Company secretary
Membership No: A41173

Place: Mumbai
Date: 26 September 2019

Place: Mumbai
Date: 26 September 2019

Statement of changes in equity for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(a) Equity share capital

	Class A - Equity shares Face value of Rs. 10 each		Class B - Equity shares Face value of Rs. 10 each		0.001% Compulsorily convertible preference shares Face value of Rs. 100 each	
	Number of shares in Lakhs	INR Lakhs	Number of shares in Lakhs	INR Lakhs	Number of shares in Lakhs	INR Lakhs
As at 01 April 2017	**41.77**	**417.74**	**-**	**0.01**	**0.71**	**71.15**
Changes during the year	-	-	-	-	-	-
As at 31 March 2018	**41.77**	**417.74**	**-**	**0.01**	**0.71**	**71.15**
Issued during the year	-	-	-	-	-	-
Redeemed during the year	-	-	-	-	(0.71)	(71.15)
As at 31 March 2019	**41.77**	**417.74**	**-**	**0.01**	**-**	**-**

(b) Other Equity

	Reserves and Surplus				
	Capital reserve	Securities premium reserve	Deemed capital contribution (refer note 45)	Retained earnings	Total
Balance as at 01 April 2017	**-**	**17,946.05**	**-**	**35,982.98**	**53,929.03**
Profit for the year	-	-	-	9,056.31	9,056.31
Other comprehensive income (net of taxes)	-	-	-	(2.96)	(2.96)
Balance as at 31 March 2018	**-**	**17,946.05**	**-**	**45,036.33**	**62,982.38**
On account of amalgamation (refer note 44)	17,923.58	-	-	24.12	17,947.70
Capital contribution on issue of Optionally Convertible Redeemable Preference Shares	-	-	1,15,544.98	-	1,15,544.98
Premium on redemption of preference shares (refer note 45)	-	(17,946.05)	(44,382.80)	-	(62,328.85)
Profit for the year	-	-	-	14,624.20	14,624.20
Other comprehensive income (net of tax)	-	-	-	(9.17)	(9.17)
Interim dividend for the year (refer note 45)	-	-	-	(23,226.11)	(23,226.11)
Dividend distribution tax (refer note 45)	-	-	-	(4,592.02)	(4,592.02)
Balance as at 31 March 2019	**17,923.58**	**-**	**71,162.18**	**31,857.35**	**1,20,943.11**

The accompanying referred to above form an integral part of the standalone financial statements.

As per our report attached of even date.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

per **Darshan Varma**
Partner
Membership No: 212319

Place: Mumbai
Date: 26 September 2019

For and on behalf of Board of Directors of
Ramky Enviro Engineers Limited

M Goutham Reddy
Managing Director
DIN: 00251461

Masood Alam Mallick
Joint Managing Director
DIN: 01059902

Anil Khandelwal
Jt. Managing Director & Chief Financial Officer
DIN: 02552099

Govind Singh
Company Secretary
Membership No: A41173

Place: Mumbai
Date: 26 September 2019

Cash flow statement for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

		For the year ended March 31, 2019	For the year ended 31 March 2018
A.	**Cash flows from operating activities**		
	Profit before tax	18,824.88	11,640.51
	Adjustments to reconcile profit before tax to net cash flows:		
	Depreciation and amortisation expense	3,791.29	2,037.90
	Provision for doubtful receivables and Bad debts written off	317.43	561.13
	Provision for doubtful advances and advances & GST input written off	427.05	968.61
	(Profit)/loss on sale of fixed assets	(147.31)	257.45
	Loss on sale of investments	853.24	0.51
	Revenue from construction activity	(26.47)	(4.52)
	Construction expense	26.65	4.52
	Deferred income arising from government grant	(29.94)	(31.38)
	Liabilities no longer required written back	(2,203.00)	(55.54)
	Interest expense	4,190.18	3,792.58
	Dividend income	(12,301.99)	-
	Interest income	(4,453.75)	(3,359.18)
	Operating profit before changes in assets and liabilities	**9,268.26**	**15,812.59**
	Working capital adjustments :		
	Increase in inventories	(556.21)	(134.81)
	Increase in trade receivables	(11,697.68)	(2,758.98)
	Decrease in other financial assets	4,281.62	871.28
	Decrease/(increase) in other assets	4,593.28	(1,397.69)
	Increase in trade payables	2,202.85	106.80
	Decrease in other financial liabilities	(1,253.26)	919.66
	Increase in provisions for employee benefits	51.38	36.02
	Decrease in other provisions	645.42	(746.81)
	Decrease in other liabilities	(455.79)	(2,779.48)
	Cash generated from operating activities	**7,079.87**	**9,928.58**
	Income tax paid (net of refund)	(2,712.07)	(2,161.75)
	Net cash generated from operating activities (A)	**4,367.80**	**7,766.83**
B.	**Cash flows from investing activities**		
	Inter corporate deposite given	(101,592.04)	(38,676.31)
	Inter corporate deposite received	54,254.03	50,332.87
	(Purchase)/sale of fixed assets (net)	(3,986.08)	795.71
	Purchase of mutual fund investments (net)	(9,423.84)	-
	Sale/(purchase) of investments	16,228.69	(409.20)
	Investment in fixed deposits	(3,687.82)	(569.54)
	Dividend received	12,301.99	-
	Interest received	121.55	81.18
	Net cash (used)/from in investing activities (B)	**(35,783.52)**	**11,554.71**

Cash flow statement for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

		For the year ended March 31, 2019	For the year ended 31 March 2018
C.	**Cash flows from financing activities**		
	Proceeds from issue of preference shares	127,214.73	-
	Redemption of preference shares	(62,400.00)	-
	Proceeds from long term borrowings	70.00	901.90
	Repayment of long term borrowings	(7,912.10)	(3,715.53)
	Proceeds/(repayment) from/of short term borrowings	3,763.93	(13,584.31)
	Dividend paid (including dividend distribution tax paid)	(27,818.13)	-
	Interest paid	(2,723.32)	(2,873.69)
	Net cash generated from/(used) financing activities (C)	**30,195.11**	**(19,271.63)**
	Net increase in cash and cash equivalents (A+B+C)	**(1,220.61)**	**49.91**
	Cash and cash equivalents at the beginning of the year	2,063.73	2,013.82
	Cash and cash equivalents at the end of the year	**843.12**	**2,063.73**

a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

		31 March 2019	31 March 2018
b)	Cash and cash equivalents comprises of		
	Cash on hand	17.47	16.76
	Balances with banks:		
	Current accounts	825.65	2,046.02
	Deposit with maturity of less than 3 months	-	0.95
	Cash and cash equivalent as per balance sheet	**843.12**	**2,063.73**
	Summary of significant accounting policies 2.2		

The accompanying notes referred to above form an integral part of the standalone financial statements.

As per our report attached of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

per Darshan Varma
Partner
Membership No: 212319

Place: Mumbai
Date: 26 September 2019

For and on behalf of the Board of Directors of
Ramky Enviro Engineers Limited

M Goutham Reddy
Managing Director
DIN: 00251461

Masood Alam Mallick
Joint Managing Director
DIN: 01059902

Anil Khandelwal
Jt.Managing Director & Chief Financial Officer
DIN: 02552099

Govind Singh
Company secretary
Membership No: A41173

Place: Mumbai
Date: 26 September 2019

Notes to standalone financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

1. Corporate information

The Company is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 13th floor, Ramky Grandiose, Ramky Towers, Gachibowli, Hyderabad - 500032.

The Company is engaged in the business of Integrated waste management solutions for industrial (Hazardous) waste, municipal waste, electronic waste and providing other incidental services.

The Standalone financial statements were authorised for issue in accordance with a resolution of the directors on 26 September 2019.

2. Significant accounting policies

2.1 Basis of Preparation

The Standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The standalone financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The standalone financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

2.2 Summary of significant accounting policies

a) Business combination

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of the transferor entity or business is recognised as capital reserve under equity.

Other business combinations are accounted using acquisition method.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c) Foreign currencies

The standalone financial statements are presented in Indian Rupees, which is also the Company's functional currency.

Transactions and balances

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet, foreign currency monetary items are reported using the closing exchange rate.

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

d) Investment in subsidiaries, associates and joint ventures.

The Company has elected to recognize its investments in subsidiary and associate companies at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. The details of such investments are given in note 4A.

e) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 29 and 37)

f) Revenue from contract with customer

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 29.

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

Revenue from waste disposal activities:

Revenue from user charges towards waste disposal is recognised as and when the related services are performed i.e. when the waste is collected, transported and is received at the dumping yards.

Revenue from consultancy and maintenance contracts

Revenue from consultancy and maintenance contracts is recognised as and when the related services are performed.

Revenue form turnkey contracts

Revenue from turnkey contracts is recognised by reference to the stage of completion of the contract activity. The stage of completion is determined by survey of work performed and / or on completion of a physical proportion of the contract work, as the case may be, and acknowledged by the contractee. Future expected loss, if any, is recognised as and when assessed.

Significant financing component

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

The Company also receives long-term security deposits from customers. The transaction price for such contracts is discounted, using the rate that would be reflected in a separate financing transaction between the Company and its customers at contract inception, to take into consideration the significant financing component.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividend income

Dividend income is recognised when the Company's right to receive the payment is established.

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

g) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

In cases, where the tax on dividend from a foreign subsidiary is allowed as a set off against the Company's own dividend distribution tax (DDT) liability, then the amount of tax paid on foreign dividend is recognised in the statement of changes in equity.

In cases, where the tax on dividend from a subsidiary is allowed as a set off against the Company's own dividend distribution tax (DDT) liability, the tax deducted by the domestic subsidiary is treated as withholding tax recognised in the statement of changes in equity.

The dividend income is recognised in the income statement at an amount including any withholding taxes (that is, gross of the withholding tax that has been deducted by the domestic subsidiary).

The Company recognises interest levied and penalties related to income tax assessments in interest expenses.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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 the deferred taxes relate to the same taxable entity and the same taxation authority.

As the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilised when the Company will pay normal income tax during the specified period. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

h) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to note 29 regarding significant accounting judgements, estimates and assumptions and provisions for further information about the recorded decommissioning provision.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- Building (refer below)
- Roads and other civil infrastructures 10 years
- Land fill based on the actual usage
- Plant and machinery 9 years
- Vehicles 8 years
- Lab equipment 10 years
- Computers 3 years
- Furniture and fixtures 10 years
- Office equipment 5 years

Landfill costs include costs such as landfill liner material and installation, excavation costs, leachate collection systems, gas collection systems, environmental monitoring equipment for groundwater and landfill gas, directly related engineering costs and other direct costs. The landfill capacity associated with each landfill is quantified and the landfill costs for each landfill are amortized over the capacity associated with the landfill as the capacity is utilized using units of consumption method.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of land development, building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

i) Basis of accounting of service concession agreement

The Company has determined that Appendix D to IND AS 115 on “Service Concession Arrangements (SCA)” is applicable to the concession agreement and hence has applied it in accounting for the same.

Under Appendix D to Ind AS 115, concession arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the Company receives a right to charge users of the public service. The financial asset model is used when the Company has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services.

The Company has determined that intangible asset model is applicable to the agreement as the Company is entitled to to tipping fee towards waste disposed (intangible asset).

Recognition and measurement

The Company has also received right to charge the users of a public service, such rights are recognised and classified as “Intangible Assets”. Such right is not an unconditional right to receive consideration because the amounts are contingent to the extent that the project receives waste and thus are recognised and classified as intangible assets. Such an intangible asset is recognised by the Company at cost (which is the fair value of the consideration received or receivable for the construction services delivered) and is capitalized when each component of the project is complete in all respects. Subsequent to initial recognition, the intangible asset is measured at cost, less any accumulated amortisation and accumulated impairment losses.

Revenue recognition

Revenue for concession arrangements under intangible asset model is recognized as and when the related services are performed i.e. when the waste is collected, transported and processed at the processing facility.

Notes to standalone financial statements for the year ended 31 March 2019 (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Revenue from construction contracts

The Company recognizes and measures revenue, costs and margin for providing construction services during the period of construction of the infrastructure in accordance with Ind AS 115 'Revenue from contracts with customers'.

When the outcome of a construction contract can be estimated reliably and it is probable that it will be profitable, contract revenue and contract costs associated with the construction contract are recognised as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the reporting date. The percentage of completion of a contract is determined considering the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs.

For the purposes of recognising revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

Costs incurred for rendering the construction services, exchanged for the intangible asset and financial asset, include all costs that are directly related to the construction of the project and include all overheads other than those relating to general administration of the Company.

The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognised in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense in the Statement of Profit and Loss in the period in which such probability occurs.

Amortisation of Intangible asset under SCA

The intangible rights which are recognised in the form of right to collect tipping fee, except for landfill costs are amortized on a straight-line basis from the date of capitalization over the concession period. The landfill cost is amortized on the basis of capacity utilised by waste dumped in the landfills.

Contractual obligation to restore the infrastructure to a specified level of serviceability

The Company has contractual obligation to maintain the infrastructure to a specified level of serviceability during the concession period and at the time of handover to the grantor of the SCA. Such obligations are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. The timing and amount of such cost are estimated and recognised on a discounted basis by creating a provision for replacement and capitalizing the costs to intangible assets and amortised on a straight-line basis over the concession period. The provision for replacement is unwound over its life using effective interest rate method.

j) Other than Service concession arrangements

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l) Leases

The Company's leasing arrangements are mainly in respect of operating leases for premises. Lease payments under operating leases are recognised as an expense. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Lease payments under operating leases are recognised as expense on straight line basis in the statement of P&L over the lease term except where lease payments are structured to increase in line with expected general inflation.

m) Inventories

Inventories are valued at the lower of cost and net realisable value.

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

n) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company s of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

o) Provisions

Provision for capping

The cost for final capping for each landfill is estimated based on the area to be capped and the capping materials and activities required. The estimate also considers when these costs are anticipated to be paid and factor in inflation and discount rates. These costs are reviewed annually, or more often if significant facts change. The total cost of capping is charged to the statement of profit or loss over the capacity associated with the landfill as the capacity is utilized. The provision for capping is unwound over its life using effective interest rate method. Changes in estimates, such as timing or cost of construction, for final capping are charged off to the statement of profit and loss prospectively.

Provision for post closure

The estimates for post-closure costs are based on the regulatory and contractual requirements for post-closure monitoring and maintenance. The estimates for post-closure costs also considers when the costs are anticipated to be paid and factor in inflation and discount rates. The possibility of changing legal and regulatory requirements and the forward-looking nature of these types of costs make any estimation or assumption less certain. The total cost of post closure is charged to the statement of profit or loss over the quantity of waste estimated to be disposed in the specified site. The quantity of waste estimated to be disposed takes into consideration the remaining operating period of the site and the land available for waste disposal. These costs are reviewed annually, or more often if significant facts change. The provision for post closure is unwound over its life using effective interest rate method. Changes in estimates for closure and post-closure events are charged off to the statement of profit and loss prospectively.

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

p) Employee benefits

Post employment benefits

Defined Contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plan

Gratuity liability for eligible employees are defined benefit obligation and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Obligation is measured at the present value of estimated future cash flows using discounted rate that is determined by reference to market yields at the balance sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimated terms of the defined benefit obligation.

Re measurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences

The employees are entitled to accumulate leave subject to certain limits, for future encashment, as per policy of the company. Accrual towards compensated absences at the end of the financial year are based on last salary drawn and outstanding leave absence at the end of the financial year. The liability towards such unutilised leave at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the statement of profit and loss.

q) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section - Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Debt instruments at amortised cost

"A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

For more information on receivables, refer to Note 4D.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a

'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

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

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

c. Financial guarantee contracts which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on: Trade receivables and Other receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12- month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

Investment in mutual funds

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

Financial liabilities

i. Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to the statement of Profit & Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

r) Dividend

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

s) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

t) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period 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.

u) Segment policy

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation.

The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

i. Segment revenue includes sales and other operational revenue directly identifiable with/ allocable to the segment.

ii. Expenses that are directly identifiable with/ allocable to segments are considered for determining the segment profit.

iii. Income and expenses which relates to the Company as a whole and not allocable to segments is included in "Others".

iv. Segment profit have been adjusted for the exceptional item attributable to the corresponding segment.

Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole.

Notes to standalone financial statements for the year ended 31 March 2019 (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

2.3 Changes in accounting policies and disclosures

New and amended standards

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in the current year, but do not have an impact on the standalone financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

i. **Ind AS 115 Revenue from Contracts with Customers**

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 01 April 2018.

There is no material impact on retained earnings of initially applying Ind AS 115 at the date of initial application as an adjustment to the opening balance of retained earnings.

The comparative information has not been restated and continues to be reported under Ind AS 11 and Ind AS 18.

The effect of adopting Ind AS 115 as at 1 April 2018 is as follows:

Particulars	Reference	Increase / (decrease)
Other financial assets (current)	Note 4C	(2828.33)
Other assets (current)	Note 8	2828.33

Set out below, are the amounts by which each financial statement line item is affected as at and for the year ended 31 March 2019 as a result of the adoption of Ind AS 115. The adoption of Ind AS 115 did not have a material impact on the Statement of Profit and Loss, OCI or the Company's operating, investing and financing cash flows. The first column shows amounts prepared under Ind AS 115 and the second column shows what the amounts would have been had Ind AS 115 not been adopted.

Particulars	Reference	Ind AS 115	Previous Ind AS	Increase /(decrease)
Assets				
Other financial assets (current)	Note 4C	1,166.91	2,472.66	(1,305.75)
Other assets (current)	Note 8	4,601.84	3,296.09	1,305.75

ii. **Ind AS 20 Accounting for Government Grants and Disclosure for Government Assistance**

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Second Amendment Rules, 2018 applicable from the financial year 2018-19 in respect of Indian Accounting Standard (Ind AS) 20 on 'Accounting for Government Grants and Disclosure of Government Assistance'. The Company has exercised option to recognise grant as deferred income in the statement of profit and loss over the life of the asset. The Company has been recognizing deferred income in the statement of profit and loss on the government grants since the adoption of INDAS. Accordingly, no impact in the statement of profit and loss.

Notes to standalone financial statements for the year ended 31 March 2019 (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

3A. Property, plant and equipment

Particulars	Freehold Land	Buildings	Plant and machinery	Roads and other civil infrastructure	Land Fill	Furniture and fixtures	Vehicles	Lab equipment	Office equipment	Computers	Total
Gross block											
As at 1 April 2017	**412.61**	**6,405.43**	**2,376.55**	**1,114.93**	**1,871.53**	**40.15**	**2,007.66**	**447.18**	**49.26**	**37.64**	**14,762.94**
Additions during the year	-	0.58	153.73	-	649.1	84.67	226.08	22.65	21.92	29.26	1,187.99
Deletions/adjustments	-	(233.24)	(14.20)	-	-	(3.12)	(836.08)	-	(0.67)	-	(1,087.31)
As at 31 March 2018	**412.61**	**6,172.77**	**2,516.08**	**1,114.93**	**2,520.63**	**121.70**	**1,397.66**	**469.83**	**70.51**	**66.90**	**14,863.62**
Additions during the year	-	316.38	857.08	259.1	2,032.62	47.55	1,011.47	82.60	45.35	34.91	4,687.06
Deletions/adjustments	-	-	(6.53)	-	-	-	(129.19)	-	-	-	(135.72)
As at 31 March 2019	**412.61**	**6,489.15**	**3,366.63**	**1,374.03**	**4,553.25**	**169.25**	**2,279.94**	**552.43**	**115.86**	**101.81**	**19,414.96**
Depreciation											
As at 1 April 2017	**-**	**307.65**	**623.65**	**1,069.93**	**1,142.19**	**11.29**	**589.1**	**101.15**	**14.39**	**15.56**	**3,874.91**
For the year	-	291.61	474.30	1.13	799.93	14.88	278.78	96.37	13.07	20.06	1,990.13
Deletions/adjustments	-	(24.32)	(6.33)	-	-	(2.79)	(16.94)	-	(0.40)	-	(50.78)
As at 31 March 2018	**-**	**574.94**	**1,091.62**	**1,071.06**	**1,942.12**	**23.38**	**850.94**	**197.52**	**27.06**	**35.62**	**5,814.26**
For the year	-	273.07	427.18	4.29	2,418.78	16.74	251.95	77.83	18.55	21.84	3,510.23
Deletions/adjustments	-	-	(0.33)	-	-	-	(121.00)	-	-	-	(121.33)
As at 31 March 2019	**-**	**848.01**	**1,518.47**	**1,075.35**	**4,360.90**	**40.12**	**981.89**	**275.35**	**45.61**	**57.46**	**9,203.16**
Net block											
As at 31 March 2018	**412.61**	**5,597.83**	**1,424.46**	**43.87**	**578.51**	**98.32**	**546.72**	**272.31**	**43.45**	**31.28**	**9,049.36**
As at 31 March 2019	**412.61**	**5,641.14**	**1,848.16**	**298.68**	**192.35**	**129.13**	**1,298.05**	**277.08**	**70.25**	**44.35**	**10,211.80**

3B.

Capital work in progess	31-Mar-19	31-Mar-18
Capital work in progress	2,265.53	3,708.26
	2,265.53	**3,708.26**

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

3C. Intangible asset

PARTICULARS	Intangible assets under service concession arrangement	Computer software	Total
Gross block			
As at 1 April 2017	791.4	3.21	794.61
Additions during the year	20.89	2.04	22.93
Deletions/adjustments	-	(1.07)	(1.07)
As at 31 March 2018	**812.29**	**4.18**	**816.47**
Additions during the year	26.47	-	26.47
Deletions/adjustments	-	-	-
As at 31 March 2019	**838.76**	**4.18**	**842.94**
Amortization			
As at 1 April 2017	43	1.15	44.15
For the year	46.86	0.91	47.77
Deletions/adjustments	-	(1.07)	(1.07)
As at 31 March 2018	**89.86**	**0.99**	**90.85**
For the year	279.62	1.44	281.06
Deletions/adjustments	-	-	-
As at 31 March 2019	**369.48**	**2.43**	**371.91**
Net block			
As at 31 March 2018	**722.43**	**3.19**	**725.62**
As at 31 March 2019	**469.28**	**1.75**	**471.03**

4 Financial asset

	PARTICULARS	31-Mar-19	31-Mar-18
4A.	**Investments**		
	Non current		
	A. In associates and joint venture		
	Trade (unquoted) (At cost unless otherwise stated)		
	(i) Investment in equity shares		
	(a) Nil (31 March 2018 - 4,900) equity shares of Rs.10/- each of Delhi Cleantech Services Private Limited (refer note (g) given below)	-	0.49
	(b) 2,600 (31 March 2018 - 2,600) equity shares of Rs.10/- each of Vilholi Waste Management System Private Limited	0.26	0.26
	(c) 125,000 (31 March 2018 - 125,000) equity shares of OMR 1 each of Al Ahlia Environmental Services Co LLC, Oman	145.65	145.65
	(ii) Investment in preference shares		
	Nil (31 March 2018 - 446,518) 0.001%, cumulative convertible redeemable preference shares of Rs.10/- each of Delhi Cleantech Services Private Limited (refer note (g) given below)	-	44.65
	Total aggregate investments in associates and joint venture	**145.91**	**191.05**

Notes to financial statements for the year ended 31 March 2019
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

PARTICULARS	31-Mar-19	31-Mar-18
B. In subsidiaries		
Trade (unquoted) (At cost unless otherwise stated)		
(i) Investment in equity shares - Indian entities		
3,692,600 (31 March 2018 - 3,692,600) equity shares of Rs.10/- each of Mumbai Waste Management Limited (refer note (a) & (b) given below)	558.78	673.32
5,858,963 (31 March 2018 - 5,858,963) equity shares of Rs.10/- each of Ramky IWM Private Limited	617.53	617.53
16,604,096 (31 March 2018 - 16,604,096) equity shares of Rs.10/- each of Tamilnadu Waste Management Limited	1,662.52	1,712.19
23,106,417 (31 March 2018 - 23,081,917) equity shares of Rs.10/- each of Delhi MSW Solutions Limited (refer note (f) given below)	3,497.55	3,488.03
10,345,050 (31 March 2018 - 10,345,050) equity shares of Rs.10/- each of West Bengal Waste Management Limited	1,198.51	1,198.51
2,411,790 (31 March 2018 - 2,411,790) equity shares of Rs.10/- each of B & G Solar Private Limited	328.90	328.90
1,800,000 (31 March 2018 - 1,800,000) equity shares of Rs.10/- each of Ramky E-Waste Management Limited	177.18	177.18
765,000 (31 March 2018 - 765,000) equity shares of Rs.10/- each of Visakha Solvents Limited	76.50	76.50
500,000 (31 March 2018 - 500,000) equity shares of Rs.10/- each of Hyderabad MSW Energy Solutions Private Limited (formerly known as East Coast Industries (India) Private Limited) (net of provision of Rs. 33.46 (31 March 2018 - Rs. 33.46))	-	-
50,000 (31 March 2018 - 50,000) equity shares of Rs.10/- each of Ramky Reclamation and Recycling Limited	5.00	5.00
50,000 (31 March 2018 - 50,000) equity shares of Rs.10/- each of Hyderabad Integrated MSW Limited (refer note (d) & (e) given below)	639.51	639.51
10,000 (31 March 2018 - 10,000) equity shares of Rs.10/- each of Ramky MSW Private Limited (net of provision of Rs. 1.00) (31 March 2018 - Rs. 1.00)	0.44	-
10,000 (31 March 2018 - 10,000) equity shares of Rs. 10/- each of Maridi Bio Industries Private Limited (formerly known as Cuttack Solid Waste Management Private Limited)	1.00	1.00
10,000 (31 March 2018 - 10,000) equity shares of Rs.10/- each of Pithampur Industrial Waste Management Private Limited	1.00	1.00
10,000 (31 March 2018 - 10,000) equity shares of Rs.10/- each of Ramky Enviro Services Private Limited	1.00	1.00
Nil (31 March 2018 - 10,000) equity shares of Rs.10/- each of Bhubaneshwar Industrial Waste Management Private Limited (refer note 44)	-	1.00
1,000,000 (31 March 2018 - 1,000,000) equity shares of Rs.10/- each of Chennai MSW Private Limited	103.48	101.67
100,000 (31 March 2018 - 100,000) equity shares of Rs. 10/- each of Jodhpur MSW Private Limited	10.00	10.00
10,000 (31 March 2018 - 10,000) equity shares of Rs. 10/- each of Adityapur Waste Management Private Limited	1.00	1.00
10,000 (31 March 2018 - 10,000) equity shares of Rs. 10/- each of Dehradun Waste Management Private Limited	1.00	1.00
10,000 (31 March 2018 - Nil) equity shares of Rs.10/- each of Delhi Cleantech Services Private Limited (refer note (g) given below)	1.55	-

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

PARTICULARS	31-Mar-19	31-Mar-18
(ii) Investment in equity shares - Foreign entities		
10,938,000 (31 March 2018 - 10,938,000) equity shares of SGD 1 each of Ramky International (Singapore) Pte Limited	3,965.50	4,020.75
300 (31 March 2018 - 300) equity shares of AED 1,000 each of Ramky Enviro Engineers Middle East FZ LLC	48.67	48.67
700,000 (31 March 2018 - 700,000) equity shares of SAR 1 each of Ramky Risal Environmental Services Saudi Arabia Ltd, Saudi Arabia	84.81	84.81
(iii) Investment in preference shares		
4,550,000 (31 March 2018 - 4,550,000) 0.001%, cumulative convertible redeemable preference shares of Rs.10/- each of Delhi MSW Solutions Limited	455.00	455.00
51,912,570 (31 March 2018 - 51,912,570) 0.001%, cumulative convertible redeemable preference shares of Rs.10/- each of Hyderabad Integrated MSW Limited (refer note (d) given below)	5,191.26	5,191.26
16,632,374 (31 March 2018 - 16,632,374) 0.001%, cumulative convertible redeemable preference shares of Rs.10/- each of Ramky MSW Private Limited (net of provision of Rs. 1663.24 (31 March 2018 - Rs. 1663.24)	-	-
15,780,000 (31 March 2018 - 15,780,000) 0.001%, cumulative convertible redeemable preference shares of Rs.10/- each of West Bengal Waste Management Limited	1,578.00	1,578.00
127,500 (31 March 2018 - 127,500) 10% Non-participating Redeemable Non Cumulative Preference Shares of Rs.10/- each of B & G Solar Private Limited	12.75	12.75
446,518 (31 March 2018 - Nil) 0.001%, cumulative convertible redeemable preference shares of Rs.10/- each of Delhi Cleantech Services Private Limited (refer note (g) given below)	44.65	-
(iv) Investment in debentures		
60,000,000 (31 March 2018 - 60,000,000) 0.001%, Redeemable Optionally Convertible Debentures of Rs.10/- each of Ramky IWM Private Limited	6,000.00	6,000.00
30,000,000 (31 March 2018 - 30,000,000) 0.001%, Compulsorily Convertible Debentures of Rs.10/- each of Ramky IWM Private Limited	958.25	958.25
40,000,000 (31 March 2018 - 40,000,000) 0.001%, Compulsorily Convertible Debentures of Rs.10/- each of Delhi MSW Solutions Limited (Refer note (c) given below)	1,277.67	1,277.67
Total aggregate investments in subsidiaries	**28,499.01**	**28,661.50**

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

PARTICULARS	31-Mar-19	31-Mar-18
C. In others		
Trade (unquoted) (at cost)		
(i) Investment in equity shares		
10,15,000 (31 March 2018 - 350,000) equity shares of Rs.10/- each of Pithampur Auto Cluster Limited (refer note (h) given below)	101.50	35.00
Total aggregate investments in others	**-**	**-**
Total aggregate investments in subsidiaries and other entities [B+C]	**-**	**-**
Grand total Non current [A+B+C]	**145.91**	**191.05**
Aggregate value of unquoted non current investments	**145.91**	**191.05**
Aggregate amount of impairment in value of investments	1,697.70	1,697.70
Current		
Trade (quoted) (at fair value through profit and loss account)		
Investment in mutual funds		
2,948,393 units (31 March 2018 - Nil) of Aditya Birla Sun Life Liquid Growth Direct Plan (Debt fund)	8,858.04	-
19,780 units (31 March 2018 - Nil) of Kotak Liquid Fund Direct Growth Plan (Debt fund)	748.56	-
Grand total current	**-**	**-**
Aggregate value of quoted current investments	**-**	**-**

Notes:

a) 1,497,000 (31 March 2018 - 1,497,000) equity shares of Mumabi Waste Management Limited (MWML) have been pledged in favour of ICICI Bank Limited for loan availed by the Company and MWML. MWML has repaid the loan in full in the current year and the Company is in process of filing documents for release of pledge.

b) Non disposal undertaking (NDU) and power of attorney arrangement over 1,047,900 (31 March 2018 - 1,047,900) equity shares of Mumbai Waste Management Limited in favour of ICICI Bank Limited for loan availed by Mumbai Waste Management Limited.

c) 24,000,000 (31 March 2018 - Nil) 0.001%, Compulsorily Convertible Debentures of Rs.10/- each of Delhi MSW Solutions Limited have been pledged in favour of Power Finance Corporation Limited for loans availed by Delhi MSW Solutions Limited.

d) 15,000 (31 March 2018 - 15,000) equity shares and 42,648,771 (31 March 2018 - 42,648,771) preference shares of Hyderabad Integrated MSW Limited have been pledged in favour of Axis Bank Limited for loans availed by Hyderabad Integrated MSW Limited.

e) Non disposal undertaking (NDU) and power of attorney arrangement over 10,500 (31 March 2018 - 10,500) equity shares of Hyderabad Integrated MSW Limited in favour of Axis Bank Limited for loans availed by Hyderabad Integrated MSW Limited.

f) 23,081,914 (31 March 2018 - 23,081,914) equity shares of Delhi MSW Solutions Limited have been pledged in favour of Power Finance Corporation Limited for loans availed by Delhi MSW Solutions Limited.

g) The Company had 49% shareholding in Delhi Cleantech Services Private Limited as at 31 March 2018 and had disclosed as investment in associates. During the year the Company has acquired additional stake of 51% for Rs. 1.06. Accordingly, the investment in the said company has been disclosed as investment in subsidiary.

h) The amount has been alloted subsequent to balance sheet date.

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

4B. Loans (unsecured and considered good unless otherwise stated)

PARTICULARS	31-Mar-19	31-Mar-18
Non Current		
Inter corporate deposit to related parties and others*	55,604.53	5,810.37
	55,604.53	**5,810.37**
Current		
Inter corporate deposit to related parties*	7,471.71	6,221.68
	7,471.71	**6,221.68**
* Inter corporate deposit to related parties are repayable on demand and carries interest @12.50% p.a to 13.50% p.a (refer note 32).		

4C. Other financial assets (Unsecured and considered good unless otherwise stated)

PARTICULARS	31-Mar-19	31-Mar-18
Non Current		
Security deposits	1,379.71	1,436.65
Share application pending allotment	1,576.81	1,486.48
Earnest money deposits	66.33	-
Less: provision for earnest money deposits	(66.33)	-
	2,956.52	**2,923.13**
Current		
Earnest money deposits	149.25	238.85
Retention money receivable	-	1,728.19
Unbilled revenue	-	1,100.14
Receivable on account of sale of asset	963.92	1,933.38
Interest accrued	53.74	7.85
	1,166.91	**5,008.41**

4D. Trade receivables

PARTICULARS	31-Mar-19	31-Mar-18
Non-current		
Trade receivables considered good - unsecured		
- Related parties (refer note 32)	8,527.86	-
	8,527.86	**-**
Current		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured		
- Related parties (refer note 32)	1,384.75	2,437.67
- Others	13,218.44	9,313.15
Trade receivables - credit impaired	2,990.98	5,241.21
	17,594.17	**16,992.03**
Impairment allowance		
Trade receivables - credit impaired	(2,990.98)	(5,241.21)
	14,603.19	**11,750.82**

Notes to financial statements for the year ended 31 March 2019
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Note: 4D-1 There are no trade receivables due from private companies/partnership firm in which Company's director is a director/partner.

Note: 4D-2 Trade receivables are non-interest bearing and are generally on terms of less than 1 year as mutually agreed with the customers.

4E. Cash and cash equivalents

PARTICULARS	31-Mar-19	31-Mar-18
Cash on hand	17.47	16.76
Balance with banks:		
On current account	825.65	2,046.02
Deposits with original maturity of less than 3 months	-	0.95
	843.12	**2,063.73**

Change in liabilities arising from financing activities

PARTICULARS	31-Mar-18	Cash Flow	Others	31-Mar-19
Non-current borrowings	8,959.94	(7,842.10)	107.73	1,225.57
Current borrowings	13.47	3,361.44	-	3,777.39
Total liabilities from financing activities	**8,973.41**	**(4,480.66)**	**107.73**	**5,002.96**

Change in liabilities arising from financing activities

PARTICULARS	1-Apr-17	Cash Flow	Others	31-Mar-18
Non-current borrowings	11,881.30	(2,813.63)	(107.73)	8,959.94
Current borrowings	13,597.78	(13,584.31)	-	13.47
Total liabilities from financing activities	**25,479.08**	**(16,397.94)**	**(107.73)**	**8,973.41**

The Other column includes the effect of reclassification of non-current portion of borrowings, to current due to the passage of time, and the effect of accrued but not yet paid interest on borrowings.

4F. Bank balances other than cash and cash equivalents

PARTICULARS	31-Mar-19	31-Mar-18
Non current		
Balance with banks:		
On current accounts (escrow accounts)*	971.6	705.42
Deposit with remaining maturity more than 12 months	228.47	153.98
	1,200.07	**859.40**
Current		
Balance with banks:		
Deposit with remaining maturity less than 12 months	4,188.64	841.49
	4,188.64	**841.49**

*Deposited in escrow account in terms of Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008.

Notes to financial statements for the year ended 31 March 2019
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Break up of financial assets carried at amortised cost

PARTICULARS	31-Mar-19	31-Mar-18
Loans (current) (refer note 4B)	7,471.71	6,221.68
Loans (non current) (refer note 4B)	55,604.53	5,810.37
Trade receivables (current) (refer note 4D)	14,603.19	11,750.82
Trade receivables (non current) (refer note 4D)	8,527.86	-
Cash and cash equivalent (refer note 4E)	843.12	2,063.73
Bank balances other than cash and cash equivalents (current) (refer note 4F)	4,188.64	841.49
Bank balances other than cash and cash equivalents (non current) (refer note 4F)	1,200.07	859.4
Other Financial asset (current) (refer note 4C)	1,166.91	5,008.41
Other Financial asset (non- current) (refer note 4C)	2,956.52	2,923.13
	96,562.55	**35,479.03**

5 Inventories (valued at lower of cost and net realisable value)

PARTICULARS	31-Mar-19	31-Mar-18
Raw materials, stores and spares	1,016.97	516.06
Finished goods	133.84	78.54
	1,150.81	**594.6**

6 Deferred tax assets

PARTICULARS	31-Mar-19	31-Mar-18
Deferred tax asset (net) (refer note 27)	2,407.71	2,584.54
MAT credit entitlement	897.69	897.69
	3,305.41	**3,482.23**

7 Tax assets

PARTICULARS	31-Mar-19	31-Mar-18
Non-current		
Advance income tax (net of provision for income tax)	31.72	2.17
	31.72	**2.17**

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

8 Other assets (Unsecured and considered good unless otherwise stated)

PARTICULARS	31-Mar-19	31-Mar-18
Non-current		
Capital advances	1,227.01	422.99
Balance with government authority (amount paid under protest)	1,322.32	1,297.23
	2,549.33	**1,720.22**
Current		
Contract assets		
Retention money		
Considered good	535.59	-
Considered doubtful	417.57	-
Less: expected credit loss on retention money	(417.57)	-
	535.59	-
Unbilled revenue		
Considered good	770.16	-
Considered doubtful	220.00	-
Less: expected credit loss on unbilled revenue	(220.00)	-
	770.16	-
Advances to employees		
Considered good	81.38	71.72
Considered doubtful	34.00	2.66
Less: provision for doubtful advances	(34.00)	(2.66)
	81.38	71.72
Advances to supplier and service provider	1,458.62	2,174.93
Other advances	255.98	663.10
Balance with government authority	897.44	224.60
Prepaid expenses	602.67	76.20
	4,601.84	**3,210.55**

Notes to financial statements for the year ended 31 March 2019
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

9. Equity share capital

	Class A - Equity shares		Class B - Equity shares		0.001% Compulsory convertible preference Shares		0.00001% Optionally convertible redeemable preference shares		Redeemable preference shares	
	Face value of Rs. 10 each		Face value of Rs. 10 each		Face value of Rs. 100 each		Face value of Rs. 15 each		Face value of Rs. 100 each	
	Number of shares in lakhs	INR Lakhs	Number of shares in lakhs*	INR Lakhs	Number of shares in lakhs	INR Lakhs	Number of shares in lakhs	INR Lakhs	Number of shares in lakhs	INR Lakhs
(i) Authorised share capital										
As at 01 April 2017	259.99	2,599.99	-	0.01	1.00	100.00	-	-	-	-
Increase/ (decrease) during the year	-	-	-	-	-	-	-	-	-	-
As at 31 March 2018	**259.99**	**2,599.99**	**-**	**0.01**	**1.00**	**100.00**	**-**	**-**	**-**	**-**
Increase/ (decrease) during the year**	1,765.23	17,652.26	-	-	-	-	13.44	201.60	0.71	71.15
As at 31 March 2019	**2,025.22**	**20,252.25**	**-**	**0.01**	**1.00**	**100.00**	**13.44**	**201.60**	**0.71**	**71.15**
(ii) Issued equity share capital										
As at 01 April 2017	41.77	417.74	-	0.01	0.71	71.15				
Changes during the year	-	-	-	-	-	-				
As at 31 March 2018	**41.77**	**417.74**	**-**	**0.01**	**0.71**	**71.15**				
Issued during the year	-	-	-	-	-	-				
Redeemed/ transferred during the year	-	-	-	-	(0.71)	(71.15)				
As at 31 March 2019	**41.77**	**417.74**	**-**	**0.01**	**-**	**-**				

* Nil due to rounding off to nearest lakhs

** Consequent to the merger order of Bhubaneshwar Industrial Waste Management Private Limited, the authorised share capital of the merged entity is included in the authorised share capital of the Company (refer note 44)

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(iii) Terms/ rights attached to equity shares

The Company have two classes of equity shares, i.e. Class A and Class B, having par value of Rs. 10/- each. Each equity share holder is entitled to one vote per equity share held. Both classes of equity shares have same voting rights. 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 ensuring Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) Terms/ rights attached to preference shares

a. Compulsory Convertible Preference Shares and Redeemable Preference Shares:

Compulsory convertible preference Shares are convertible into equity shares and are entitled to 0.001% dividend. The terms of these preference shares have been amended and converted into redeemable preference shares. These shares were redeemed on 08 February 2019 but were extinguished from the records subsequent to the balance sheet.

b. Optionally Convertible Redeemable Preference Shares (OCRPS):

The face value of each OCRPS is Rs 15 each and carries dividend of 0.00001% which is cumulative and participative based on the formula specified in the Share Subscription and Share Purchase Agreement (SSPA).

OCRPS shall be redeemed for cash on the twentieth anniversary of their issuance, unless converted or redeemed earlier.

The existing shareholders have agreed to indemnify the investor / the Company along with its subsidiaries on the happening of certain events specified the SSPA. It also specifies the nature of indemnity along with indemnified amount and period of such indemnity after closing date.

These preference shares are convertible into equity shares or redeemed based on agreed indemnity events and mechanism specified in SSPA.

The Company shall automatically convert all the remaining OCRPS (that have not been converted/redeemed) into equity shares representing 0.5% of the transaction date equity shareholding i.e. after nineteen years from the date of allotment. (Refer note 45 for details)

(v) The details of shares held by shareholder holding more than 5% of the aggregate shares in the Company.

PARTICULARS	31-Mar-19		31-Mar-18	
	Number of shares in lakhs	% of holding	Number of shares in lakhs	% of holding
Class A equity shares:				
A Ayodhya Rami Reddy	16.08	38.50%	16.12	38.58%
Oxford Ayyappa Consulting Services (India) Private Limited	-	-	12.54	30.03%
A Dakshayani	-	-	11.48	27.49%
Metropolis Investments Holdings Pte Limited	24.85	59.50%	-	-
Class B equity shares:				
Tara India Holdings A Limited	-	-	-*	21%
Vistra ITCL (India) Limited - IL&FS infrastructure Equity Fund - I (formerly IL&FS Trust Company Limited)	-	-	-*	20%
Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Pte Limited	-	-	-*	50%
Metropolis Investments Holdings Pte Limited	-*	100%	-*	-

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

PARTICULARS	31-Mar-19		31-Mar-18	
	Number of shares in lakhs	% of holding	Number of shares in lakhs	% of holding
Compulsory Convertible Preference Shares:				
Tara India Holdings A Limited	-	-	0.15	20.82%
Vistra ITCL (India) Limited - IL&FS infrastructure Equity Fund - I (formerly IL&FS Trust Company Limited)	-	-	0.14	19.94%
Tara India Fund III Domestic Trust	-	-	0.04	5.22%
Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Pte Limited	-	-	0.36	50.06%
Optionally Convertible Redeemable Preference Shares:				
Metropolis Investments Holdings Pte Limited	13.43	100%	-	-
* Nil due to rounding off to nearest lakhs				

10 Other equity

PARTICULARS	31-Mar-19	31-Mar-18
A). Capital reserve		
Opening balance	-	-
Add: Increase during the year (refer note 44)	17,923.58	-
Closing balance (A)	**17,923.58**	**-**
B). Securities premium		
Opening balance	17,946.05	17,946.05
Less: Premium on redemption of preference shares (refer note 45)	(17,946.05)	-
Closing balance (B)	**-**	**17,946.05**
C). Equity component of compound financial instruments (refer note 45)		
Issue of Optionally Convertible Redeemable Preference Shares	1,15,544.98	-
Less: Premium on redemption of preference shares	(44,382.80)	-
Closing balance (C)	**71,162.18**	**-**
D). Retained earning		
Opening balance	45,036.33	35,982.98
Add: Profit for the year	14,624.20	9,056.31
Other comprehensive Income:		
Remeasurement Losses on defined benefit plans (net of tax)	(9.17)	(2.96)
Interim dividend for the year (refer note 45)	(23,226.11)	-
Dividend distribution tax	(4,592.02)	-
Reserves adjusted on account of amalgamation	24.12	-
Closing balance (D)	**31,857.35**	**45,036.33**
Total other equity (A+B+C+D)	**1,20,943.11**	**62,982.38**

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Nature and purpose of reserves:

(i) Retained earnings

Retained earnings are the profits/losses (net of appropriations) of the company earned till date, including items of other comprehensive income.

(ii) Securities premium

Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

(iii) Equity component of compound financial instruments

The Company has issued Optionally Convertible Redeemable Preference Shares (OCRPS) during the year ended 31 March 2019. Considering the accounting principles to be followed in line with Indian Accounting Standards, the Company has computed the liability portion of OCRPS as the present value of the contractual obligations associated with the instrument. The difference between the issue amount of the OCRPS and the liability so computed has been treated as the "Equity component of compound financial instruments" and grouped under other equity.

(iv) Capital reserve (refer note 44)

11. Borrowings

	PARTICULARS	31-Mar-19		31-Mar-18	
		Non current	Current	Non current	Current
11A.	**Non current borrowings**				
	Secured (at amortised cost)				
	Term loans from banks				
	(a) Axis Bank Limited	-	-	2,142.31	1,000.01
	(b) ICICI Bank Limited	-	512.51	2,508.95	2,448.00
		-	**512.51**	**4,651.26**	**3,448.01**
	Vehicle loans from banks				
	(c) ICICI Bank Limited	110.69	39.36	150.29	35.99
	(d) Kotak Mahindra Bank Limited	45.21	21.26	-	-
		155.90	**60.62**	**150.29**	**35.99**
	Vehicle loans from others				
	(e) Daimler Financial Services India Private Limited	56.80	76.25	133.06	70.21
	(f) Cholamandalam Investment and Finance Company Limited	137.07	68.47	205.54	62.60
	(g) Mahindra & Mahindra Financial Services Limited	107.70	50.25	157.95	50.25
		301.57	**194.97**	**496.55**	**177.86**
	Total non-current borrowings	**457.47**	**768.10**	**5,298.08**	**3,661.86**

11B. Current borrowings

PARTICULARS	31 March 2019	31 March 2018
Secured - at amortised cost		
Bank overdraft		
(h) Axis Bank Limited	3,777.39	13.47
Total Current borrowings	**3,777.39**	**13.47**

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Security details of borrowings:

(i) Loans mentioned in (a) and (h) are secured by

- Pari passu first charge on the entire movable fixed assets and current assets of the company excluding assets specifically charged to equipment finance lenders.
- Pledge of 10% of equity shares of the company held by Oxford Ayyappa Consulting Services India Private Limited (OACSIPL) along with the corporate guarantee given by OACSIPL.
- Pari passu first charge on the leasehold land admeasuring 200 acres covered by survey no.684/1, Dundigal village, Qutubullapur mandal, Ranga Reddy district and buildings constructed/ to be constructed thereon standing in the name of the company.
- Personal guarantee given by Alla Ayodhya Rami Reddy.
- Goods / material procured / imported under letter of credits.
- The term loan in (a) above has been repaid in full during the year.
- In respect of loan mentioned in (a), ICICI bank has raised a demand of Rs.512.51 lakhs on the Company in the current year as default charges for breach of certain financial covenants for earlier years and non-replenishment of Debt Service Reserve Account (DSRA). The same has been charged-off in the statement of profit and loss as penal interest under finance cost. The management is currently in discussion with the bank for waiver of such charges and will reverse the liability in the year of receipt of waiver from the bank.

(ii) Loan mentioned in (b) is secured by

- First pari passu charge on movable fixed assets of the borrower excluding assets specifically charged to equipment finance lenders.
- Second pari passu charge on current assets of the borrower.
- Pledge of 15% shares of the company
- Pledge of 30% shares, Corporate guarantee and non disposable undertaking (NDA) & Power of attorney (POA) arrangement over 21% shares of Mumbai Waste Management Limited
- An exclusive charge on Escrow and Debt service reserve (DSRA) account.
- During the current year, ICICI Bank has raised a demand of Rs. 512.51 (including interest of Rs. 11.51) on the Company as default charges for breach of certain financial covenants for earlier years and non-replenishment of Debt Service Reserve Account (DSRA). The same has been charged-off in the statement of profit and loss as penal interest under finance cost. The management is currently in discussion with the bank for waiver of such charges and will reverse the liability in the year of reciept of such waiver from the bank.

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(iii) Loans mentioned in (c) to (g) are secured by hypothecation of respective assets for which the loans are availed.

Terms of repayment	**Outstanding as on 31 March 2019**	**Financial year**			
Non-current borrowings		**F.Y 2019-20**	**F.Y 2020-21**	**F.Y 2021-22**	**F.Y 2022-23**
Secured - at amortised cost Term Loans					
ICICI Bank Limited	512.51	512.51	-	-	-
Vehicle loans from banks					
ICICI Bank Limited	150.05	39.36	43.05	47.08	20.56
Kotak Mahindra Bank Limited	70.00	19.26	22.98	25.5	2.25
Vehicle loans from others					
Daimler Financial Services India Private Limited	133.06	76.25	56.80	-	-
Cholamandalam Investment and Finance Company Limited	205.54	68.47	74.89	62.17	-
Mahindra & Mahindra Financial Services Limited	157.95	50.25	56.06	51.64	-
	1,229.11	**766.1**	**253.78**	**186.39**	**22.81**

Term of interest

i) The rate of interest for term loans from banks ranges from 10.55% p.a. to 12.50% p.a.

ii) The rate of interest for vehicle loans from Banks ranges from 8.58% p.a. to 8.98% p.a. and from others it ranges from 9% p.a. to 10.50% p.a.

12 Trade payables

PARTICULARS	**31 March 2019**	**31 March 2018**
Dues to micro and small enterprises (refer note 49)Total outstanding dues of micro and small enterprises (refer note 33)	170.21	-
Dues to othersTotal outstanding dues of creditors other than micro and small enterprises	6,336.96	4,487.11
Dues to related parties (refer note 32)	572.58	324.23
	7,079.75	**4,811.34**

Terms and conditions of the above trade payables

Trade payables other than due to micro enterprises and small enterprises are non-interest bearing and are normally settled within credit terms. For Company's credit risk management processes, refer note 37.

Notes to financial statements for the year ended 31 March 2019
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

13 Other financial liabilities

PARTICULARS	31 March 2019	31 March 2018
Non-current		
At fair value through profit or loss		
0.00001% Optionally Convertible Redeemable Preference Shares (refer note 45)	11,855.00	-
	11,855.00	**-**
At amortised cost		
Security deposit payable	1,892.99	750.21
	1,892.99	**750.21**
Total non-current other financial liabilities	**13,747.99**	**750.21**
Current		
At amortised cost		
Current maturities of non current borrowings (refer note 11A)	768.10	3,661.86
Inter corporate deposit taken from related parties		
Abhiram Infra Projects Private Limited (refer note 32)	533.66	906.95
Voyants Solutions Limited (refer note 32)	-	29.20
Interest on micro and small enterprises payable (refer note 33)	29.11	-
Capital creditors	194.88	267.58
Retention money payable	787.27	1,900.86
Employee dues payable	245.62	345.97
	2,558.64	**7,112.42**
Break up of financial liabilities at amortised cost		
PARTICULARS	**31 March 2019**	**31 March 2018**
Borrowings (Non current) (refer note 11A)	457.47	5,298.08
Borrowings (Current) (refer note 11B)	3,777.39	13.47
Trade payables (Current) (refer note 12)	7,079.78	4,811.34
Other financial liabilities (Non current) (refer note 13)	13,747.99	750.21
Other financial liabilities (Current) (refer note 13)	2,558.64	7,112.42

14 Current tax liabilties

PARTICULARS	31 March 2019	31 March 2018
Provision for taxes (net of advance tax)	2,399.14	1,062.77
	2,399.14	**1,062.77**

15 Government grant

PARTICULARS	31 March 2019	31 March 2018
Non-current		
Opening balance	152.91	184.29
Less: Recognised in statement of profit and loss	(29.94)	(31.38)
Closing balance	**122.97**	**152.91**

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

16 Provisions

PARTICULARS	31 March 2019	31 March 2018
Non-current		
Provision for employee benefit:		
Provision for gratuity (refer note 30)	36.62	32.67
Other provision:		
Provision for capping (refer note 34)	1,381.47	3,518.38
Provision for replacement of assets under service concession arrangement (refer note 34)	424.95	378.53
Provision for post closure (refer note 34)	1,304.89	1,083.97
	3,147.93	**5,013.55**
Current		
Provision for employee benefit:		
Provision for gratuity (refer note 30)	53.24	42.31
Provision for compensated absences	183.88	133.28
Other provision:		
Provision for capping (refer note 34)	716.44	-
Provision for incinerationsProvision for incinerations Provision for incineration (refer note 34)	125.25	175.95
	1,078.81	**351.54**

17 Other liabilities

PARTICULARS	31 March 2019	31 March 2018
Non-current		
Contract liability		
Deferred income	792.89	903.76
	792.89	**903.76**
Current		
Advance from customers	-	1,593.82
Deferred income	-	1,040.89
Unearned income	-	840.82
Contract liability		
Unearned income	650.92	-
Deferred income	807.26	-
Advance from customers	1,384.57	-
Statutory dues payable	750.45	672.74
	3,593.20	**4,148.27**

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

18 Revenue from contracts with customers

PARTICULARS	31 March 2019	31 March 2018
Rendering of services		
Revenue from waste disposal activities	31,112.69	28,908.85
Revenue from turnkey contracts	2,137.40	2,224.97
Revenue from consultancy and other services	3,280.69	4,355.53
Construction revenue from service concession activity	26.47	4.52
Sale of goods		
Revenue from sale of goods	1,432.20	412.90
	37,989.45	**35,906.77**

19 Other income

PARTICULARS	31 March 2019	31 March 2018
Interest income		
Loan to related party	3,706.17	2,150.92
Bank and other deposits	167.44	82.20
Interest income (using the effective interest method)	481.20	837.00
Others	98.95	289.07
Liabilities no longer required written back	-	55.54
Foreign exchange gain (net)	-	14.55
Profit on sale of fixed assets (net)	147.31	-
Profit on sale of investments	-	-
Apportionment of government grants	29.94	31.38
Gain on investment in liquid funds (quoted)	182.76	-
Discount received	0.09	2.11
Insurance claims	-	4.78
Other non operating income	405.37	160.39
	5,219.23	**3,627.94**

20 Cost of raw material and components consumed

PARTICULARS	31 March 2019	31 March 2018
Inventory at the beginning of the year	516.06	360.48
Add: Purchases	3,762.34	2,420.39
Less: Inventory at the end of the year	(1,016.97)	(516.06)
Cost of raw material and components consumed	**3,261.43**	**2,264.81**

21 Construction expense

PARTICULARS	31 March 2019	31 March 2018
Construction contract cost	26.65	4.52
	26.65	**4.52**

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

22 Employee benefits expense

PARTICULARS	31 March 2019	31 March 2018
Salaries, allowances and wages	3,303.00	2,461.89
Contribution to provident fund and other funds (refer note 30)	222.77	184.68
Staff welfare expenses	319.73	262.95
Gratuity expense (refer note 30)	36.83	39.96
	3,882.33	**2,949.48**

23 Finance costs

PARTICULARS	31 March 2019	31 March 2018
Interest on debt and borrowings	2,080.40	3,021.17
Interest expenses (using the effective interest method)	1,436.31	688.01
Interest on delayed payment of income tax and other statutory dues	673.46	83.40
Bank charges	359.02	195.24
	4,549.19	**3,987.82**

24 Depreciation and amortization expense

PARTICULARS	31 March 2019	31 March 2018
Depreciation of property, plant and equipment (refer note 3A)	3,510.23	1,990.13
Amortisation of intangible assets (refer note 3C)	281.06	47.77
	3,791.29	**2,037.90**

25 Other expenses

PARTICULARS	31 March 2019	31 March 2018
Sub contract expenses	3,184.93	4,594.34
Labour contract charges	2,636.01	2,272.63
Power and fuel	1,863.40	1,489.06
Transport charges	1,859.92	1,225.82
Repair and maintenance		
- Plant and machinery	637.45	515.23
- Vehicles	149.08	94.01
- Others	848.62	921.39
Hire charges	1,162.13	1,002.01
Capping for landfill (refer note 34)	433.12	319.05
Post closure maintenance expenses (refer note 34)	154.99	121.03
Incineration expenses (refer note 34)	33.37	13.05
Security charges	215.92	190.37
Rates and taxes	434.42	448.53
Legal and professional charges	6,325.49	513.86
Travelling and conveyance	504.52	386.00
Rent	219.79	112.24

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

25 Other expenses

PARTICULARS	31 March 2019	31 March 2018
Insurance	125.29	102.80
Donation	4.79	11.72
CSR expenses	150.65	103.6
Communication expenses	53.90	53.64
Printing and stationary	58.70	34.86
Office maintenance	76.32	60.93
Advertisement expenses	2.77	5.76
Membership and subscription	20.45	22.53
Business promotion	58.49	24.28
Bad debts/ advances written off	15.71	0.46
Foreign exchange loss net	42.62	-
Tendering and bidding charges	8.22	7.44
Provision for doubtful trade receivables/ advances	301.72	561.18
Payment to auditors (refer details below)	186.69	35.00
Loss on sale of fixed asset (net)	-	257.45
Miscellaneous expenses	205.20	168.16
	21,974.68	**15,668.45**

(i) Payment to auditors (excluding indirect taxes as applicable)

PARTICULARS	31 March 2019	31 March 2018
As auditor:		
Audit fee	117.00	35.00
Other services (certification fees)	68.00	-
Reimbursement of expenses	1.69	-
	186.69	**35.00**

(ii) Details of CSR expenditure :

PARTICULARS	31 March 2019	31 March 2018
(a) Gross amount required to be spent by the company during the year	154.63	85.04
(b) Amount spent during the year		
i) Construction/ acquisition of any asset	-	-
ii) On purposes other than (i) above	150.65	103.60

26 Components of other comprehensive income

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

PARTICULARS	31 March 2019	31 March 2018
Re-measurement losses on defined benefit plans	(14.10)	(4.52)
Deferred tax on remeasured gain	4.93	1.56
	(9.17)	**(2.96)**

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

27 Income Tax

The major components of income tax expenses for the year ended 31 March 2019 and 31 March 2018 are as follows:

Profit or loss section

PARTICULARS	31 March 2019	31 March 2018
Current tax expense	3,092.78	1,589.55
Adjustment of tax relating to earlier periods	926.11	-
Deferred tax	181.75	994.65
Total income tax expense recognised in statement of Profit & Loss	**4,200.64**	**2,584.20**

OCI section

PARTICULARS	31 March 2019	31 March 2018
Tax Effect on remeasurement of defined benefit plans	(4.93)	(1.56)
Income tax charged to OCI	**(4.93)**	**(1.56)**

Reconciliation of tax expense and the accounting profit multiplied by Indias domestic tax rate for 31 March 2019 and 31 March 2018:

PARTICULARS	31 March 2019	31 March 2018
Accounting profit before tax	18,824.88	11,640.51
At Indias statutory income tax rate of 34.944% (31 March 2018: 34.608%)	6,578.17	4,028.55
Adjustments in respect of current income tax of previous years	926.11	-
Adjustments		
Items which are not tax deductible for computing taxable income	(1,369.68)	(1,378.34)
Effect of change in income tax rate for deferred tax recognised	(206.08)	(84.00)
Effect of items which are not taxable for computing taxable income/ taxable at special rate	(816.96)	-
Effect of deferred tax realting to prior period	(910.92)	-
Others	-	17.99
Income tax expense reported in the statement of profit and loss	**4,200.64**	**2,584.20**

Deferred tax

PARTICULARS	31 March 2019	31 March 2018
Deferred tax assets (net)	2,407.72	2,584.54
MAT credit entitlement	897.69	897.69
Deferred tax asset (net)	**3,305.41**	**3,482.23**

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

2018-19	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	MAT Credit availed/ (utilization)	Closing balance
Deferred tax (liabilities) /assets in relation to:					
MAT credit	897.69	-	-	-	897.69
Timing difference on:					
- Property, plant and equipment	-	33.72	-	-	33.72
- Disallowances under Income Tax Act, 1961, allowed on payment basis	2,107.71	6.03	-	-	2,113.74
- Provision for doubtful debts and advances	169.17	304.29	-	-	473.46
- Financial assets and liabilities	771.83	(648.84)	-	-	122.99
- Remeasurement of defined benefit plans	(461.30)	-	4.93	-	(456.37)
- Others	(2.87)	123.05	-	-	120.18
	3,482.23	**(181.75)**	**4.93**	**-**	**3,305.41**

2017-18	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	MAT Credit utilization	Closing balance
Deferred tax (liabilities) /assets in relation to:					
MAT credit	-	-	-	897.69	897.69
Timing difference on:					
- Property, plant and equipment	2,197.03	(89.32)	-	-	2,107.71
- Disallowances under Income Tax Act, 1961, allowed on payment basis	160.84	8.33	-	-	169.17
- Provision for doubtful debts and advances	826.04	(54.21)	-	-	771.83
- Financial assets and liabilities	398.15	(859.45)	-	-	(461.30)
- Remeasurement of defined benefit plans	(1.31)	-	(1.56)	-	(2.87)
	3,580.75	**(994.65)**	**(1.56)**	**897.69**	**3,482.23**

Pursuant to The Taxation Laws (Amendment) Ordinance, 2019 (Ordinance) issued subsequent to the balance sheet date, the tax rates have changed with effect from 1 April 2019. The company is evaluating the impact of such change taking into consideration various incentives being currently claimed by the Company. The effect of such changes, if any, has not been given in the financial statements as this is a subsequent event.

28 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

The following reflects the income and share data used in the basic and diluted EPS computations:

PARTICULARS	31 March 2019	31 March 2018
Profit for the year	14,624.24	9,056.31
Weighted average number of equity shares in calculating basic EPS (lakhs)	41.77	41.77
Weighted average number of equity shares in calculating diluted EPS (lakhs)	44.66	46.48
Earnings per equity share of face value of Rs.10 each		
Basic earnings per share	350.11	216.79
Diluted earnings per share	327.46	194.83

29 Significant accounting judgement, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

a. Revenue from contracts with customers

The Company provides waste management services to its customers and has certain performance obligations attached to their services such as capping and post closure obligations. The Company believes that these obligations are not separate performance obligations as they are required to be performed due to laws governing waste management and are not capable of being distinct from the waste management service.

b. Recognition of Concession Agreement as an Intangible Asset and Financial Asset

(i) Basis of accounting for the service concession

Management has assessed the applicability of Appendix C to Ind AS 115 "Service Concession Arrangements" (31 March 2018: Appendix A to Ind AS 11 "Construction Contracts") to the concession agreement and hence has applied it in accounting for the concession.

As per the agreement with the municipal authorities, the construction and operations of facility shall be recovered by the Company in form of tipping fees received from municipal authorities (Intangible asset).

Disclosures for Service Concession Arrangement as prescribed under Appendix C to Ind AS 115 (31 March 2018: Appendix A to Ind AS 11 "Construction Contracts"). Disclosure have been incorporated into the financial statements.

(ii) Significant assumptions in accounting for the intangible asset

The Company has recognised intangible asset with a construction margin based on sensitivity analysis of companies with business in similar waste management activities.

c. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(i) Provision for capping and post closure

Provision for capping requires an evaluation of the cost of protective capping of the active landfills in which waste is dumped. The provision recorded in the statement of financial statement at year-end is derived on the basis of estimated cost for capping the landfill, proportionate to the capacity of landfill utilised till the end of the year. The significant estimates involved include capping cost in respect of the total expected waste capacity of the landfill that requires, the time period during which these cost would actually be paid, inflation rate and the discount rate applied.

Further, to ensure that there is no negative impact on the environment due to waste disposal, the Company is required to perform certain post closure monitoring activities for a period ranging from 15-25 years after the estimated operating period (15-25 years). The provision for post closure monitoring at the end of each year is calculated based on the estimated aggregate costs to be incurred during the post closure period proportionate to the capacity of site utilized till the end of the year. The significant estimates involved include post monitoring cost in respect of the total expected waste during the operating period, the time period during which these cost would actually be paid, inflation rate and the discount rate applied.

The estimates for projected capping and post closure monitoring are developed using inputs from the Company's engineers, accountants and are reviewed by management at regular intervals.

(ii) Estimates related to service concession arrangement

The Company has recognised construction margin on intangible assets under service concession arrangement based on sensitivity analysis of similar contracts.

The Company has estimated provision for replacement using assumptions which include the cost to be incurred for replacing assets, their useful life, inflation rate, discount rate etc., and are reviewed by management at regular intervals.

(iii) Estimates of outcomes of indemnity events

The Company has estimated the outcomes of each of the indemnity events specified in SSPA (refer note 45) taking into account the probability of their occurrence and underlying factors.

(iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

30 Gratuity and other post-employment benefit plans

(a) Defined contribution plan

The following amount recognised as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

PARTICULARS	31 March 2019	31 March 2018
Contribution to provident fund recognised as expense in the Statement of Profit and Loss	222.77	184.68

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(b) Defined benefit plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of continuous service gets a gratuity on retirement at 15 days last drawn basic 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 gratuity plan:

PARTICULARS	31 March 2019	31 March 2018
Statement of profit and loss		
Net employee benefit expense recognised in the employee cost		
Current service cost	31.66	28.10
Past service cost	-	8.88
Interest cost on defined benefit obligation	5.17	2.98
Net benefit expense	**36.83**	**39.96**
Re measurement during the period/year due to :		
Actuarial loss / (gain) arising from change in financial assumptions	12.88	(1.97)
Actuarial loss / (gain) arising from change in demographic assumptions	(4.50)	(1.09)
Actuarial loss / (gain) arising on account of experience changes	3.56	5.65
Return on plan assets excluding interest income	2.16	1.94
Amount recognised in OCI outside profit and loss statement	**14.10**	**4.53**
Balance Sheet:		
Reconciliation of net liability / asset		
Closing Present Value of Defined Benefit Obligation	257.37	223.98
Closing Fair Value of Plan Assets	167.51	149.00
Closing net defined benefit liability	**89.86**	**74.98**
Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	223.99	186.10
Current service cost	31.66	28.10
Past service cost	-	8.88
Interest cost	16.83	13.91
Re measurement during the period due to :		
Actuarial loss/(gain) arising from change in financial assumptions	12.88	(1.97)
Actuarial loss/(gain) arising from change in demographic assumptions	(4.50)	(1.09)
Actuarial loss/(gain) arising on account of experience changes	3.56	5.65
Benefits paid	(27.05)	(15.59)
Closing defined benefit obligation	**257.37**	**223.99**
Net liability is bifurcated as follows :		
Current	53.24	42.31
Non-current	36.62	32.67
Net liability (net of plan assets)	**89.86**	**74.98**

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

PARTICULARS	31 March 2019	31 March 2018
Change in fair value of plan assets during the year		
Opening Fair Value of Plan Assets	149.00	133.26
Contributions paid by the employer	36.08	22.31
Return on plan assets (Excluding interest income)	(2.16)	(1.94)
Benefits paid	(27.05)	(15.59)
Interest income on Plan Assets	11.64	10.96
Closing Fair Value of Plan Assets	**167.51**	**149**

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

PARTICULARS	31 March 2019	31 March 2018
Discount rate (p.a.)	7.60%	8.00%
Salary escalation rate (p.a.)	9.00%	8.00%
Mortality rate (as % of IALM (2006-08) (Mod.) Ult. Mortality Table)	100.00%	100.00%
Disability rate	0.00%	5.00%
Withdrawal rate	24.51%	19.17%
Normal retirement age (in years)	60.00	60.00
Adjusted average future service	25.85	26.00

PARTICULARS	31 March 2019	31 March 2018
A quantitative analysis for significant assumptions is as shown below:		
Assumptions - Discount rate		
Sensitivity Level (a hypothetical increase/(decrease) by)		
Impact of Increase in 100 bps on defined benefit obligation	248.13	214.63
Impact of Decrease in 100 bps on defined benefit obligation	267.39	234.23
Assumptions - Salary Escalation rate		
Sensitivity Level (a hypothetical increase/(decrease) by)		
Impact of Increase in 100 bps on defined benefit obligation	267.25	234.12
Impact of Decrease in 100 bps on defined benefit obligation	248.01	214.52
Assumptions - Withdrawal rates		
Sensitivity Level (a hypothetical increase/(decrease) by)		
Impact of Increase in 100 bps on defined benefit obligation	256.65	223.80
Impact of Decrease in 100 bps on defined benefit obligation	258.12	224.15

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

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 following payments are expected contributions to the defined benefit plan in future years:

PARTICULARS	31 March 2019	31 March 2018
Expected future benefit payments		
Within the next 12 months (next annual reporting period)	53.24	42.31
Between 2 and 5 years	157.24	126.74
Between 6 and 10 years	97.14	79.69
Total expected payments	307.62	248.73

The weighted average duration of the defined benefit plan obligation at the end of the reporting period (based on discounted cash flows) is 5.80 years

31 Commitments & Contingent Liabilities

	PARTICULARS	31 March 2019	31 March 2018
(a)	**Leases:**		
	Operating lease commitments		
	The Company has entered into operating leases towards rental premises with lease term of three years. The Company has the option to lease the premises for two additional terms of three years each.		
	The Company has paid Rs. 36.24 (31 March 2018: Nil) during the year towards minimum lease payment.		
	Future minimum rentals payable under non-cancellable operating leases as at 31 March are, as follows:		
	-Within one year	187.88	-
	-After one year but not more than five years	-	-
	-More than five years	-	-
(b)	**Commitments:**		
	a) Commitment towards investment in companies (net of share application money)	5,122.77	17,544.69
	b) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	807.04	352.27
(c)	**Contingent liabilities**		
	Performance Guarantees issued by banks:		
	-On behalf of the subsidiaries, step-down subsidiaries and an associate	4,348.24	3,434.50
	-On behalf of others	1,787.60	2,331.50
	Corporate guarantees to banks against credit facilities extended to:		
	- Subsidiaries, step-down subsidiary and jointly controlled entity	53,731.09	66,714.86
(d)	**Claims against the Company not acknowledged as debts in respect of:***		
	a) Sales tax matters	583.73	127.49
	b) Service tax matters	16,289.21	15,730.45
	c) Income tax matters	206.33	206.33
	d) other matters	961.43	955.54

*Excluding interest not ascertainable from the date of order, if any.

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Note: On 28 February 2019, the Supreme Court of India issued a judgement which provided further guidance for companies in determining which components of their employees compensation are subject to statutory withholding obligations, and matching employer contribution obligations, for Provident Fund contributions under Indian law. There are numerous interpretative issues relating to this judgement. However, the Company has made a provision on a prospective basis from the date of the Supreme Courts judgement. The Company will evaluate the same and update its provision, if any on receiving further clarity on the subject.

32 Related party transactions

(a) Nature of relationship and names of related parties

Nature of relationship	Name of related parties
(i) Holding Company	Metropolis Investments Holdings Pte Limited (w.e.f 08 February 2019)
(ii) Subsidiary Companies	Tamilnadu Waste Management Limited
	West Bengal Waste Management Limited
	Mumbai Waste Management Limited
	Ramky Reclamation and Recycling Limited
	Ramky E-waste Management Limited
	Ramky International (Singapore) Pte Limited
	Ramky MSW Private Limited
	Ramky IWM Private Limited
	Visakha Solvents Limited
	Hyderabad Integrated MSW Limited
	Delhi MSW Solutions Limited
	B & G Solar Private Limited
	Hyderabad MSW Energy Solutions Private Limited (formerly known as East Coast Industries (India) Private Limited)
	Maridi Bio Industries Private Limited (formerly known as Cuttack Solid Waste Management Private Limited)
	Pithampur Industrial Waste Management Private Limited
	Ramky Enviro Services Private Limited
	Chhattisgarh Energy Consortium (India) Private Limited (refer note 42)
	Ramky Enviro Engineers Middle East FZ LLC
	Chennai MSW Private Limited
	Ramky Risal Environmental Services Saudi Arabia Limited
	Jodhpur MSW Private Limited
	Dehradun Waste Management Private Limited
	Adityapur Waste Management Private Limited
	Bhubaneswar Industrial Waste Management (Orissa) Private Limited (refer note 44)
	Madhya Pradesh Waste Management Private Limited (upto 28 January 2019)
	REWA MSW Holdings Limited*
	Pro Enviro Recycling Private Limited*

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Nature of relationship	Name of related parties
	Saagar MSW Solutions Private Limited*
	Katni MSW Management Private Limited*
	Deccan Recyclers Private Limited*
	Hyderabad C&D Waste Private Limited*
	Bio Medical Waste Treatment Plant Private Limited*
	Delhi Cleantech Services Private Limited***
	REWA MSW Management Solutions Limited*
	REWA Waste 2 Energy Project Limited*
	Ramky Energy and Environment Limited*
	Ramky International (India) Pte Limited*
	Ramky Cleantech Services Pte Limited*
	Ramky Cleantech Services (Philippines) Pte Limited*
	Ramky Cleantech Services (China) Pte Limited*
	Evergreen Cleantech Facilities Management (India) Limited*
	RVAC Private Limited*
	Ramky Environmental Technology (Shenzhen) Co. Limited*
	PT Ramky Indonesia*
	Medicare Environmental Management Private Limited*
	Pro Enviro C&D Waste Management Private Limited**
	Ramky ARM Recycling Private Limited*
	Ramky Wavoo Developers Private Limited
	Dhanbad Integrated Msw Limited (incorporated on 25 January 2019)*
(iii) Jointly Controlled Entity	Al Ahlia Environmental Services co LLC, Oman
(iv) Associates	Maridi Eco Industries Private Limited (upto 28 January 2019)
	Regency Yamuna Energy Limited (upto 28 January 2019)
	Vilholi Waste Management System Private Limited

* Holding through subsidiary companies

** The Company holds 49% shareholding through Delhi MSW Solutions Limited and exercises control over the board, accordingly the entity is considered as subsidiary.

*** The company had 49% shareholding in Delhi Cleantech Services Private Limited as at 31 March 2018 and had disclosed as investment in associates. During the year the company has acquired additional stake of 51% for Rs. 1.06. Accordingly the investment in the said company has been disclosed as investment in subsidiary.

Balances as at 31 March 2019 has been classified under assets held for sale, based on the management plan for disposal of assets not core to the Company's business.

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Nature of relationship	Name of related parties
(v) Entities controlled by persons having control / significant influence over company	Ramky Infrastructure Limited
	Ramky Estates and Farms Limited
	Ramky Pharma City (India) Limited
	Ramky Towers Limited
	Ramky Foundation
	Smilax Laboratories Limited
	Frank Lloyd Tech Management Services Limited
	Oxford Ayyappa Consulting Services (India) Private Limited
	Abhiram Infra Projects Private Limited
	Ramky Enclave Limited
	Madhya Pradesh Waste Management Private Limited (w.e.f 29 January 2019)
	Voyants Solutions Private Limited
(vi) Promoter/relatives of promoters	Alla Ayodhya Rami Reddy
	Alla Dakshani
	Alla Dasaratha Rami Reddy
	Alla Veeraraghavamma
	Sharan
	Ishaan
	Oxford Ayyappa Consulting Services (India) Private Limited
	R.K. Ventures
	Maridi Eco Industries Private Limited (w.e.f 29 January 2019)
(vii) Key Management Person	
Director	M. Goutham Reddy
Director	Masood Alam Mallick (w.e.f 29 December 2018)
Chief Financial Officer	G. Hemanth Kumar Reddy (upto 29 December 2018)
Chief Financial Officer	Anil Khandelwal (w.e.f 29 December 2018)
Company secretary	Govind Singh (w.e.f 26 May 2017)

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(b) Transactions with the related parties during the year

		Nature of Transaction	31-Mar-19	31-Mar-18
i)	Tamilnadu Waste Management Limited	Inter corporate deposit given	4,221.97	2,395.48
		Refund of Inter corporate deposits given	2,228.65	3,168.00
		Interest income on inter corporate deposit	51.40	75.67
		Reimbursement of expenses given	-	19.79
		Revenue from sale of goods	260.96	23.55
		Corporate Guarantee	1,220.05	6,104.95
		Financial guarantee premium	11.33	5.44
		Dividend received for the year	4,003.45	-
ii)	West Bengal Waste Management Limited	Inter corporate deposit given	4,168.68	2,003.87
		Refund of Inter corporate deposits given	2,477.41	8,889.50
		Interest income on inter corporate deposit	87.48	321.10
		Revenue from sale of goods	38.78	-
		Reimbursement of expenses given	-	7.85
		Corporate Guarantee	257.60	7,242.40
		Financial guarantee premium	0.59	0.26
iii)	Mumbai Waste Management Limited	Inter corporate deposit given	14,985.58	6,127.03
		Refund of Inter corporate deposits given	14,158.03	8,335.00
		Interest income on inter corporate deposit	99.34	70.60
		Revenue from waste disposal activities	-	120.88
		Reimbursement of expenses given	5.00	29.08
		Revenue from sale of goods	136.05	61.14
		Performance guarantees given / (Cancelled)	5.00	(10.00)
		Corporate Guarantee	4,224.45	9,941.00
		Financial guarantee premium	44.24	21.16
		Purchases of raw materials	12.28	-
iv)	Ramky Energy and Environment Limited	Revenue from waste disposal activities	14.36	12.71
		Revenue from consultancy and other services	0.14	-
		Other non operating income	0.05	-
		Sale of investments	-	(80.09)
		Reimbursement of expenses given	-	23.24
		Inter corporate deposit given	206.11	366.00
		Refund of Inter corporate deposits given	199.34	728.00
		Interest income on inter corporate deposit	11.66	67.50
		Purchase of DMSW equity shares	1.45	-

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(b) Transactions with the related parties during the year

		Nature of Transaction	31-Mar-19	31-Mar-18
v)	Ramky Reclamation and Recycling Limited	Reimbursement of expenses given	-	9.56
		Inter corporate deposit given	538.77	39.68
		Refund of Inter corporate deposits given	10.78	60.00
		Interest income on inter corporate deposit	42.88	4.31
		Revenue from waste disposal activities	1.59	-
		Trade receivables	-	2.44
		Performance guarantees given	50.00	-
vi)	Ramky International (Singapore) Pte Limited	Share application money repayment received	-	1,383.39
		Dividend received for the year	5,994.62	-
vii)	Ramky E-waste Management Limited	Revenue from waste disposal activities	4.28	-
		Reimbursement of expenses given	0.31	0.26
viii)	Ramky MSW Private Limited	Revenue from sale of goods	-	269.61
		Inter corporate deposit given	530.14	104.73
		Refund of Inter corporate deposits given	422.08	380.00
		Interest income on inter corporate deposit	18.28	14.76
		Revenue from consultancy and other services	-	1,000.00
		Reimbursement of expenses given	-	0.47
ix)	Ramky IWM Private Limited	Interest expense	407.72	176.29
		Rent expense	91.65	23.69
		Office maintenance	-	41.09
		Reimbursement of expenses given	-	0.13
		Inter corporate deposit given	1,563.54	163.60
		Refund of Inter corporate deposits given	1,664.07	146.00
		Interest income on inter corporate deposit	41.41	37.20
		Repairs & Maintenance - Buildings	28.09	-
x)	Visakha Solvents Limited	Revenue from waste disposal activities	10.53	19.59
		Revenue from consultancy and other services	-	-
		Reimbursement of expenses given	0.13	0.06
		Corporate guarantee	73.91	-
		Corporate Guarantee	-	400.00
xi)	Katni MSW Management Private Limited	Reimbursement of expenses given	-	20.63
		Revenue from consultancy and other services	-	45.53
		Revenue from sale of goods	442.31	31.68

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(b) Transactions with the related parties during the year

		Nature of Transaction	31-Mar-19	31-Mar-18
		Revenue from sale of goods	14.66	-
		Advance from customers	-	1,000.00
		Advances repaid	-	2,800.00
		Inter corporate deposit given	15,423.39	8,635.73
		Refund of Inter corporate deposits given	8,445.62	9,488.45
		Interest income on inter corporate deposit	334.75	247.16
		Corporate Guarantee	6,081.32	2,925.78
		Financial guarantee premium	127.80	62.36
		Performance guarantees given / (Cancelled)	38.48	(286.30)
		Subcontract expenses	0.40	-
xii)	Delhi MSW Solutions Limited	Revenue from sale of goods	19.01	26.93
		Inter corporate deposit given	25,820.85	10,461.48
		Refund of Inter corporate deposits given	6,552.59	14,151.00
		Interest income on inter corporate deposit	1,648.58	667.04
		Performance guarantees given	393.08	911.80
		Corporate guarantee	523.29	-
		Financial guarantee premium	61.22	324.99
		Reimbursement of expenses given	-	371.05
		Corporate Guarantee	-	26,817.90
xiii)	Hyderabad MSW Energy Solutions Private Limited	Revenue from consultancy and other services	219.58	-
		Reimbursement of expenses given	-	0.47
		Inter corporate deposit given	6,704.71	-
		Refund of Inter corporate deposits given	4.00	-
		Interest income on inter corporate deposit	168.00	-
		Liabilities no longer required to be written back	46.75	-
		Performance guarantees given	125.00	-
xiv)	Maridi Bio Industries Private Limited	Hire charges paid	-	18.00
		Advances / Deposits Written Off	15.68	-
xv)	Pithampur Industrial Waste Management Private Limited	Reimbursement of expenses given	0.30	0.23
xvi)	Ramky Enviro Services Private Limited	Revenue from waste disposal activities	2.82	-
		Advance from customers	15.00	-
		Reimbursement of expenses given	-	2.18
		Inter corporate deposit given	140.42	39.82
		Refund of Inter corporate deposits given	139.79	37.73
		Interest income on inter corporate deposit	7.16	4.04

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(b) Transactions with the related parties during the year

		Nature of Transaction	31-Mar-19	31-Mar-18
		Performance guarantees given	89.56	13.38
		Purchases of raw materials	61.83	-
xvii)	Delhi Cleantech Services Private Limited	Inter corporate deposit given	72.32	30.71
		Reimbursement of expenses given	-	7.52
		Refund of Inter corporate deposits given	-	34.00
		Interest income on inter corporate deposit	10.51	4.84
xviii)	Chhattisgarh Energy Consortium (India) Private Limited	Inter corporate deposit given	51.06	20.24
		Refund of Inter corporate deposits given	66.77	27.00
		Interest income on inter corporate deposit	-	2.88
		Reimbursement of expenses given	-	0.12
xix)	Ramky Enviro Engineers Middle East FZ LLC	Corporate guarantee	159.14	2,447.54
		Financial guarantee premium	-	12.24
		Share application money pending allotment given	193.38	-
xx)	Ramky Cleantech Services Pte Limited	Expiry of Corporate Guarantee	-	13,929.62
		Financial guarantee premium	-	1.24
xxi)	Chennai MSW Private Limited	Reimbursement of expenses given	-	68.25
		Inter corporate deposit given	7,805.90	2,847.70
		Refund of Inter corporate deposits given	4,183.61	2,929.19
		Interest income on inter corporate deposit	95.44	25.67
		Performance guarantees given / (Cancelled)	1,074.12	(388.00)
		Dividend received for the year	2,302.62	-
xxii)	Pro Enviro Recycling Private Limited	Advance from customers	1.60	1.60
		Reimbursement of expenses given	-	0.03
		Inter corporate deposit given	180.63	-
		Refund of Inter corporate deposits given	55.00	-
		Interest income on inter corporate deposit	5.96	-
		Reimbursement of expenses given	0.55	-
xxiii)	Al Ahlia Environmental Services Co LLC	Corporate Guarantee	-	4,411.25
xxiv)	Ramky Infrastructure Limited	Revenue from consultancy and other services	0.05	61.30
		Inter corporate deposit given	4,700.00	-
		Refund of Inter corporate deposits given	4,871.40	-
		Interest income on inter corporate deposit given	190.44	-

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(b) Transactions with the related parties during the year

		Nature of Transaction	31-Mar-19	31-Mar-18
		Revenue from consultancy and other services	-	-
		Revenue from waste disposal activities	903.15	1,007.63
		Revenue from consultancy and other services	-	-
		Lab analysis income	-	10.42
		Retention money repaid	-	250.58
		Refund of retention money received	901.99	-
		Receivable on account of slump sale	-	1,170.34
		Subcontract expenses	-	1,031.32
		Advances given to suppliers	493.88	300.62
		Purchase of DMSW equity shares	0.50	-
xxv)	Ramky Estates and Farms Limited	Rent expense	-	2.95
		Revenue from consultancy and other services	57.06	1.24
		Revenue from waste disposal activities	-	65.95
		Capital advance given	-	50.00
		Mobilization advance received	-	14.73
		Interest income on advance given	98.32	288.28
		Liabilities no longer required to be written back	86.88	-
xxvi)	Ramky Pharma City (India) Limited	Other Expenses payable	-	140.22
		Operational expenses	-	185.27
		Power and fuel expenses	25.69	-
		Electricity Charges - Office	4.66	-
		Water charges	47.68	-
		Repairs and Maintenance - Others	146.69	-
		Lease rentals	1.40	-
		Lab Analysis & Test Expenses	0.02	-
xxvii)	Smilax Laboratories Limited	Revenue from waste disposal activities	42.68	37.42
		Revenue from consultancy and other services	0.51	-
xxviii)	Ramky Foundation	Donation given	140.36	83.35
xxix)	RVAC Private Limited	Performance guarantees given / (Cancelled)	-63.32	63.32
xxx)	Jodhpur MSW Private Limited	Interest income on inter corporate deposit	10.32	4.82
		Reimbursement of expenses given	-	18.79
		Performance guarantees Cancelled	-	(40.00)
		Inter corporate deposit given	91.80	-

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(b) Transactions with the related parties during the year

		Nature of Transaction	31-Mar-19	31-Mar-18
xxxi)	Dehradun Waste Management Private Limited	Inter corporate deposit given	805.81	1,336.80
		Refund of Inter corporate deposits given	829.30	970.00
		Interest income on inter corporate deposit	39.16	65.06
		Performance guarantees cancelled	(125.00)	-
		Mobilization advance repaid	-	(175.00)
		Expenses incurred on behalf of the Company	-	2.72
xxxii)	Frank Lloyd TechManagement Services Limited	Consultancy charges	81.00	45.00
xxxiii)	Abhiram Infra Projects Private Limited	Inter corporate deposit repaid	455.73	123.97
		Interest on Inter coporate deposit taken	91.61	110.98
		Performance guarantees Cancelled	(543.90)	(24.09)
xxxiv)	Katni MSW Private Limited	Inter corporate deposit given	1,763.95	1,582.99
		Refund of Inter corporate deposits given	1,012.00	1,607.70
		Interest income on inter corporate deposit	82.24	135.16
		Corporate guarantee	13.82	-
		Reimbursement of expenses given	-	28.71
		Expenses payable	-	0.11
		Performance guarantees Cancelled	(180.00)	-
xxxv)	Saagar MSW Solutions Limited	Inter corporate deposit given	1,872.45	712.32
		Refund of Inter corporate deposits given	1,135.00	810.10
		Interest income on inter corporate deposit	68.84	107.66
		Revenue from sale of goods	39.64	-
		Reimbursement of expenses given	-	42.52
		Corporate guarantee	31.10	-
		Performance guarantees Cancelled	(350.00)	-
xxxvi)	Adityapur Waste Management Private Limited	Reimbursement of expenses given	-	4.87
		Inter corporate deposit given	858.98	980.51
		Refund of Inter corporate deposits given	862.70	275.00
		Interest income on inter corporate deposit	152.25	137.23
		Performance guarantees given / (cancelled)	(245.00)	191.00
xxxvii)	Hyderabad C&D Waste Private Limited	Inter corporate deposit given	1,657.69	76.12
		Refund of Inter corporate deposits given	1,005.97	5.00
		Interest income on inter corporate deposit	67.34	4.26
		Reimbursement of expenses given	-	0.13
		Reimbursement of expenses refund	0.10	-

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(b) Transactions with the related parties during the year

		Nature of Transaction	31-Mar-19	31-Mar-18
xxxviii)	Deccan Recyclers Private Limited	Revenue from waste disposal activities	175.85	197.06
		Purchases of trading goods	0.45	0.76
		Purchases of raw materials	0.70	-
		Advance from customers	100.00	0.95
		Reimbursement of expenses given	-	0.13
		Inter corporate deposit given	13.42	19.25
		Refund of Inter corporate deposits given	25.03	19.00
		Interest income on inter corporate deposit	3.05	2.57
xxxix)	Vilholi Waste Management System Private Limited	Inter corporate deposit given	43.09	61.73
		Refund of Inter corporate deposits given	13.00	70.00
		Interest income on inter corporate deposit	28.37	26.6
		Reimbursement of expenses given	-	4.63
		Revenue from waste disposal activities	-	125.44
xxxx)	Maridi Eco Industries Private Limited	Revenue from waste disposal activities	21.67	17.16
		Inter corporate deposit given	490.51	-
		Refund of Inter corporate deposits given	133.64	-
		Interest income on inter corporate deposit	56.60	-
xxxxi)	Rewa Msw Management Solutions Limited.	Reimbursement of expenses given	0.59	8.45
		Inter corporate deposit given	1,464.48	625.11
		Refund of Inter corporate deposits given	204.50	165.15
		Interest income on inter corporate deposit	127.91	17.31
		Performance guarantees given / (cancelled)	(794.00)	794.00
		Corporate guarantee	375.89	362.02
		Financial guarantee premium	1.21	0.14
xxxxii)	Medicare Environmental Management Private Limited	Revenue from waste disposal activities	70.35	62.68
		Revenue from consultancy and other services	1.99	-
		Inter corporate deposit given	1,955.04	-
		Refund of Inter corporate deposits given	16.60	-
		Interest income on inter corporate deposit	26.11	-
		Advance from customers	40.00	(6.75)
		Purchase of raw materials	12.97	22.17
		Expenses incurred on behalf of the Company	-	0.63
		Corporate Guarantee	2,247.50	1,602.50
		Financial guarantee premium	25.44	11.00
xxxxiii)	B & G Solar Private Limited	Corporate Guarantee	130.00	959.84

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(b) Transactions with the related parties during the year

		Nature of Transaction	31-Mar-19	31-Mar-18
		Financial guarantee premium	-	2.21
		Inter corporate deposit given	20.00	-
		Interest income on inter corporate deposit	0.39	-
		Dividend received for the year	1.28	-
xxxxiv)	Ramky ARM Recycling Private Limited	Inter corporate deposit given	7.25	-
		Interest income on inter corporate deposit	0.06	-
		Reimbursement of expenses given	3.81	-
xxxxv)	Ramky Towers Limited	Refund of retention money received	17.99	-
		Advances / Deposits Written Off	55.80	-
		Liabilities no longer required to be written back	17.99	-
xxxxvi)	Bhubaneshwar Industrial Waste Management Private Limited	Investments made	-	1.00
xxxxvii)	Madhya Pradesh Waste Management Private Limited	Investments made	-	1.00
		Inter corporate deposit given	3,311.23	-
		Refund of Inter corporate deposits given	3,425.16	-
		Interest income on inter corporate deposit	126.58	-
		Rent expense	9.40	-
		Repairs & Maintenance - Buildings	7.98	-
		Liabilities no longer required to be written back	7.71	-
		Advance from customers	614.00	-
		Sale of Regency Yamuna Energy Limited equity shares	700.00	-
		Sale of Frank Lloyd Tech Management Services Limited equity shares	1.20	-
		Sale of Frank Lloyd Tech Management Services Limited preference shares	407.20	-
		Sale of Madhucon inter corporate deposit to Madhya Pradesh Waste Management Private Limited	818.15	-
xxxxviii)	Ramky Enclave Limited	Refund of retention money	1.01	-
xxxxix)	Dhanbad Integrated Msw Limited.	Reimbursement of expenses given	0.50	-
l)	Oxford Ayyappa Consulting Services (India) Private Limited	Sale of Madhya Pradesh Waste Management Private Limited equity shares	1.00	-
		Dividend paid	13,891.31	-

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(b) Transactions with the related parties during the year

		Nature of Transaction	31-Mar-19	31-Mar-18
li)	Rewa Msw Holding Private Limited.	Expenses incurred on behalf of the Company	0.59	0.67
lii)	Rewa Waste 2 Energy Project Limited.	Expenses incurred on behalf of the Company	-	0.08
		Inter corporate deposit given	122.24	16.70
		Refund of Inter corporate deposits given	0.15	-
		Interest income on inter corporate deposit	11.38	0.70
liii)	Voyants Solutions Private Limited	Inter corporate deposit repaid	30.34	-
liv)	Metropolis Investments Holdings Pte Limited	Issue of Optionally Redeemable Convertible Preference Shares (Refer note 45)	1,27,399.98	-
lv)	Alla Ayodhya Rami Reddy	Dividend paid	8,386.70	-
lvi)	Alla Dakshayani	Rent expense	74.61	-
lvii)	Alla Dasaratha Rami Reddy	Dividend paid	0.76	-
lviii)	Alla Veeraraghavamma	Dividend paid	0.76	-
lix)	Sharan	Dividend paid	0.01	-
lx)	Ishaan	Dividend paid	0.01	-
lxi)	R.K. Ventures	Dividend paid	1,018.56	-
lxii)	M. Goutham Reddy	Remuneration	143.58	81.80
lxiii)	Masood Alam Mallick	Remuneration	55.20	-
lxiv)	G. Hemanth Kumar Reddy	Remuneration	12.00	28.70
lxv)	Anil Khandelwal	Remuneration	124.36	-
lxvi)	Govind Singh	Remuneration	12.45	5.79

(c) Balance outstanding at the end of the year

		Nature of Transaction	31-Mar-19	31-Mar-18
i)	Tamilnadu Waste Management Limited	Inter corporate deposit given	2,299.95	260.37
		Other advances	-	19.79
		Trade receivables	151.55	27.79
		Corporate guarantee	-	1,220.05
		Investment in equity shares	1,712.19	1,712.19
ii)	West Bengal Waste Management Limited	Inter corporate deposit given	2,057.49	289.63
		Reimbursement of expenses	-	7.85
		Performance guarantees given	32.34	32.34
		Corporate guarantee	-	257.60
		Investment in preference shares	1,578.00	1,578.00
		Investment in equity shares	1,198.51	1,198.51
		Deferred income	2.04	-

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

		Nature of Transaction	31-Mar-19	31-Mar-18
iii)	Mumbai Waste Management Limited	Inter corporate deposit given	1,063.01	146.05
		Trade Payables	25.68	-
		Reimbursement of expenses	5.00	29.08
		Trade receivables	84.70	72.14
		Performance guarantees given	10.00	5.00
		Corporate guarantee	639.67	4,864.12
		Investment in equity shares	674.14	673.32
		Deferred income	0.68	-
iv)	Ramky Energy and Environment Limited	Trade receivables	8.67	11.79
		Trade payables	-	-
		Reimbursement of expenses	-	23.24
		Inter corporate deposit given	35.14	17.88
		Payable on purchase of DMSW equity shares	1.45	-
v)	Ramky Reclamation and Recycling Limited	Reimbursement of expenses	-	10.62
		Inter corporate deposit given	605.37	38.79
		Trade receivables	4.73	2.64
		Investment in equity shares	5.00	5.00
		Performance guarantees given	50.00	-
vi)	Ramky International (Singapore) Pte Limited	Share application money pending allotment	103.04	103.04
		Investment in equity shares	4,020.75	4,020.75
vii)	Ramky E-waste Management Limited	Reimbursement of expenses	0.77	0.47
		Trade payables	37.98	-
		Advance from customers	-	37.98
		Trade receivables	5.05	-
		Investment in equity shares	177.18	177.18
		Creditors for Capital Asset	125.56	125.56
		Advances received from Customers	37.09	-
viii)	Ramky MSW Private Limited	Trade receivables	28.01	1,339.23
		Trade payables	6.38	6.38
		Inter corporate deposit given	187.74	63.23
		Reimbursement of expenses	-	0.47
		Investment in equity shares	1.00	1.00
		Investment in preference shares	1,663.24	1,663.24

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

		Nature of Transaction	31-Mar-19	31-Mar-18
ix)	Ramky IWM Private Limited	Rental Expenses	-	31.14
		Reimbursement of expenses	-	0.13
		Inter corporate deposit given	178.85	242.11
		Investment in equity shares	617.53	617.53
		Investment in Debentures (OCD's)	6,000.00	6,000.00
		Investment in Debentures (CCD's)	958.25	958.25
		Financial asset component of investments	-	2,290.87
x)	Visakha Solvents Limited	Trade receivables	13.04	13.66
		Investment in equity shares	76.50	76.50
		Reimbursement of expenses	0.62	0.48
		Security deposit received	1.08	1.08
		Corporate guarantee	73.91	-
xi)	Hyderabad Integrated MSW Limited	Reimbursement of expenses	(2.60)	20.63
		Trade receivables	617.84	93.03
		Trade payables	0.47	-
		Advances received from Customers	-	1,000.00
		Inter corporate deposit given	7,755.36	476.31
		Corporate guarantee	19,448.45	25,529.77
		Investment in equity shares	639.51	639.51
		Investment in preference shares	5,191.26	5,191.26
		Performance guarantees given	119.06	80.58
		Deferred income	327.82	-
xii)	Delhi MSW Solutions Limited	Trade receivables	86.11	31.91
		Investment in equity shares	3,497.55	3,488.03
		Investment in preference shares	455.00	455.00
		Inter corporate deposit given	20,859.96	107.98
		Reimbursement of expenses	-	371.05
		Investment in Debentures (OCD's)	1,277.67	1,277.67
		Performance guarantees given	1,708.61	1,315.53
		Corporate guarantee	29,881.95	29,358.66
		Financial asset component of investments	-	3,054.50
		Deferred income	566.08	-
xiii)	Hyderabad MSW Energy Solutions Private Limited	Reimbursement of expenses	-	0.85
		Investment in equity shares	33.46	33.46
		Reimbursement of expenses	(2.60)	-
		Inter corporate deposit given	6,851.91	-
		Performance guarantees given	125.00	-

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

		Nature of Transaction	31-Mar-19	31-Mar-18
		Trade receivables	8,527.86	-
xiv)	Maridi Bio Industries Private Limited	Trade payables	131.12	92.49
		Trade receivables	2.76	-
		Investment in equity shares	1.00	1.00
xv)	Pithampur Industrial Waste Management Private Limited	Reimbursement of expenses	1.32	1.02
		Investment in equity shares	1.00	1.00
xvi)	Ramky Enviro Services Private Limited	Reimbursement of expenses	2.82	3.40
		Trade Payables	42.00	-
		Trade receivables	3.32	-
		Inter corporate deposit given	53.08	46.00
		Performance guarantees given	102.94	13.38
		Investment in equity shares	1.00	1.00
		Advances received from Customers	15.00	-
xvii)	Delhi Cleantech Services Private Limited	Reimbursement of expenses	-	7.52
		Inter corporate deposit given	125.77	43.99
		Investment in equity shares	1.55	0.49
		Investment in preference shares	44.65	44.65
xviii)	Chhattisgarh Energy Consortium (India) Private Limited	Inter corporate deposit given	-	15.71
		Asset held for sale#	614.00	1,650.01
		Reimbursement of expenses	-	0.95
xix)	Ramky Enviro Engineers Middle East FZ LLC	Corporate guarantee	2,649.32	2,490.18
		Share application money pending allotment	1,576.81	1,383.44
		Investment in equity shares	48.68	36.44
xx)	Bhubaneshwar Industrial Waste Management Private Limited	Investment in equity shares	-	1.00
xxi)	Chennai MSW Private Limited	Reimbursement of expenses	-	54.25
		Inter corporate deposit given	3,815.49	107.30
		Investment in equity shares	103.48	101.67
		Trade receivables	-	16.22
		Trade payables	(0.10)	-
		Performance guarantees given	1,299.48	225.36
xxii)	Pro Enviro Recycling Private Limited	Advance from customers	-	1.60
		Inter corporate deposit given	131.00	-

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

		Nature of Transaction	31-Mar-19	31-Mar-18
		Trade receivables	14.23	14.23
		Reimbursement of expenses	-	0.31
xxiii)	Al Ahlia Environmental Services Co LLC	Investment in equity shares	145.65	145.65
		Corporate guarantee	-	-
xxiv)	Ramky Infrastructure Limited	Trade receivables	156.31	983.54
		Advance given to suppliers	1,427.49	933.61
		Receivable on account of slump sale	-	1,158.06
		Retention money receivable	-	801.99
		Advances received from Customers	0.35	-
		Payable on purchase of DMSW equity shares	0.50	-
xxv)	Ramky Estates and Farms Limited	Rent payable	-	16.49
		Advances received from Customers	106.83	14.73
		Trade receivables	16.29	110.93
		Trade payables	(17.57)	-
		Capital advance given	-	2,175.00
xxvi)	Ramky Pharma City (India) Limited	Trade payables	109.23	68.09
		Reimbursement of expenses	-	196.79
xxvii)	Smilax Laboratories Limited	Trade receivables	16.85	301.49
		Trade payables	2.41	2.41
		Security deposit received	5.03	5.03
		Advances received from Customers	0.02	-
xxviii)	Medicare Environmental Management Private Limited	Trade receivables	44.57	17.91
		Trade Payables	7.26	23.98
		Inter corporate deposit given	1,961.94	-
		Advances received from Customers	40.00	-
		Reimbursement of expenses	-	1.63
		Equity component of financial guarantee	-	55.26
		Corporate guarantee	-	2,247.50
xxix)	RVAC Private Limited	Performance guarantees given	-	63.32
xxx)	Jodhpur MSW Private Limited	Investment in equity shares	10.00	10.00
		Trade payables	13.05	-
		Inter corporate deposit given	143.98	42.89
		Receivable on account of slump sale	186.32	189.32
		Reimbursement of expenses	-	18.79

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

		Nature of Transaction	31-Mar-19	31-Mar-18
xxxi)	Dehradun Waste Management Private Limited	Inter corporate deposit given	446.89	435.13
		Performance guarantees given	-	125.00
		Investment in equity shares	1.00	1.00
		Trade receivables	-	2.72
xxxii)	Frank Lloyd TechManagement Services Limited	Asset held for sale	-	407.20
		Consultancy charges	-	13.14
		Advance to suppliers	79.33	226.64
		Asset held for sale	-	1.20
		Trade receivables	-	5.50
		Trade payables	(4.86)	-
xxxiii)	Abhiram Infra Projects Private Limited	Inter corporate deposite taken	533.66	906.95
		Performance guarantees given	1,787.60	2,331.50
xxxiv)	Katni MSW Private Limited	Inter corporate deposit given	1,536.28	710.31
		Reimbursement of expenses	-	28.60
		Performance guarantees given	-	180.00
		Advances received from Customers	0.11	-
		Corporate guarantee	13.82	-
		Deferred income	0.12	-
xxxv)	Saagar MSW Solutions Limited	Inter corporate deposit given	1,470.45	671.05
		Trade receivables	26.77	-
		Reimbursement of expenses	-	42.52
		Performance guarantees given	-	350.00
		Reimbursement of expenses	0.33	-
		Corporate guarantee	31.10	-
		Deferred income	0.27	-
xxxvi)	Adityapur Waste Management Private Limited	Inter corporate deposit given	1,718.32	1,585.01
		Receivable on account of slump sale	777.61	777.61
		Performance guarantees given	5.00	250.00
		Investment in equity shares	1.00	1.00
		Reimbursement of expenses	(0.10)	5.70
xxxvii)	Hyderabad C&D Waste Private Limited	Inter corporate deposit given	808.53	96.21
		Reimbursement of expenses	-	0.13
xxxviii)	Deccan Recyclers Private Limited	Trade receivables	6.23	80.89

Notes to financial statements for the year ended 31 March 2019
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

		Nature of Transaction	31-Mar-19	31-Mar-18
		Advances received from Customers	102.14	2.59
		Reimbursement of expenses	-	1.12
		Inter corporate deposit given	21.86	31.51
xxxix)	Vilholi Waste Management System Private Limited	Inter corporate deposit given	271.96	216.33
		Reimbursement of expenses	-	4.63
		Trade receivables	71.05	71.05
		Investment in equity shares	0.26	0.26
xxxx)	Maridi Eco Industries Private Limited	Trade receivables	22.79	19.40
		Inter corporate deposit given	407.81	-
xxxxi)	B & G Solar Private Limited	Corporate guarantee	267.21	397.21
		Inter corporate deposit given	20.35	-
		Investment in equity shares	328.90	328.90
		Investment in preference shares	12.75	12.75
		Deferred income	4.61	-
xxxxii)	Pro Enviro C&D Waste Management Private Limited	Trade receivables	2.36	-
		Reimbursement of expenses	0.55	-
xxxxiii)	Ramky ARM Recycling Private Limited	Inter corporate deposit given	7.31	-
		Reimbursement of expenses	3.81	-
xxxxiv)	Dhanbad Integrated MSW Limited.	Reimbursement of expenses	0.50	-
xxxxv)	Madhya Pradesh Waste Management Private Limited	Asset held for sale	-	1.00
		Trade Payables	153.82	-
		Advance from customers	614.00	-
xxxxvi)	Rewa Msw Management Solutions Limited	Trade receivables	-	8.45
		Inter corporate deposit given	1,850.64	475.54
		Performance guarantees given	-	794.00
		Reimbursement of expenses	5.75	-
		Corporate guarantee	725.66	349.76
		Advances received from Customers	0.25	-
		Equity component of financial guarantee	-	3.27
		Deferred income	5.48	-
xxxxvii)	Rewa Msw Holding Private Limited	Trade receivables	-	0.67
		Reimbursement of expenses	1.26	-
xxxxviii)	Rewa Waste 2 Energy Project Limited	Trade receivables	-	0.08
		Inter corporate deposit given	149.66	17.33

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

		Nature of Transaction	31-Mar-19	31-Mar-18
		Reimbursement of expenses	(5.88)	-
xxxxix)	Voyants Solutions Private Limited	Inter Corporate Deposit taken	-	29.20
l)	Regency Yamuna Energy Limited	Asset held for sale	-	700.00
li)	Ramky Enclave Limited	Supply of Material	-	8.03
		Retention money receivable	-	1.01
lii)	Ramky Towers Limited	Trade receivables	-	6.78
		Interest receivable	-	2.66
		Retention money receivable	-	17.99
		Trade payables	-	94.33
liii)	Ramky Risal Environmental Services Saudi Arabia Limited	Investment in equity shares	84.81	84.81
liv)	Ramky Wavoo Developers Private Limited	Trade receivables	1.52	1.52
lv)	Alla Dakshayani	Trade payables	59.58	-
lvi)	M. Goutham Reddy	Salary payable	-	4.05
lviii)	G. Hemanth Kumar Reddy	Salary payable	-	0.80

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arms length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

33 The following details relating to micro, small and medium enterprises shall be disclosed in the notes

		31-Mar-19	31-Mar-18
a)	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	170.21	-
b)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	29.11	-
e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

34 Movement in provisions

Movement in provisions for the year ended 31 March 2019:

	Replacement of assets	Capping	Post closure	Incineration
At the beginning of the year	378.53	3,518.38	1,083.97	175.95
Add: Provision made during the year	-	433.12	154.99	33.37
Add: Interest expenses (using the effective interest rate method)	46.42	167.51	139.81	-
Less: Provision reversed/utilized during the year	-	(2,021.10)	(73.88)	(84.07)
At the end of the year	**424.95**	**2,097.91**	**1,304.89**	**125.25**
Short-term provision	-	716.44	-	125.25
Long-term provision	424.95	1,381.47	1,304.89	-

Movement in provisions for the year ended 31 March 2018:

	Replacement of assets	Capping	Post closure	Incineration
At the beginning of the year	337.08	3,696.24	846.8	447.94
Add: Provision made during the year	-	319.05	121.03	13.05
Add: Interest expenses (using the effective interest rate method)	41.45	418.00	116.14	-
Less: Provision reversed/utilized during the year	-	(914.91)	-	(285.04)
At the end of the year	**378.53**	**3,518.38**	**1,083.97**	**175.95**
Short-term provision	-	-	-	175.95
Long-term provision	378.53	3,518.38	1,083.97	-

35 Disclosure pursuant to Indian Accounting Standard (Ind AS) 108 “Operating Segments”

For management purposes, the Company is organised into business units based on its products and services and has three reportable segments, as follows:

Waste Management : Comprises of collection, transportation, treatment of waste and maintenance of waste treatment facilities.

Turnkey Projects : Comprises of EPC projects.

Others : Comprises of Consultancy and other miscellaneous services.

Identifications of Segments

The chief operational decision maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements.

Notes to financial statements for the year ended 31 March 2019
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Year ended 31 March 2019

Particulars	Waste Management Division	Turnkey Projects division	Others	Total
Revenue				
External customers	33,497.37	1,018.68	3,473.40	37,989.45
Inter-segment	-	-	-	-
Total revenue	**33,497.37**	**1,018.68**	**3,473.40**	**37,989.45**
Income/(Expenses)				
Depreciation and amortisation	3,672.30	0.13	118.86	3,791.29
Segment profit	13,690.02	339.49	445.45	14,474.96
Interest income				4,453.75
Other income				765.48
Interest expense				4,559.82
Unallocated expense				9,351.44
Profit before Tax before exceptional items				5,782.94
Exceptional items				13,041.94
Profit before Tax after exceptional items				18,824.88
Tax expense				4,200.64
Profit After Tax				14,624.24
Segment assets	37,926.98	3,547.71	892.82	42,367.51
Unallocable assets				1,17,749.53
Segment liabilities	28,799.31	6,006.80	75.87	34,881.98
Unallocable Liabilities				3,874.19
Other disclosures				
Non cash expense other than Depreciation				1,084.83
Capital expenditure	3,315.75	1.87	535.67	3,853.29

Year ended 31 March 2018

Particulars	Waste Management Division	Turnkey Projects division	Others	Total
Revenue				
External customers	28,959.92	4,008.03	2,938.82	35,906.77
Inter-segment	-	-	-	-
Total revenue	**28,959.92**	**4,008.03**	**2,938.82**	**35,906.77**
Income/(Expenses)				
Depreciation and amortisation	1,916.06	86.44	35.39	2,037.89
Segment profit	16,435.40	(751.57)	276.36	15,960.19
Interest income				3,359.18
Other Income				268.75
Interest expense				3,987.70

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	Waste Management Division	Turnkey Projects division	Others	Total
Unallocated expense				3,960.23
Profit before tax				11,640.56
Tax expense				2,584.20
Profit After Tax				9,056.36
Segment assets	27,358.28	5,533.39	4,118.70	37,010.37
Unallocable assets				56,079.87
Segment liabilities	9,460.34	6,148.34	804.66	16,413.34
Unallocable Liabilities				13,205.58
Other disclosures				
Non cash expense other than Depreciation				1,018.84
Capital expenditure	2,584.09	90.45	57.98	2,732.52

Information about major customers

The Company has large number of customers and no single customer contributes more than 10% of total revenue of the Company. Hence, there are no major customers details to be reported by the Company.

Geographical Information

The companies operations are confined within India and as such there are no reportable geographical segments.

36 Fair values including Fair value hierarchy

The management assessed that loans, trade receivables, cash and cash equivalents, bank balances, other financial assets, borrowings, trade payables and other financial liabilities approximate their carrying amounts as fair value except for investment in mutual funds.

The fair value for investments in mutual funds (FVTPL) are valued using Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

The fair value for OCRPS (FVTPL) are valued using Level 3:

37 Financial risk management objectives and policies

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. In performing its operating, investing and financing activities, the Company is exposed to the Credit risk and Liquidity risk.

i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of interest rate risk. Financial instruments affected by market risk include loans, borrowings and deposits.

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates and investment in mutual funds debt schemes.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of investments, loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings and investments, as follows:

			Effect on profit before tax	
		Increase/ decrease in basis points	**Financial liability instrument**	**Financial asset instrument**
31-Mar-19	INR	100.00	(42.9)	96.07
		(100.00)	42.90	(96.07)
31-Mar-18	INR	100.00	(81.13)	-
		(100.00)	81.13	-

iii) Foreign currency risk

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under:

		In foreign currency		In Rupees	
Particulars	**Currency**	**31-Mar-19**	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Trade payables	USD	13.44	-	931.69	-

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Change in USD rate	31-Mar-19	31-Mar-18
- 5% increase	46.58	-
- 5% decrease	(46.58)	-

iv) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial

institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Credit risk with respect to trade receivables is limited, based on our historical experience of collecting receivables, supported by the level of default.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's top management in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the top management on an annual basis, and may be updated throughout the year subject to approval of the Company's board of directors. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterpartys potential failure to make payments.

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

v) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering

cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below analyses derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Carrying Value	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years
As at 31 March 2019						
Borrowings	5,002.96	4,311.05	241.06	527.04	457.47	10,334.27
Other financial liabilities	15,538.53	-	281.61	1,156.41	1,718.73	-
Trade payables	7,079.78	-	7,079.78	-	-	-
As at 31 March 2018						
Borrowings	8,973.40	949.61	915.46	2,746.40	5,298.08	-
Other financial liabilities	4,200.78	-	981.60	609.65	1,673.38	-
Trade payables	4,811.34	-	4,811.34	-	-	-

At present, the Company does expects to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows

38 Capital management

The Company endeavours to maintain sufficient levels of working capital, current assets, and current liabilities which helps the company to meet its expense obligations while also maintaining sufficient cash flow. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and equity of the Company (comprising issued capital, reserves and retained earnings). The capital structure of the Company is reviewed by the management on a periodic basis.

	31-Mar-19	31-Mar-18
Gearing ratio		
Borrowings (non-current and current, including current maturities of non-current borrowings, interest accrued and due,	5,002.96	8,973.40
Interest accrued but not due)		
Less: Cash and cash equivalents (including balances at bank other than cash and cash equivalents and margin money	(14,866.82)	(3,059.19)
deposits with banks) and Liquid investments in Mutual Funds		
Net debt (A)	**(9,863.86)**	**5,914.21**
Equity	1,21,360.83	63,471.28
Total capital (B)	**1,21,360.83**	**63,471.28**
Gearing ratio (%) {A/(A+B)}	**(8.85%)**	**8.52%**

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Gearing ratio:

The company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The company's policy is to keep the gearing ratio within 50%.

In order to achieve this overall objective, the Company makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company aims to ensure that it meets the financial covenants attached to the interest bearing loans and borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current year, other than those reported.

39 Disclosure pertaining to Ind AS 11*

	31-Mar-18
Contract revenue recognized	2,224.97
In case of contracts in progress as at the reporting date:	
Contract cost incurred and recognised profits (less recognised losses) upto the reporting date	5,496.51
Advances received, net of recoveries from progressive bills	-
Gross amount due from customers for contract works	1,100.14
Gross amount due for customers for contract works	840.82
Retention money	271.58
*Ind AS 11 - Construction contracts, is not applicable with effect from 01 April 2018	

40 During the previous year, the management had carried out a detailed evaluation of compliance with Foreign Exchange Management ODI regulations and have identified non-compliance with certain regulations under Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Amendment) Regulations, 2004 (FEMA) relating to non-submission/delayed filing of Overseas Direct Investment (ODI) forms, proof of investments, annual performance reports, non-intimation of changes in joint venture/wholly owned subsidiary within due dates, transactions involving both Foreign Direct Investment and ODI, intimation of setting up second layer of investment holding companies, transactions with more than one authorized dealer, remittances before allotment of Unique Identification Number.

The Company has filed the compounding application with the Reserve Bank of India (RBI) on 28 December 2018. During the current year, the RBI has directed the Company to file the compounding applications with the Authorized Dealers (AD). The Company has filed the required documents with AD and has received certain observations. The Company is currently in the process of addressing the aforesaid observations and file the compounding applications with the AD. Based on legal opinion obtained by the Company and other documentary evidences available with the company, the management is of the view that there would be no material impact on the financial statements and accordingly, no adjustments for the possible effect of such non-compliance have been made to the standalone financial statements of the Company.

41 The income tax department has conducted survey operation on the Company's registered office on 17 May 2019. No order consequent to such operation has so far been received by the Company. Management believes that there would be no implication of the aforesaid survey operations on the standalone financial statements of the Company.

42 In the earlier years, the Company had entered into a share purchase agreement with the other shareholder of Chhattisgarh Energy Consortium India Private Limited (CECIPL) and purchased a 51% stake in CECIPL. During the current year, consequent to the SSPA entered with the investor (refer note 45), the Company has entered into an agreement to sell its investment in CECIPL to one of the promoters entity (buyer) and has received advance of Rs 614 for such sale from the buyer. The beneficial ownership of the said subsidiary has been transferred to the buyer subsequent to the balance sheet date and hence the Company has continued to disclose the investment in subsidiary of Rs 614 as asset held for sale. The financial statements of CECIPL have not been audited after the year ending 31 March 2014 till current year.

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Further, in the earlier years, the Company had filed for an arbitration with the other shareholder of CECIPL with respect to alleged failure of the performance obligations by the other shareholder as required in the share purchase agreement between the Company and the other shareholder. During the year, pursuant to an unfavourable award in relation to the aforesaid arbitration, the Company has made a provision for impairment of Rs 1,036 on its investment in subsidiary, which has been disclosed as an exceptional item. The management of the Company does not currently envisage any further loss related to the subsidiary.

Except for the aforesaid investment, the Company has sold other investments classified as assets held for sale as at 31 March 2018 of Rs. 6,230.01 at a profit of Rs. 277.69 which has been disclosed as exceptional item.

43 Exceptional Items

Exceptional items consits of the following:

	31-Mar-19	31-Mar-18
Advances to vendors and other advances written off	(438.71)	(1,446.57)
Retention money, earnest money deposit and other advances written off	-	(801.35)
Balance with government authorities written off	(66.33)	-
Dividend income	12,301.99	-
Loss on sale of investments	(758.32)	-
Liabilities no longer required on trade payables and provisions	2,003.31	1,014.51
Liabilities no longer required on retention money payable	-	264.80
	13,041.94	(968.61)

44 Scheme of Amalgamation under section 230 to 232 of the Companies Act, 2013

Pursuant to Share Subscription and Share Purchase Agreement (SSPA) entered by the Company on 20 August 2018 (amended pursuant to first amendment agreement dated 08 February 2019), with Metropolis Investment Holdings Pte Ltd (the investor) and its promoters, the following transactions (collectively, the transaction) were performed on 08 February 2019:

The investor acquired 2,485,488 class A equity shares of Rs 10 each and 100 class B equity shares of Rs 10 each representing 59.5% of the shareholding of the Company from the promoters.

The Company has issued 1,343,431 0.00001% Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs 15 per OCRPS (Rs. 201.51) to the investor at a premium of Rs. 9,468.18 per OCRPS (Rs. 127,198.47), totalling to Rs. 127,399.98. Based on the external valuation, the Company has determined the liability component of OCRPS to Rs. 11,855.00 which is disclosed as financial liability under “Non Current financial liabilities” and balance of Rs. 115,544.98 is classified as equity component of compound financial instruments under “Other equity.

The Company has modified the terms of 71,145 0.001% Compulsorily Convertible Preference Shares (CCPS) of Rs 100 per CCPS (Rs. 71.15) and redeemed the same at a premium of Rs 87,608.20 per CCPS (Rs. 62,328.85), totalling to Rs. 62,400.00. In accordance with the provisions of Companies Act, 2013, the Company has utilised the existing securities premium to the tune of Rs. 17,946.05 and balance of Rs. 44,382.80 from the fresh issue proceeds of OCRPS to redeem the existing CCPS.

The Company along with its subsidiaries has sold certain investments, inter-corporate loans, buildings and advances which were not core to the business of the Company to its promoters for Rs. 28,000 of which Rs. 4,850 was from the company and Rs. 23,420 was from its subsidiaries. Accordingly, the Company has recognised profit of Rs. 277.69 and loss of Rs. 1,036.00 on sale of such assets and disclosed the same under Exceptional items.

The Company has declared a dividend of Rs 23,226.11 (excluding dividend distribution tax of Rs. 4,592.02) to the promoters.

The Company has incurred transaction related expense of Rs 4,862.18, which have been charged off to the.

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Accordingly, the amalgamation has resulted in transfer of assets and liabilities in accordance with the terms of the Scheme at the following summarised values:

	Amount
Assets	
Inter Corporate Deposits	374.50
Trade Receivable	14.85
Cash and bank balances	0.44
Total assets	**389.79**
Liabilities	
Borrowings	(361.43)
Tax and statutory liabilities	(2.88)
Trade payables	(0.36)
Total liabilities	**(364.67)**
Net assets acquired by the Company on amalgamation	**25.12**
Less:	
Intercompany balances eliminated	0.02
Deficit in the statement of profit and loss of the transferor company, adjusted against the surplus in the statement of profit and loss of the Company, pursuant to amalgamation	(24.12)
Value of investment in the share capital of the transferor company, in the books of the Company, cancelled pursuant to amalgamation	(17,924.60)
Balance transferred to capital reserve on amalgamation	**(17,923.58)**

The authorised share capital of the company increased by Rs. 17,652.26 on account of scheme of amalgamation.

45 Issue of Optionally Convertible Redeemable Preference Shares (OCRPS)

Pursuant to Share Subscription and Share Purchase Agreement (SSPA) entered by the Company on 20 August 2018 (amended pursuant to first amendment agreement dated 08 February 2019), with Metropolis Investment Holdings Pte Ltd (the investor) and its promoters, the following transactions (collectively, the transaction) were performed on 08 February 2019:

The investor acquired 2,485,488 class A equity shares of Rs 10 each and 100 class B equity shares of Rs 10 each representing 59.5% of the shareholding of the Company from the promoters.

The Company has issued 1,343,431 0.00001% Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs 15 per OCRPS (Rs. 201.51) to the investor at a premium of Rs. 9,468.18 per OCRPS (Rs. 127,198.47), totalling to Rs. 127,399.98. Based on the external valuation, the Company has determined the liability component of OCRPS to Rs. 11,855.00 which is disclosed as financial liability under “Borrowings” and balance of Rs. 115,544.98 is classified as capital contribution under “Other equity”.

The Company has modified the terms of 71,145 0.001% Compulsorily Convertible Preference Shares (CCPS) of Rs 100 per CCPS (Rs. 71.15) and redeemed the same at a premium of Rs 87,608.20 per CCPS (Rs. 62,328.85), totalling to Rs. 62,400.00. In accordance with the provisions of Companies Act, 2013, the Company has utilised the existing securities premium to the tune of Rs. 17,946.05 and balance of Rs. 44,382.80 from the fresh issue proceeds of OCRPS to redeem the existing CCPS.

The Company along with its subsidiaries has sold certain investments, inter-corporate loans, buildings and advances which were not core to the business of the Company to its promoters for Rs. 28,000 of which Rs. 4,850 was from the company and Rs. 23,420 was from its subsidiaries. Accordingly, the Company has recognised profit of Rs. 277.69 and loss of Rs. 1,036.00 on sale of such assets and disclosed the same under Exceptional items.

The Company has declared a dividend of Rs 23,226.11 (excluding dividend distribution tax of Rs. 4,592.02) to the promoters.

The Company has incurred transaction related expense of Rs 4,862.18 , which has been charged off in the statement of profit and loss.

Notes to financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

46 Standards issued but not effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules,2017 and Companies (Indian Accounting Standards)

Amendment Rules, 2018 amending the following standard:

A. Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees leases of low-value assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from todays accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company intends to adopt this standards from 01 April 2019. The Company is in the process of evaluating the requirements of the standard and its impact on its financial statements.

B. Amendments to existing issued Ind AS

The MCA Has carried out amendment in following accounting standards:

i) Ind AS 12 Income taxes to insert of Appendix C Uncertainty over income tax treatments.

ii) Ind AS 19 Employee Benefits

iii) Ind AS 23 Borrowing Costs

iv) Ind AS 28 Investments in Associates and Joint Ventures

v) Ind AS 109 Financial Instruments

vi) Ind AS 111 Joint Arrangements

Application of above standards are not expected to have any significant impact on company's financial statements.

As per our report attached of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

per Darshan Varma
Partner
Membership No: 212319

Place: Mumbai
Date: 26 September 2019

For and on behalf of the Board of Directors of
Ramky Enviro Engineers Limited

M Goutham Reddy
Managing Director
DIN: 00251461

Masood Alam Mallick
Joint Managing Director
DIN: 01059902

Anil Khandelwal
Jt. Managing Director & Chief Financial Officer
DIN: 02552099

Govind Singh
Company secretary
Membership No: A41173

Place: Mumbai
Date: 26 September 2019

Consolidated Financial Statements

Independent auditor's report

To
the Members of
Ramky Enviro Engineers Limited

Report on the Audit of the consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Ramky Enviro Engineers Limited ("hereinafter referred to as "the Holding Company""), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint ventures comprising of the consolidated Balance Sheet as at 31 March 2019, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 consolidated state of affairs of the Group, its associates and joint ventures as at 31 March 2019, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures 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 the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 34 subsidiaries, whose Ind AS financial statements include total assets of Rs 96,456.50 lakhs as at 31 March 2019, and total revenues of Rs 77,945.41 lakhs and net cash outflows of Rs 505.87 lakhs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs. 17.59 lakhs for the year ended 31 March 2019, as considered in the consolidated Ind AS financial statements, in respect of 2 associates and 2 joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the report(s) of such other auditors.

Of the above 8 subsidiaries, 1 associates and 2 joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries/associates/ joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries/associates/ joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

(b) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of 5 subsidiaries, whose financial statements and other financial information reflect total assets of Rs 2,010.25 lakhs as at 31 March 2019, and total revenues of Rs 230.14 lakhs and net cash outflows of Rs 75.97 lakhs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

(a) We/ the other auditors whose report we have relied upon 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 of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Group so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended 31 March 2019 has been paid / provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act; and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclosed the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its consolidated Ind AS financial statements – Refer Note 37 to the consolidated Ind AS financial statements;

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India during the year ended 31 March 2019.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Darshan Varma
Partner
Membership Number: 212319

UDIN: 19212319AAAACF6820
Place of Signature: Mumbai
Date: 26 September 2019

Annexure 1 to the independent auditor's report of even date on the consolidated Ind AS financial statements of Ramky enviro engineers limited

Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the companies act, 2013 ("the act")

In conjunction with our audit of the consolidated Ind AS financial statements of Ramky Enviro Engineers Limited as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of Ramky Enviro Engineers Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, as of that date.

Management's responsibility for internal financial controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to these consolidated Ind AS financial statements 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 over financial reporting with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, 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 judgement, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, 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 with reference to these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated Ind AS financial statements 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 Holding Company, its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company, insofar as it relates to these 26 subsidiary companies and 1 associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associates incorporated in India.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Darshan Varma
Partner
Membership Number: 212319

UDIN: 19212319AAAACF6820
Place of Signature: Mumbai

Consolidated Balance Sheet as at 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	3A	26,963.95	29,509.87
Capital work in progress	3B	5,667.40	5,595.65
Investment property	4	8.12	8.12
Goodwill	5A	1,424.12	1,935.06
Intangible assets	5B	86,584.83	80,740.35
Intangible assets under development	5C	31,773.40	10,559.07
Investment in an associate and a joint venture	38,39	1,345.68	645.42
Financial assets			
(i) Investments	6A	119.63	35.00
(ii) Bank balance other than cash and cash equivalent	6F	1,584.16	1,334.79
(iii) Trade receivables	6D	1,718.80	-
(iv) Other financial asset	6C	11,124.19	16,652.57
Deferred tax assets (net)	8	13,409.56	10,818.96
Non-current tax assets	9	3,134.97	1,082.81
Other assets	10	15,371.33	7,988.75
		200,230.14	**166,906.42**
Current assets			
Inventories	7	2,814.52	2,219.38
Financial assets			
(i) Investments	6A	25,768.01	-
(ii) Loans	6B	8,095.82	2,958.99
(iii) Trade receivables	6D	49,940.40	44,570.83
(iv) Cash and cash equivalent	6E	15,745.51	18,428.25
(v) Bank balance other than (iv) above	6F	9,870.03	2,980.43
(vi) Other financial asset	6C	1,481.46	8,959.34
Other assets	10	15,464.47	8,052.17
		129,180.22	**88,169.39**
Asset classified as held for sale	46	614.00	33,074.57
Total assets		**330,024.36**	**288,150.38**
Equity and liabilities			
Equity			
Share capital	11	417.75	488.90
Other equity	12	162,326.31	119,691.16
Equity attributable to equity holders of the parent		**162,744.06**	**120,180.06**
Non-controlling interests		3,678.84	4,185.53
Total equity		**166,422.90**	**124,365.59**

(Contd.)

Consolidated Balance Sheet as at 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018
Non-current liabilities			
Financial liabilities			
(i) Borrowings	13A	48,620.90	67,729.53
(ii) Other financial liabilities	13C	15,958.22	3,225.88
Government grant	17	1,554.09	1,698.42
Long term provisions	16	27,764.77	25,819.87
Deferred tax liabilities (net)	14	1,979.05	5,533.33
Other liabilities	18	1,976.43	2,046.59
		97,853.46	**106,053.62**
Current liabilities			
Financial liabilities			
(i) Borrowings	13A	4,691.61	1,388.39
(ii) Trade payables	13B	23,139.18	19,587.74
(iii) Other financial liabilities	13C	15,355.62	18,227.87
Liabilities for current tax (net)	15	3,874.28	4,780.29
Provisions	16	7,992.56	3,255.52
Other liabilities	18	10,694.75	10,491.36
		65,748.00	**57,731.17**
Total equity and liabilities		**330,024.36**	**288,150.38**
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements.			

As per our report attached of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors of
Ramky Enviro Engineers Limited

per Darshan Varma
Partner
Membership No: 212319

M Goutham Reddy
Managing Director
DIN: 00251461

Masood Alam Mallick
Joint Managing Director
DIN: 01059902

Anil Khandelwal
Jt. Managing Director & Chief Financial Officer
DIN: 02552099

Govind Singh
Company secretary
Membership No: A41173

Place: Mumbai
Date: 26 September 2019

Place: Mumbai
Date: 26 September 2019

Consolidated Statement of Profit and Loss for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Revenue from contracts with customers	19	221,129.12	174,560.24
Other income	20	7,327.02	5,566.02
Total income (I)		**228,456.14**	**180,126.26**
Expenses			
Cost of raw material consumed	21	19,047.50	11,445.14
(Increase) / decrease in inventories of finished goods		(184.02)	52.97
Construction expenses	22	27,942.58	8,445.18
Employee benefits expense	23	22,057.31	17,689.46
Depreciation and amortization expense	25	18,557.78	18,444.95
Finance costs	24	13,868.59	14,401.21
Other expenses	26	101,001.43	78,780.10
Total expense (II)		**202,291.17**	**149,259.01**
Profit before share of profit of associates and a joint venture, exceptional items and tax (III=I-II)		**26,164.97**	**30,867.25**
Share of profit/(loss) of an associate and a joint venture (IV)	38,39	17.59	150.34
Profit before exceptional items and tax (V=III+IV)		**26,182.56**	**31,017.59**
Exceptional items (VI)	28	5,582.89	4,085.33
Profit before tax (VII=V-VI)		**20,599.67**	**26,932.26**
Tax expense	29		
Current tax		10,220.35	7,657.62
Less: MAT credit entitlement		(1,250.24)	(550.75)
Adjustment of tax relating to earlier periods		1,069.77	7.04
Deferred tax		(4,948.09)	2,345.66
Income tax expense (VIII)		**5,091.79**	**9,459.57**
Profit for the year (IX=VII-VIII)		**15,507.88**	**17,472.69**
Other comprehensive income	27		
Items that may be reclassified to profit or loss			
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		(1.33)	2.93
Income tax effect		0.27	(0.84)
		(1.06)	2.09
Exchange differences on translation of foreign operations		1,133.81	946.91
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**1,132.75**	**949.00**
Items that will not be reclassified to profit or loss			
Re-measurement (losses)/gains on defined benefit plans		(89.68)	(63.76)

(Contd.)

Consolidated Statement of Profit and Loss for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Income tax effect		24.99	11.06
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**(64.69)**	**(52.70)**
Other comprehensive income for the year (net of tax) (X)		**1,068.06**	**896.30**
Total comprehensive income for the year (net of tax) (XI=IX+X)		**16,575.94**	**18,368.99**
Profit for the year is attributable to:			
Equity holders of the parent		16,202.81	17,984.91
Non-Controlling interest		(695.99)	(512.22)
Other comprehensive income is attributable to:			
Equity holders of the parent		1,068.06	890.85
Non-Controlling interest		-	5.45
Total comprehensive income is attributable to:			
Equity holders of the parent		17,270.87	18,875.76
Non-Controlling interest		(695.99)	(506.77)
Earnings per equity share computed on the basis of profit attributable to equity holders of the parent			
Basic earnings per share	30	396.79	395.17
Diluted earnings per share		371.20	395.17
Summary of significant accounting policies	2		

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

As per our report attached of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

per Darshan Varma
Partner
Membership No: 212319

Place: Mumbai
Date: 26 September 2019

For and on behalf of the Board of Directors of
Ramky Enviro Engineers Limited

M Goutham Reddy
Managing Director
DIN: 00251461

Masood Alam Mallick
Joint Managing Director
DIN: 01059902

Anil Khandelwal
Jt. Managing Director & Chief Financial Officer
DIN: 02552099

Govind Singh
Company secretary
Membership No: A41173

Place: Mumbai
Date: 26 September 2019

Consolidated Statement of Changes in Equity for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(a) Share capital	Class A - Equity Shares		Class B - Equity Shares		Compulsory Convertible Preference Shares	
	Number of shares in Lakhs	INR Lakhs	Number of shares in Lakhs*	INR Lakhs	Number of shares in Lakhs	INR Lakhs
Equity Share of Rs. 10 each & Preference Share of Rs. 100 each issued, subscribed and fully paid						
As at 01 March 2018	**41.77**	**417.74**	**0.00**	**0.01**	**0.71**	**71.15**
Issued during the year	-	-	-	-	-	-
Redeemed/ transferred during the year	-	-	-	-	**(0.71)**	**(71.15)**
As at 31 March 2019	**41.77**	**417.74**	**0.00**	**0.01**	-	-

* Nil due to rounding off to nearest lakhs

(b) Other equity

	Reserves and surplus									
	Retained earnings	Securities premium	Capital reserve	General Reserve	Statutory Reserve	Foreign currency translation reserve	Equity Component of Compound Financial Instruments	Total	Non-controlling interests	Total
Balance at 31 March 2017	**78,327.42**	**17,946.05**	**3,578.69**	**71.28**	**15.72**	**(539.34)**	**-**	**99,399.84**	**1,803.22**	**101,203.06**
Profit for the year	17,984.91	-	-	-	-	-	-	17,984.91	(512.22)	17,472.69
Other comprehensive income (net of taxes)	(50.61)	-	-	-	-	-	-	-50.61	5.45	(45.16)
Exchange differences on translation of foreign operations	-	-	-	-	-	941.46	-	941.46	-	941.46
Add: Purchase of stake by Non controlling interest at premium in subsidiary company	-	2,420.23	-	-	-	-	-	2,420.23	-	2,420.23
Add: Increase/ (decrease) during the year	-	(2,420.23)	1,214.26	15.72	(15.72)	-	-	(1,205.97)	1,205.97	-
Add: Transfer for change in stake	201.32	-	-	-	-	-	-	201.32	(201.32)	-
Add: Disposal of a division in one of the subsidiary	-	-	-	-	-	-	-	-	1,884.43	1,884.43
Less: Transfer of profit for associate companies	137.85	-	(137.85)	-	-	-	-	-	-	-
Balance at 31 March 2018	**96,600.89**	**17,946.05**	**4,655.10**	**87.00**	**-**	**402.12**	**-**	**119,691.18**	**4,185.53**	**123,876.71**

	Reserves and surplus									
	Retained earnings	Securities premium	Capital reserve	General Reserve	Statutory Reserve	Foreign currency translation reserve	Equity Component of Compound Financial Instruments	Total	Non-controlling interests	Total
Effect of adoption of new accounting standard (refer no.2.4)	(33.69)	-	-	-	-	-	-	(33.69)	-	(33.69)
Balance as at 1 April 2018	**96,567.20**	**17,946.05**	**4,655.10**	**87.00**	**-**	**402.12**	**-**	**119,657.49**	**4,185.53**	**123,843.02**
Profit for the year	16,202.81	-	-	-	-	-	-	16,202.81	(695.99)	15,506.82
Other comprehensive income (net of taxes)	(65.75)	-	-	-	-	1,133.81	-	1,068.06	-	1,068.06
Add: Increase/ (decrease) during the year	-	-	-	-	-	-	-	-	189.30	189.30
Add: Issue of Optionally Convertible Redeemable Preference Shares (refer note 49)	-	-	-	-	-	-	115,544.97	115,544.97		115,544.97
Less: Premium on redemption of preference shares (refer note 49)	-	(17,946.05)	-	-	-	-	(44,382.80)	(62,328.85)		(62,328.85)
Less: Interim Dividend and tax theron for the year	(27,818.15)	-	-	-	-	-	-	(27,818.15)	-	(27,818.15)
Balance at 31 March 2019	**84,886.11**	**-**	**4,655.10**	**87.00**	**-**	**1,535.93**	**71,162.17**	**162,326.33**	**3,678.84**	**166,005.17**

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

As per our report attached of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

per Darshan Varma
Partner
Membership No: 212319

Place: Mumbai
Date: 26 September 2019

For and on behalf of the Board of Directors of
Ramky Enviro Engineers Limited

M Goutham Reddy
Managing Director
DIN: 00251461

Masood Alam Mallick
Joint Managing Director
DIN: 01059902

Anil Khandelwal
Jt. Managing Director & Chief Financial Officer
DIN: 02552099

Govind Singh
Company secretary
Membership No: A41173

Place: Mumbai
Date: 26 September 2019

Consolidated Statement of Cash Flows for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

		For the year ended 31 March 2019	For the year ended 31 March 2018
A.	**Cash flows from operating activities**		
	Profit before tax	20,599.67	26,932.26
	Adjustments to reconcile profit before tax to net cash flows:		
	Depreciation and amortisation expense	18,557.78	18,444.95
	Provision for doubtful receivables, advances and other assets (net)	3,780.64	1,257.67
	Bad debts/ advances written-off	1,978.08	12,018.24
	Liabilities no longer required written back	(419.86)	(1,779.78)
	Deferred income arising from government grant	(143.35)	(119.41)
	Goodwill write off	510.00	-
	Loss on sale of property, plant and equipment (net)	(836.37)	84.48
	Loss on assets held for sale	3,631.73	-
	Net gain on sale of investment	344.41	(6,394.07)
	Interest expense	13,034.38	14,094.27
	Interest income	(4,469.82)	(4,110.35)
	Share of profit of an associate and a joint venture	(17.59)	(150.34)
	Working Capital Adjustments		
	Increase / (decrease) in other financial asset	14,396.59	(5,950.58)
	Increase in other asset	(15,782.30)	(7,259.37)
	Increase in inventories	(595.14)	(749.20)
	Increase in trade receivables	(11,182.45)	(7,571.27)
	Increase in government grants	(0.98)	724.14
	(Decrease)/ increase in provision	6,592.26	535.00
	Increase in trade payables	3,971.30	1,468.97
	Increase / (decrease) in other liabilities	133.23	3,075.24
	Increase in other financial liabilities	(943.21)	2,938.28
	Cash generated from operating activities	**53,139.00**	**47,489.13**
	Income tax paid (net of refund)	(14,169.59)	(6,789.29)
Net cash flows from operating activities (A)		**38,969.42**	**40,699.84**
B.	**Cash flows from investing activities**		
	Purchase of property, plant and equipment and CWIP	(6,842.68)	(22,890.08)
	Purchase of intangible assets	(35,434.52)	(8,464.68)
	Proceeds from sale of property, plant and equipment and intangible asset		10,518.61
	Purchase / sale of non-current investment	(1,113.04)	2,309.41
	Purchase / sale of current investment	(25,768.01)	-
	Consideration received / paid on disposal of assets	29,524.83	3,391.37
	Inter corporate deposits (net)	(5,136.83)	6,740.85
	Bank balances not considered as cash and cash equivalent	(7,138.97)	(2,508.54)
	Interest received (finance income)	4,213.30	4,110.35
Net cash used in investing activities (B)		**(47,695.92)**	**(6,792.71)**

Consolidated Statement of Cash Flows for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
C. Cash flows from financing activities		
Acquisition of non-controlling interests	(506.69)	-
Proceeds from issue of preference share	127,399.97	-
Redemption of existing preference shares	(62,399.99)	-
Dividend and tax thereon paid	(27,818.15)	-
Proceeds from short term borrowings (net)	3,303.22	(13,559.30)
Proceeds from long term borrowings	2,350.20	34,109.82
Repayment of long term borrowings	(23,387.46)	(32,061.32)
Finance cost paid	(12,897.33)	(14,099.52)
Net cash flow used in financing activities (C)	**6,043.77**	**(25,610.32)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(2,682.73)	8,296.81
Cash and cash equivalents at the beginning of the year	18,428.24	10,131.44
Cash and cash equivalents at year end	**15,745.51**	**18,428.24**

a) The above Cash Flow Statement has been prepared under the “Indirect Method” as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

	31 March 2019	31 March 2018
b) Cash and Cash Equivalents comprises of		
Cash on hand	74.04	53.55
Balances with banks: (Refer Note 6E)		
- Current Accounts	15,664.37	18,114.92
- On Cash credit account	7.10	1.01
- Deposit with maturity of less than 3 months	-	258.77
Cash and cash equivalent as per balance sheet	**15,745.51**	**18,428.25**

Summary of significant accounting policies
Note 2

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

As per our report attached of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors of
Ramky Enviro Engineers Limited

per Darshan Varma
Partner
Membership No: 212319

M Goutham Reddy
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Anil Khandelwal
Jt. Managing Director & Chief Financial Officer
DIN: 02552099

Govind Singh
Company secretary
Membership No: A41173

Place: Mumbai
Date: 26 September 2019

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Date: 26 September 2019

Notes to the consolidated financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

1 Corporate information

The consolidated financial statements comprise financial statements of Ramky Enviro Engineers Limited ("REEL" or "the parent") and its subsidiaries, associates and joint venture (collectively, the Group) for the year ended 31 March 2019. The group is a public group domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the group is located at 13th floor, Ramky Grandiose, Ramky Towers, Gachibowli , Hyderabad, 500032.

The Company is engaged in the business of integrated waste management solutions for industrial (hazardous) waste, municipal waste, biomedical waste, electronic waste, car park services, commercial cleaning services, conservency services and providing other incidental services. Information on the group's structure is provided in note 33, and information on the other related party relationships of the group is provided in note 34.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on 26 September 2019.

2 Significant accouting policies

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS.

The Group prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value or amortized cost depending upon classification (refer accounting policy regarding financial instruments), and
- Derivative financial instruments.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 March 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

  Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on 31 March 2019. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

(d) As the financial assets and intangible assets recognized under service concession arrangement are acquired in exchange for infrastructure construction / upgrading services, gains / losses on intra group transactions are treated as realized and not eliminated on consolidation.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in Equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the group had directly disposed of the related assets or liabilities.

2.3 Summary of significant accounting policies

a. Business combinations and goodwill

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of the transferor entity or business is recognised as capital reserve under equity. Other business combinations are accounted using acquisition method.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

b. Investment in associates and joint ventures

An associate is an entity over which the group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the group. When necessary, adjustments are made to bring the accounting policies in line with those of the group.

After application of the equity method, the group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

c. Current versus non-current classification

The group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

d. Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent group's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, AS appropriate. in the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These Exchange differences are reclassified from equity to profit or loss on disposal of the net investment. - tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation on or after 1 April 2016 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS (1 April 2016), are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur.

Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition, viz., 1 April 2016. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

e. Fair value measurement

The group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant liabilities, such as contingent consideration. Involvement of external valuers is decided by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The Audit committee decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the Management present the valuation results to the Audit Committee and the group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 31)
- Quantitative disclosures of fair value measurement hierarchy (note 41)
- Financial instruments (including those carried at amortised cost) (note 41)

f. Revenue from contract with customer

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 31.

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

Revenue from waste disposal activities:

Revenue from user charges towards waste disposal is recognised as and when the related services are performed i.e. when the waste is collected, transported and is received at the dumping yards.

Revenue form turnkey contracts

Revenue from Turnkey contracts is recognised by reference to the stage of completion of the contract activity. The stage of completion is determined by survey of work performed and / or on completion of a physical proportion of the contract work, as the case may be, and acknowledged by the contractee. Future expected loss, if any, is recognised as and when assessed.

Revenue from construction contracts

The Company recognizes and measures revenue, costs and margin for providing construction services during the period of construction of the infrastructure in accordance with Ind AS 115 'Revenue from contracts with customers'.

When the outcome of a construction contract can be estimated reliably and it is probable that it will be profitable, contract revenue and contract costs associated with the construction contract are recognised as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the reporting date. The percentage of completion of a contract is determined considering the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs.

For the purposes of recognising revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

Costs incurred for rendering the construction services, exchanged for the intangible asset and financial asset, include all costs that are directly related to the construction of the project and include all overheads other than those relating to general administration of the Company.

The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognised in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense in the Statement of Profit and Loss in the period in which such probability occurs.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Car park and cleaning business:

Revenue is recognised when services are rendered to the customers and the customers have accepted the services. Revenue is not recognised to the extent where there are significant uncertainities regarding recovery of the consideration due, associated costs or the possible return of goods.

Significant financing component

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

The Company also receives long-term security deposits from customers. The transaction price for such contracts is discounted, using the rate that would be reflected in a separate financing transaction between the Company and its customers at contract inception, to take into consideration the significant financing component.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividend Income

Dividend income is recognised when the Company's right to receive the payment is established.

Rental Income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

g. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

h. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

In cases, where the tax on dividend from a foreign subsidiary is allowed as a set off against the Company's own dividend distribution tax (DDT) liability, then the amount of tax paid on foreign dividend is recognised in the statement of changes in equity.

In cases, where the tax on dividend from a subsidiary is allowed as a set off against the Company's own dividend distribution tax (DDT) liability, the tax deducted by the domestic subsidiary is treated as withholding tax recognised in the statement of changes in equity.

The dividend income is recognised in the income statement at an amount including any withholding taxes (that is, gross of the withholding tax that has been deducted by the domestic subsidiary).

The Company recognises interest levied and penalties related to income tax assessments in interest expenses.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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 the deferred taxes relate to the same taxable entity and the same taxation authority.

Incase of tax holiday under the Income-tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the Group's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilised when the Company will pay normal income tax during the specified period. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

i. Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to note 31 regarding significant accounting judgements, estimates and assumptions and provisions for further information about the recorded decommissioning provision.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- Building (refer below)
- Roads and other civil infrastructures 10 years
- Land fill based on the actual usage
- Plant and machinery 9 years
- Vehicles 8 years
- Lab equipment 10 years
- Computers 3 years
- Furniture and fixtures 10 years
- Office equipment 5 years

Landfill costs include costs such as landfill liner material and installation, excavation costs, leachate collection systems, gas collection systems, environmental monitoring equipment for groundwater and landfill gas, directly related engineering costs and other direct costs. The landfill capacity associated with each landfill is quantified and the landfill costs for each landfill are amortized over the capacity associated with the landfill as the capacity is utilized using units of consumption method.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of land development, building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

j. Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred. Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an internal/external independent valuer.

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

k. Intangible assets and Intangible assets under development

Under Appendix C to Ind AS 115, concession arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the Company receives a right to charge users of the public service. The financial asset model is used when the Company has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services.

The group has determined that both intangible asset model and financial asset model are applicable to the agreement as the group is entitled to receive grant (financial asset) which falls due based on the construction activity completed by the group, which is certified by an independent engineer appointed as per the terms of the contract and is also entitled to tipping fee towards waste disposed (intangible asset).

Any asset carried under concession agreement is derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

Recognition and measurement

Under the SCA, where the group has received the right to charge the user of the public service, acquired contractual rights to receive specified determinable amounts, such rights are recognised and classified as “Financial Assets”, even though payments are contingent on the group ensuring that the infrastructure meets the specified quality or efficiency requirements. Such financial assets are classified as “Receivables against Service Concession Arrangement”.

In addition to above mentioned amounts the group has also received the right to charge the users of a public service, such rights are recognised and classified as “Intangible Assets”. Such right is not an unconditional right to receive consideration because the amounts are contingent to the extent that the project receives waste and thus are recognised and classified as intangible assets. Such an intangible asset is recognised by the Company at cost (which is the fair value of the consideration received or receivable for the construction services delivered) and is capitalized when each component of the project is complete in all respects. Subsequent to initial recognition, the intangible asset is measured at cost, less any accumulated amortisation and accumulated impairment losses.

Revenue from construction contracts

The group recognizes and measures revenue, costs and margin for providing construction services during the period of construction of the infrastructure in accordance with Ind AS 115 ‘Revenue from contracts with customers’.

When the outcome of a construction contract can be estimated reliably and it is probable that it will be profitable, contract revenue and contract costs associated with the construction contract are recognised as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the reporting date. The percentage of completion of a contract is determined considering the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs.

For the purposes of recognising revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

Costs incurred for rendering the construction services, exchanged for the intangible asset and financial asset, include all costs that are directly related to the construction of the project and include all overheads other than those relating to general administration of the group.

The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognised in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense in the Statement of Profit and Loss in the period in which such probability occurs.

Borrowing costs

Project specific borrowing costs are capitalized to the extent that they relate to the intangible asset until the capitalization of intangible asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Where funds are temporarily invested pending their expenditures on the intangible asset, any investment income earned, to the extent that it relates to the intangible asset are reduced from the borrowing cost capitalized.

Amortisation of Intangible asset under SCA

The intangible rights which are recognised in the form of right to collect tipping fee, except for landfill costs are amortized on a straight-line basis from the date of capitalization over the concession period. The landfill cost is amortized on the basis of capacity utilised by waste dumped in the landfills.

Contractual obligation to restore the infrastructure to a specified level of serviceability

The group has contractual obligation to maintain the infrastructure to a specified level of serviceability during the concession period and at the time of handover to the grantor of the SCA. Such obligations are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. The timing and amount of such cost are estimated and recognised on a discounted basis by creating a provision for replacement and capitalizing the costs to intangible assets and amortised on a straight-line basis over the concession period. The provision for replacement is unwound over its life using effective interest rate method.

l. Other than Service concession arrangements

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

m. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

n. Leases

The Company's leasing arrangements are mainly in respect of operating leases for premises. Lease payments under operating leases are recognised as an expense. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Lease payments under operating leases are recognised as expense on straight line basis in the statement of profit and loss over the lease term except where lease payments are structured to increase in line with expected general inflation.

o. Inventories

Inventories are valued at the lower of cost and net realisable value.

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. cost is determined on first in, first out basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based

on the normal operating capacity, but excluding borrowing costs. cost is determined on first in, first out basis.

- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. cost is determined on weighted average basis.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

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

p. Impairment of non-financial assets

The group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the group CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Goodwill is tested for impairment annually as at each reporting date and when circumstances indicate that the carrying value may be impaired.

q. Provisions

General

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for capping

The cost for final capping for each landfill is estimated based on the area to be capped and the capping materials and activities required. The estimate also considers when these costs are anticipated to be paid and factor in inflation and discount rates. These costs are reviewed annually, or more often if significant facts change. The total cost of capping is charged to the statement of profit or loss over the capacity associated with the landfill as the capacity is utilized. The provision for capping is unwound over its life using effective interest rate method. Changes in estimates, such as timing or cost of construction, for final capping are charged off to the statement of profit and loss prospectively.

Provision for post closure

The estimates for post-closure costs are based on the regulatory and contractual requirements for post-closure monitoring and maintenance. The estimates for post-closure costs also considers when the costs are anticipated to be paid and factor in inflation and discount rates. The possibility of changing legal and regulatory requirements and the forward-looking nature of these types of costs make any estimation or assumption less certain. The total cost of post closure is charged to the statement of profit or loss over the quantity of waste estimated to be disposed in the specified site. The quantity of waste estimated to be disposed takes into consideration the remaining operating period of the site and the land available for waste disposal. These costs are reviewed annually, or more often if significant facts change. The provision for post closure is unwound over its life using effective interest rate method. Changes in estimates for closure and post-closure events are charged off to the statement of profit and loss prospectively.

r. Employee benefits

Post employment benefits

Defined contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plan

Gratuity liability for eligible employees are defined benefit obligation and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Obligation is measured at the present value of estimated future cash flows using discounted rate that is determined by reference to market yields at the balance sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimated terms of the defined benefit obligation.

Re measurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income
- Changes in the present value of the defined benefit obligation resulting from plan ammendments or curtailments are recognised immediately in profit or loss as past service cost.

Compensated absence

The employees are entitled to accumulate leave subject to certain limits, for future encashment, as per policy of the company. Accrual towards compensated absences at the end of the financial year are based on last salary drawn and outstanding leave absence at the end of the financial year. The liability towards such unutilised leave at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the statement of profit and loss.

s. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the

Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section - Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, Derivatives snd equity instruments at fair value through profit of loss (FVTPL).

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 6D.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Impairment of financial assets

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

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

c. Financial guarantee contracts which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on: Trade receivables and Other receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12- month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Non-derivative financial assets – Service concession arrangements

The group recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor of the concession for the construction or upgrade service provided. Such financial assets are measured at fair value upon initial recognition and classified as trade receivables. Subsequent to initial recognition, such financial assets are measured at amortised cost.

If the group is paid for the construction services partly by a financial asset and partly by an intangible asset, then each component of the consideration is accounted for separately and is initially recognised at its fair value.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information (refer Note 13A).

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

t. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the group's cash management.

u. Dividend

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

v. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period 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.

2.4 Changes in accounting policies and disclosures

New and amended standards

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in the current year, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 01 April 2018.

There is no material impact on retained earnings of initially applying Ind AS 115 at the date of initial application as an adjustment to the opening balance of retained earnings.

The comparative information has not been restated and continues to be reported under Ind AS 11 and Ind AS 18.

The effect of adopting Ind AS 115 as at 1 April 2018 is as follows:

Particulars	Reference	Increase / (decrease)
Other financial assets (non-current)	Note 6C	(6,237.11)
Other assets (non-current)	Note 10	6,205.92
Other financial assets (current)	Note 6C	(5,635.11)
Other assets (current)	Note 10	5,632.61
Retained earnings	Note	(33.69)

On account of reclassification of contract asset from other financial assets to other assets.

Set out below, are the amounts by which each financial statement line item is affected as at and for the year ended 31 March 2019 as a result of the adoption of Ind AS 115. The adoption of Ind AS 115 did not have a material impact on Statement of Profit and Loss, OCI or the Company's operating, investing and financing cash flows. The first column shows amounts prepared under Ind AS 115 and the second column shows what the amounts would have been had Ind AS 115 not been adopted.

Particulars	Reference	Ind AS 115	Previous Ind AS	Increase / (decrease)
Assets				
Other financial assets (Non current)	Note 6C	11,124.19	19,210.18	(8,085.99)
Other assets (Non current)	Note 10	15,371.33	7,326.13	8,045.20
Other financial assets (Current)	Note 6C	1,481.46	9,566.68	(8,085.22)
Other assets (Current)	Note 10	15,464.47	7,379.25	8,085.22

On account of reclassification of contract asset from other financial assets to other assets.

Notes to consolidated financial statements for the year ended 31 March 2019

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

3A. Property, plant and equipment

	Freehold Land	Buildings	Plant and equipment	Roads and other civil infra-structure	Landfill	Furni-ture and fixtures	Vehicles	Lab Equip-ment	Office equip-ment	Comput-ers	Contain-ers	Solar Pond	Green Belt	Total
Gross block														
As at 31 March 2017	**2,798.02**	**19,352.82**	**13,427.00**	**1,784.66**	**5,112.89**	**752.00**	**4,144.09**	**740.26**	**170.32**	**77.51**	**102.40**	**169.11**	**170.45**	**48,801.53**
Additions during the year	36.58	761.67	1,765.52	110.76	1,543.13	266.84	2,563.57	62.21	95.22	60.38	171.13	4.19	-	7,441.20
Deletions / adjustments	-	(7,196.50)	(1,170.53)	-	-	(890.66)	(849.03)	-	(62.41)	(5.70)	(3.30)	-	-	(10,178.13)
Exchange Differences	-	208.59	1,278.71	-	-		57.93	-	0.51	1.49	-	-	-	1,547.23
As at 31 March 2018	**2,834.60**	**13,126.58**	**15,300.70**	**1,895.42**	**6,656.02**	**128.18**	**5,916.56**	**802.47**	**203.64**	**133.68**	**270.23**	**173.30**	**170.45**	**47,611.83**
Additions during the year	265.69	969.28	6,812.75	354.83	3,179.96	63.48	2,070.33	143.87	161.85	68.03	143.40	73.43	-	14,306.90
Deletions / adjustments	(125.37)	(2,830.86)	(15,548.72)	-	-	(5.20)	(1,429.44)	(21.48)	(5.60)	(8.78)	-	-	-	(19,975.45)
Exchange Differences	-	-	11,664.61	0.97	-	2.14	119.45	-	7.27	18.85	-	-	-	11,813.29
As at 31 March 2019	**2,974.92**	**11,265.00**	**18,229.34**	**2,251.22**	**9,835.98**	**188.60**	**6,676.90**	**924.86**	**367.16**	**211.78**	**413.63**	**246.73**	**170.45**	**53,756.57**
Accumulated Depre-ciation														
As At 31 March 2017	**-**	**824.94**	**1,784.30**	**1,202.18**	**2,681.46**	**86.32**	**992.12**	**152.72**	**38.01**	**30.08**	**62.28**	**6.49**	**32.33**	**7,893.23**
For the year	-	2,513.04	4,263.56	131.04	2,383.27	108.29	1,109.73	143.16	50.36	37.12	193.01	89.77	26.98	11,049.33
Deletions / adjustments	-	(476.46)	(1,082.23)	-	-	(157.60)	(28.00)	-	(12.12)	(5.05)	(3.30)	-	-	(1,764.76)
Exchange Differences	-	39.41	869.20	-	-	-	13.71	-	0.45	1.39	-	-	-	924.16
As At 31 March 2018	-	**2,900.93**	**5,834.83**	**1,333.22**	**5,064.73**	**37.01**	**2,087.56**	**295.88**	**76.70**	**63.54**	**251.99**	**96.26**	**59.31**	**18,101.96**
For the year	417.34	608.12	3,232.62	101.46	4,198.09	25.21	1,202.86	123.49	63.00	48.85	140.20	20.28	0.55	10,182.07
Deletions / adjustments	-	(687.56)	(11,778.78)	-	-	(37.82)	(471.85)	(5.63)	(4.81)	(5.85)	-	-	-	(12,992.30)
Exchange Differences	-	-	11,383.00	(4.47)	-	1.94	94.82	-	7.17	18.43	-	-	-	11,500.89
As At 31 March 2019	**417.34**	**2,821.49**	**8,671.67**	**1,430.21**	**9,262.82**	**26.34**	**2,913.39**	**413.74**	**142.06**	**124.97**	**392.19**	**116.54**	**59.86**	**26,792.62**
Net block														
As at 31 March 2018	**2,834.60**	**10,225.65**	**9,465.87**	**562.20**	**1,591.29**	**91.17**	**3,829.00**	**506.59**	**126.94**	**70.14**	**18.24**	**77.04**	**111.14**	**29,509.87**
As at 31 March 2019	**2,557.58**	**8,443.51**	**9,557.67**	**821.01**	**573.16**	**162.26**	**3,763.51**	**511.12**	**225.10**	**86.81**	**21.44**	**130.19**	**110.59**	**26,963.95**

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

3B. Capital work in progress

	31 March 2019	31 March 2018
Capital work in progress	5,667.40	5,595.65
Total	**5,667.40**	**5,595.65**

4. Investment property

Particulars	Freehold land	Total
Cost		
As at 31 March 2017	8.12	8.12
Additions during the year	-	-
Deletions / adjustments	-	-
As at 31 March 2018	**8.12**	**8.12**
Additions during the year	-	-
Deletions / adjustments	-	-
As at 31 March 2019	**8.12**	**8.12**
Depreciation		
As at 31 March 2017	-	-
For the year	-	-
Deletions / adjustments	-	-
As at 31 March 2018	-	-
For the year	-	-
Deletions / adjustments	-	-
As at 31 March 2019	-	-
Net block		
As at 31 March 2018	**8.12**	**8.12**
As at 31 March 2019	**8.12**	**8.12**

Fair values of investment property

Details of investment property and information about the fair value hierarchy as at 31 March 2019 and 31 March 2018, are as follows:

	Fair value hierarchy	Fair value as at 31 March 2019	Fair value as at 31 March 2018
Freehold Land	Level 3	9.10	9.10

The fair value of the land is determined with the help of internal technical department. Valuation is based on government rates, market research, market trend and comparable values as considered appropriate.

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

5A. Goodwill

	31 March 2019	31 March 2018
Goodwill	1,424.12	1,935.06
	1,424.12	**1,935.06**

5B. Intangible asset

	Intangible assets under service concession arrangement	Customer contracts	Computer software	Total
Gross block				
As at 31 March 2017	89,191.11	274.99	13.69	89,479.79
Additions during the year	4,214.62	-	1.26	4,215.88
Deletions / adjustments	(2,191.86)	-	-	(2,191.86)
Exchange differences	-	108.24	-	108.24
As at 31 March 2018	**91,213.87**	**383.23**	**14.95**	**91,612.05**
Additions during the year	10,864.11	-	4.62	10,868.73
Deletions / adjustments	421.97	-	-	421.97
Exchange differences	-	-	-	-
As at 31 March 2019	**102,499.95**	**383.23**	**19.57**	**102,902.75**
Amortization				
As at 31 March 2017	3,266.60	102.37	5.08	3,374.05
For the year	7,215.67	176.69	3.26	7,395.62
Deletions / adjustments	(2.14)	-	-	(2.14)
Exchange differences	-	104.17	-	104.17
As at 31 March 2018	**10,480.13**	**383.23**	**8.34**	**10,871.70**
For the year	8,372.29	-	3.42	8,375.71
Deletions / adjustments	-	-	-	-
Exchange differences	-	-	-	-
As at 31 March 2019	**18,852.42**	**383.23**	**11.76**	**19,247.41**
Net block				
As at 31 March 2018	**80,733.74**	**-**	**6.61**	**80,740.35**
As at 31 March 2019	**83,647.53**	**-**	**7.81**	**83,655.34**

5C. Intangible assets under development

	31 March 2019	31 March 2018
Intangible assets under development	31,773.40	10,559.07
	31,773.40	**10,559.07**

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

6 Financial asset

	31 March 2019	31 March 2018
6A. Investments		
Non current		
Investments at fair value through profit or loss - unquoted		
Equity shares of Rs. 10/- each (fully paid-up)		
10,15,000 (31 March 2018: 350,000) equity shares of Rs.10/- each of Pithampur Auto Cluster Limited	101.50	35.00
10,000 (31 March 2018: Nil) equity shares of AED.1/- each of Oman Maritime Waste Treatment SAOC	18.13	-
	119.63	**35.00**
Aggregate value of unquoted investments	**119.63**	**35.00**
Aggregate amount of impairment in value of investments	-	-
Current		
Trade (unquoted) (at fair value through profit and loss account)		
Investment in Mutual Funds (Debt funds)		
2,948,393 Units (31 March 2018 - Nil) Aditya Birla Sun Life Liquid Fund	8,858.04	-
19,780 Units (31 March 2018 - Nil) Kotak Liquid Fund Direct Growth	748.56	-
75,626 units (31 March 2018- Nil) SBI Liquid Fund Growth Direct	2,214.76	-
155,301 units (31 March 2018- Nil) SBI Liquid Fund Growth Direct	4,548.10	-
3,128,302 units (31 march 2018- Nil) Aditya Birla SL Liquid Fund Growth Direct	9,398.55	-
	25,768.01	-
Aggregate value of unquoted investments	**25,768.01**	-
Aggregate amount of impairment in value of investments	-	-

6B. Loans (Unsecured and considered good unless otherwise stated)	31 March 2019	31 March 2018
Current		
Inter Corporate Deposits to related party		
Inter corporate deposits to related parties *	8,095.82	2,958.99
	8,095.82	**2,958.99**

* Inter corporate deposit to related parties are repayable on demand and carries interest @12.50% p.a to 15% p.a.

6C. Other financial asset (Unsecured and considered good unless otherwise stated)

	31 March 2019	31 March 2018
Non current		
(i) Security deposits	1,779.11	2,239.07
(ii) Earnest money deposit	133.07	115.36
(iii) Retention money receivable	-	6,237.11
(iv) Receivable from service concession arrangement	9,212.01	8,061.03
Unsecured, considered doubtful		
Earnest money deposits	66.33	92.84
Less: Provision for earnest money deposits	(66.33)	(92.84)
	11,124.19	**16,652.57**

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	31 March 2019	31 March 2018
Current		
(i) Security deposits	780.56	605.06
(ii) Retention money receivable	12.43	2,660.93
(iii) Earnest money deposit	413.02	540.06
(iv) Unbilled revenue	-	5,134.36
(v) Interest accrued	275.45	18.93
	1,481.46	**8,959.34**

6D. Trade receivables

	31 March 2019	31 March 2018
Non current		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	8,434.60	-
Trade receivables - credit impaired	(6,715.80)	-
	1,718.80	-
Current		
Trade Receivables from related parties (refer note 34)	295.34	3,047.86
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	49,645.06	41,522.97
Trade receivables - credit impaired	9,462.12	14,612.05
	59,402.52	**59,182.88**
Unsecured, considered good	-	-
Credit impaired	(9,462.12)	(14,612.05)
	49,940.40	**44,570.83**

Note: 6D-1 There are no trade receivables due from private companies/ partnership firm in which group's director is a director/ partner.

Note: 6D-2 Trade receivables are non-interest bearing and are generally receivable on terms mutually agreed with the customers.

Note: 6D-3 For trade receivables from related party refer note 40.

6E. Cash and cash equivalents

	31 March 2019	31 March 2018
Cash on hand	74.04	53.55
Balances with banks:		
On current account	15,664.37	18,114.92
On Cash credit account	7.10	1.01
Deposit with original maturity of less than 3 months	-	258.77
	15,745.51	**18,428.25**

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

6F. Bank balance other than cash and cash equivalent

Non-current	31 March 2019	31 March 2018
On current accounts (escrow accounts)**	1,209.85	1,043.90
Deposit with remaining maturity more than 12 months *	374.31	290.89
	1,584.16	**1,334.79**
Current		
Other Bank Balances		
Deposit with remaining maturity less than 12 months*	9,870.03	2,980.43
	9,870.03	**2,980.43**

* Represents balances with banks held as margin money or security deposit against guarantees and other commitments.

** Represents current account balances that will be released during maintenance/post closure period of land fills.

Changes in liabilities arising from financing activities

	01 April 2018	Cash flows	Others	31 March 2019
Current borrowings	1,388.39	3,303.22	-	4,691.61
Non- current borrowings	77,294.41	(21,037.26)	-	56,257.15
Total liabilities from financing activities	78,682.80	(17,734.04)	-	60,948.76

	01 April 2017	Cash flows	Other	31 March 2018
Current borrowings	14,880.60	(13,559.30)	67.09	1,388.39
Non- current borrowings (including current maturities)	75,245.92	2,048.50	(0.01)	77,294.41
Total liabilities from financing activities	90,126.52	(11,510.80)	67.08	78,682.80

Break up of financial assets carried at amortised cost

Break up of financial assets carried at amortised cost

	31 March 2019	31 March 2018
Inter Corporate Deposits (Current) (Note No. 6B)	8,095.82	2,958.99
Trade receivables (Current) (Note No. 6D)	49,940.40	44,570.83
Trade receivables (non current) (Note No. 6D)	1,718.80	-
Cash and cash equivalent (Note No. 6E)	15,745.51	18,428.25
Bank balances other than cash and cash equivalents (Current) (Note No. 6F)	9,870.03	2,980.43
Bank balances other than cash and cash equivalents (non current) (Note No. 6F)	1,584.16	1,334.79
Other Financial asset (current) (Note No. 6C)	1,481.46	8,959.34
Other Financial asset (non current) (Note No. 6C)	11,124.19	16,652.57
Total financial assets carried at amortised cost	**99,560.37**	**95,885.20**

7. Inventories (valued at lower of cost and net realisable value)

	31 March 2019	31 March 2018
Raw materials, tools and spares	2,735.03	2,169.63
Finished goods	79.49	49.76
	2,814.52	**2,219.38**

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

8. Deferred tax assets (net)

	31 March 2019	31 March 2018
MAT Credit	6,245.95	3,631.01
Deferred tax asset (net)	7,163.61	7,187.94
	13,409.56	**10,818.96**

9. Non-current tax assets

	31 March 2019	31 March 2018
Advance income tax (net of provision for income tax)	3,134.97	1,082.81
	3,134.97	**1,082.81**

10. Other assets (Unsecured and considered good unless otherwise stated)

	31 March 2019	31 March 2018
Non-current		
Capital advances	5,436.91	6,147.82
Contract Assets		
Retention Money receivable#		
Considered good – unsecured	8,045.20	-
Unsecured - considered doubtful	40.79	-
Impairment allowance Doubtful asset	(40.79)	-
Balances with government authority	1,670.04	1,644.96
Prepayments	219.18	195.97
	15,371.33	**7,988.75**
Current		
Advances to supplier and service providers	3,866.76	3,948.15
Less: Provision for advances to supplier and service provider	(212.26)	(212.26)
	3,654.50	3,735.89
Contract assets		
Retention Money receivable		
Considered good – unsecured	1,133.91	-
Unsecured - considered doubtful	417.57	-
Impairment allowance Doubtful receivable	(417.57)	-
	1,133.91	-
Contract assets		
Unbilled Revenue		
Considered good – unsecured	6,951.31	-
Unsecured - considered doubtful	220.00	-
Impairment allowance Doubtful asset	(220.00)	-
	6,951.31	-
Balances with government authority	1,263.14	546.59
Prepayments	1,499.06	989.24
Advance to related parties	300.82	1,576.41
Advance to employees	121.85	116.41
Other advances	539.88	1,087.63
	15,464.47	**8,052.17**

#Represents amount deducted by the customer towards postclosure maintenance activities (future obligation). As per the concession agreement with customer the deducted amount has to be deposited in escrow account, however the same was not deposited yet.

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

11. Share capital

	Class A - Equity Shares Face value of Rs.10 each		Class B - Equity Shares Face value of Rs.10 each		0.001% Compulsory Convertible Preference Shares Face value of Rs.10 each		0.001% Optionally convertible redeemable preference shares Face value of Rs.15 each		Redeemable preference shares Face value of Rs.100 each	
	Number of shares in Lakhs	INR Lakhs	Number of shares in lakhs*	INR lakhs	Number of shares in lakhs	INR lakhs	Number of shares in lakhs	INR lakhs	Number of shares in lakhs	INR lakhs
(i) Authorised share capital										
As at 01 April 2017	**259.99**	**2,599.99**	**-**	**0.01**	**1.00**	**100.00**	-	-	-	-
Increase/ (decrease) during the year	-	-	-	-	-	-	-	-	-	-
As at 31 March 2018	**259.99**	**2,599.99**	**0.00**	**0.01**	**1.00**	**100.00**	-	-	-	-
Increase/ (decrease) during the year **	1,765.23	17,652.26	-	-	-	-	13.44	201.60	0.71	71.15
As at 31 March 2019	**2,025.22**	**20,252.25**	**0.00**	**0.01**	**1.00**	**100.00**	**13.44**	**201.60**	**0.71**	**71.15**

ii) Issued equity share capital

As at 01 April 2017	**41.77**	**417.74**	**-**	**0.01**	**0.71**	**71.15**
Issued during the year	-	-	-	-	-	-
As at 31 March 2018	**41.77**	**417.74**	**0.00**	**0.01**	**0.71**	**71.15**
Issued during the year	-	-	-	-	-	-
Redeemed/ transferred during the year	-	-	-	-	**(0.71)**	**(71.15)**
As at 31 March 2019	**41.77**	**417.74**	**0.00**	**0.01**	**0.00**	**-**

* Nil due to rounding off to nearest lakhs

** Consequent to the merger of Bhubaneshwar Industrial Waste management Private Limited, the authorised share capital of the merged entity is inculded in the authroised share capital of the Company (refer note 47)

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(iii) Terms/ rights attached to equity shares

The Company has two classes of equity shares, i.e. Class A and Class B, having par value of Rs. 10/- each. Each equity shareholder is entitled to one vote per equity share held.Both Classes of equity shares have same voting rights. The Company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of shareholders in the ensuring Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all prefential amounts. The distribution will be in proportion to thenumber of equity shared held by the shareholders.

(iv) Terms/ rights attached to preference shares

a. Compulsory Convertible Preference shares and Redeemable Preference Shares :

Compulsory convertible preference shares are convertible in to equity shares are entitled to 0.001% dividend. The terms of these preference shares have been amended and converted in to redeemable preference shares. These shares were redeemed on 08 february 2019 but were extinguished from the records subsequent to the balance sheet.

b. Optionally convertible redeemable preference shares

The face value of each OCRPS is Rs 15 each and carries dividend of 0.00001% which is cumulative and participative based on the formula specified in the Share Subscription and Share Purchase Agreement (SSPA).

OCRPS shall be redeemed for cash on the twentieth anniversary of their issuance, unless converted or redeemed earlier.

The existing shareholders have agreed to indemnify the investor / the Company along with its subsidiaries on the happening of certain events specified the SSPA. It also specifies the nature of indemnity along with indemnified amount and period of such indemnity after closing date.

These preference shares are convertible into equity shares or redeemed based on agreed indemnity events and mechanism specified in SSPA.

The Company shall automatically convert all OCRPS that have not been converted or redeemed into equity shares representing 0.5% of the closing date equity shareholding. (Refer note 49 for details)

(v) The details of shares held by shareholder holding more than 5% of the aggregate shares in the Company:

	31 March 2019		31 March 2018	
	Number of shares in lakhs	% of holding	Number of shares in lakhs	% of holding
Class A equity shares:				
A Ayodhya Rami Reddy	16.08	38.50%	16.12	38.58%
Oxford Ayyappa Consulting Services (India) Private Limited	-	-	12.54	30.03%
A Dakshayani	-	-	11.48	27.49%
Metropolis Investments Holdings Pte Limited	24.85	59.50%	-	-
Class B equity shares:				
Tara India Holdings A Limited*	-	-	-	21.00%
Vistra ITC (India) Limited- IL&FS infrastructure Equity Fund -1 (Formerly IL&FS Trust Company Limited)*	-	-	-	20.00%
Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Pte Limited*	-	-	-	50.00%
Metropolis Investments Holdings Pte Limited*	-	100%	-	-

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	31 March 2019		31 March 2018	
	Number of shares in lakhs	% of holding	Number of shares in lakhs	% of holding
Compulsory Convertible Preference Shares:				
Tara India Holdings A Limited	-	-	0.15	20.82%
Vistra ITC (India) Limited- IL&FS infrastructure Equity Fund -1 (Formerly IL&FS Trust Company Limited)	-	-	0.14	19.94%
Tara India Fund III Domestic Trust	-	-	0.04	5.22%
Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Pte Limited	-	-	0.36	50.06%

* Nil due to rounding off to nearest lakhs

12. Other equity

	31 March 2019	31 March 2018
Capital reserve		
Opening balance	4,655.10	3,578.69
Add: Received / (transfer) during the year	-	1,076.41
	4,655.10	**4,655.10**
Securities premium		
Opening Balance	17,946.05	17,946.05
Add: Premium on redemption of preference shares (refer note 49)	(17,946.05)	-
	-	**17,946.05**
General reserve		
Opening balance	87.00	71.28
Add: Received / (transfer) during the year*	-	15.72
	87.00	**87.00**
Statutory reserve		
Opening balance	-	15.72
Add: Received / (transfer) during the year*	-	(15.72)
	-	**-**
Foreign currency translation reserve		
Opening balance	402.12	(539.34)
Add: Received / (transfer) during the year	1,133.81	941.46
	1,535.93	**402.12**
Equity component of compound financial instruments		
Opening Balance	-	-
Add: On issue of Optionally Convertible Redeemable Preference Shares (refer note 49)	115,616.30	
Less: Premium on redemption of preference shares (refer note 49)	(44,454.13)	-
	71,162.17	**-**

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	31 March 2019	31 March 2018
Retained earnings		
Opening Balance	96,651.50	78,327.42
Effect of adaption of new accounting standard (refer no.2.4)	(33.69)	-
Add: Profit for the year	16,202.81	17,984.91
Add: Transfer for change of stake in non controlling interest		201.32
Add: Transfer of profit for associate companies to capital reserve	-	137.85
Less: Interim dividend and tax there on for the year	(27,818.15)	-
	85,002.47	**96,651.50**
Other comprehensive income		
Opening Balance	(50.61)	-
Add: Increase/ (decrease) during the year	(65.75)	(50.61)
	(116.36)	**(50.61)**
	84,886.11	**96,600.89**
	162,326.31	**119,691.16**

Nature and purpose of reserves

Capital Reserve

The Group recognizes profit or loss on purchase, sale, issue or cancellation of the group's own equity instruments to capital reserve.

Securities premium

Securities premium represents the premium received on issue of shares over and above the face value of equity shares. During the year, the amount was utilised for redemption of existing preference shares

General reserve

General reserves are the reserves accumulated to meet contingencies. During the previous year, the amount has been transferred from statutory reserve to general reserve on account of cessation of statutory requirement.

Statutory reserve

Statutory reserve represents balance required in accordance with prudential norms of Reserve Bank of India.

Foreign currency translation reserve

Gains/ losses on account of foreign currency translation are accumulated in this reserve.

Equity component of compound financial instruments

The Company has issued Optionally Convertible Redeemable Preference Shares (OCRPS) during the year ended 31 March 2019. Considering the accounting principles to be followed in line with Indian Accounting Standards, the Company has computed the liability portion of OCRPS with the instrument. The difference between the issue amount of the OCRPS and the liability so computed has been treated as the "Equity component of compound financial instruments" and grouped under other equity.

Retained earnings

Retained earnings are the profits/Losses (Net of appropriations) of the Company earned till date, including items of other comprehensive income

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

13. Financial liabilities

	31 March 2019		31 March 2018	
13A. Borrowings	**Non Current**	**Current***	**Non Current**	**Current***
Non-current borrowings				
Secured (at amortized cost)				
Term loans				
- from banks	18,421.06	3,153.50	34,730.32	8,711.26
- from others	25,770.13	2,955.30	28,866.96	-
Equipment and vehicle loans				
- From banks	2,219.74	813.16	2,635.01	422.36
- From others	2,209.97	714.29	1,497.24	431.26
	48,620.90	**7,636.25**	**67,729.53**	**9,564.88**

* Amount disclosed under the other current financial liabilities (Note no. 13C)

Current borrowings

Secured (at amortized cost)	**31 March 2019**	**31 March 2018**
Secured loans from banks:		
- Cash credit	3,851.30	108.12
Unsecured		
Inter Corporate Deposits from others	840.31	1,280.27
	4,691.61	**1,388.39**

Refer note 52 for interest and security details and terms of repayment.

13B. Trade payables

	31 March 2019	**31 March 2018**
- Total outstanding dues to micro enterprises and small enterprises;	725.58	16.33
- Total outstanding dues of creditors other than micro enterprises and small enterprises.	22,264.16	19,072.59
- Dues to related parties	149.44	498.82
	23,139.18	**19,587.74**

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled within credit terms.
- For explanations on the Company's credit risk management processes, refer note 42.
- For trade payables to related party refer note 34.

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

13C. Other financial liabilities

	31 March 2019	31 March 2018
Non Current		
At amortised cost		
Security deposit payable	3,123.55	2,329.36
Retention money payable	31.31	5.37
Capital creditors	948.36	891.15
At fair value through profit and loss		
Optionally convertible preference shares (refer note 11)	11,855.00	-
	15,958.22	**3,225.88**
Current		
Current maturities of long term borrowings	7,636.25	9,564.88
Capital creditors	934.35	194.59
Security deposit payable	626.94	136.06
Interest accrued and due	3.15	4.19
Interest accrued but not due	183.70	45.61
Retention money payable	1,040.89	2,108.84
Reimbursement expenses	33.65	-
Employees dues payable	3,681.74	3,942.89
Other financial liabilities	1,214.93	2,230.81
	15,355.62	**18,227.87**

Break up of financial liabilities carried at amortised cost

	31 March 2019	31 March 2018
Borrowings (Non current) (Note No. 13A)	48,620.90	67,729.53
Borrowings (Current) (Note No. 13A)	4,691.61	1,388.39
Trade payables (Note No. 13B)	23,139.18	19,587.74
Other financial liabilities (non current) (Note No. 13C)	15,958.22	3,225.88
Other financial liabilities (current) (Note No. 13C)	15,355.62	18,227.87
Total of financial liabilities carried at amortized cost	**107,765.53**	**110,159.41**

14. Deferred tax liabilities (net)

	31 March 2019	31 March 2018
Deferred tax liabilities (net)	1,979.05	5,533.33
	1,979.05	**5,533.33**

15. Liabilities for current tax (net)

	31 March 2019	31 March 2018
Provision for taxes (net of advance tax)	3,874.28	4,780.29
	3,874.28	**4,780.29**

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

16. Provisions

	31 March 2019	31 March 2018
Non current		
Provision for employee benefits		
- Gratuity (Refer note 32 for Ind AS 19 disclosure)	783.88	606.07
- Compensated absences	64.36	-
Other provisions		
- Provision for replacement of assets under service concession (refer note 36)	21,875.55	19,114.90
- Provision for capping (refer note 36)	3,061.72	4,588.73
- Provision for post closure (refer note 36)	1,979.26	1,510.17
	27,764.77	**25,819.87**
Current		
Provision for employee benefits		
- Gratuity (Refer note 32 for Ind AS19 disclosure)	367.14	216.07
- Compensated absences	557.71	419.73
Other provisions		
- Provision for capping obligation (refer note 36)	2,478.12	-
- Provision for incineration (refer note 36)	423.72	369.21
- Provision for replacement of assets under SCA (refer note 36)	4,165.87	2,250.51
	7,992.56	**3,255.52**

17. Government grants

	31 March 2019	31 March 2018
Non current		
Opening balance	1,698.42	1,092.71
Received during the year	(0.98)	724.14
Released to the statement of profit and loss	(143.35)	(118.43)
Closing balance	**1,554.09**	**1,698.42**

18. Other liabilities

	31 March 2019	31 March 2018
Non current		
Contract Liability		
- Deferred income	1,976.43	2,046.59
	1,976.43	**2,046.59**
Current		
Contract Liability		
- Advances from customers	3,326.77	5,195.39
- Deferred income	850.70	831.98
- Unearned revenue	902.56	1,320.96
Statutory dues payables	2,848.58	2,438.64
Other liabilities	2,766.15	704.39
	10,694.75	**10,491.36**

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

19. Revenue from operations

	31 March 2019	31 March 2018
Rendering of services		
- Revenue from waste disposal activities	114,830.79	99,104.80
- Revenue from commercial and conservancy services	39,027.52	31,791.25
- Revenue from consultancy and other services	11,638.99	19,436.17
- Revenue from service concession activity	28,520.45	8,907.08
- Revenue - Facility Management Services	108.74	-
- Revenue from turnkey contracts	16,335.12	4,487.14
Sale of goods		
- Revenue from power generation	7,855.78	6,006.07
- Revenue from sale of goods	1,388.38	3,426.41
- Revenue from trading of recyclable materials	284.95	1,040.79
Other operating revenues		
- Other operating revenues	1,138.40	360.53
	221,129.12	**174,560.24**

20. Other income

	31 March 2019	31 March 2018
Interest income on		
- Inter Coporate Deposits to related party	1,603.67	1,159.64
- Bank and other deposits	542.95	470.50
- Interest income (using the effective interest method)	1,978.56	1,968.73
- Others	344.64	511.48
Apportionment of government grants	143.35	119.41
Net gain on sale of property, plant and equipment	836.37	182.81
Liabilities no longer required written back	196.38	500.47
Foreign exchange gain (net)	3.27	65.15
Gain on sale of Investments	344.41	-
Other non-operating income	1,333.42	432.13
Rental income	-	69.17
Insurance claims	-	86.53
	7,327.02	**5,566.02**

21. Cost of raw material and components consumed

	31 March 2019	31 March 2018
Inventory at the beginning of the year	2,169.63	1,158.14
Add: Purchases	19,612.90	12,456.63
Less: inventory at the end of the year	(2,735.03)	(2,169.63)
Cost of raw material and components consumed	**19,047.50**	**11,445.14**

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

22. Construction expenses

	31 March 2019	31 March 2018
Construction cost on service concession activity	27,942.58	8,445.18
	27,942.58	**8,445.18**

23. Employee benefit expense

	31 March 2019	31 March 2018
Salaries, allowances and wages	19,006.52	15,206.04
Contribution to provident fund and other funds (refer note 32)	1,617.73	1,327.80
Gratuity expense (refer note 32)	360.95	272.46
Staff welfare expenses	1,072.11	883.16
	22,057.31	**17,689.46**

24. Finance costs

	31 March 2019	31 March 2018
Interest on debt and borrowings	7,967.27	9,234.88
Interest expenses (using the effective interest method)	4,040.00	4,183.78
Interest others	1,027.11	675.61
Other borrowing cost	834.21	306.94
	13,868.59	**14,401.21**

25. Depreciation and amortization expense

	31 March 2019	31 March 2018
Depreciation of property plant and equipment (note 3A)	10,182.07	11,049.33
Amortization of intangible assets (note 5B)	8,375.71	7,395.62
	18,557.78	**18,444.95**

26. Other expenses

	31 March 2019	31 March 2018
Sub contract expenses	7,992.05	3,992.75
Labour contract charges	31,734.12	31,554.51
Licence fees	4,914.28	4,811.76
Power and fuel	10,996.39	7,670.11
Transport charges	8,165.54	5,429.29
Repairs and maintenance		
- Plant and machinery	4,383.00	2,256.99
- Vehicle	1,556.98	3,995.97
- Others	1,364.95	1,886.62
Revenue sharing expenses	248.10	175.92
Analysis Charges	357.81	343.16
Hire charges	5,745.85	5,416.06
Capping for land fill (refer note no. 36)	1,521.25	576.82

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	31 March 2019	31 March 2018
Incineration expenses (refer note 36)	1,060.64	329.36
Post closure maintenance expenses (refer note 36)	370.83	180.81
Security charges	940.98	888.84
Legal and professional charges	7,933.47	1,413.90
Payment to auditors (refer details below)	316.33	74.50
Travelling and conveyance	1,080.91	1,158.88
Rent	1,209.61	830.72
Rates and taxes	1,414.60	1,074.55
Insurance	646.48	411.52
Donations	9.16	31.78
Advertisement and business promotion	230.71	82.53
Communication expenses	206.22	224.70
Printing and stationary	157.21	112.82
Office maintenance	315.51	251.82
Bad debts / advances written off	98.44	659.53
Foreign exchange gain/loss net	722.22	-
Loss on sale of fixed assets (net)	-	267.29
Provision for doubtful trade receivables and advances	3,995.64	1,257.67
CSR Expenditure	486.70	373.40
Miscellaneous expenses	825.45	877.87
Impairment loss on property, plant and equipment	-	167.65
	101,001.43	**78,780.10**
Payment to auditors (including indirect taxes as applicable)		
As auditor:		
Statutory audit fee	316.33	74.50
	316.33	**74.50**
Details of CSR expenditure		
a) Gross amount required to be spent by the company during the year	404.10	455.64
b) Amount spent during the year ending on March 31, 2019		
i) Construction/ acquisition of any asset	-	-
ii) On purposes other than (i) above	486.70	373.40

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

27. Components of other comprehensive income

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended 31 March 2019

	Retained earnings	Total
Items that may be reclassified to profit or loss		
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(1.33)	(1.33)
Income tax effect	0.27	0.27
Items that will not be reclassified to profit or loss		
Re-measurement gains/ (losses) on defined benefit plans	(89.68)	(89.68)
Deferred tax on remeasured gain/(loss)	24.99	24.99
	(65.75)	**(65.75)**
During the year ended 31 March 2018		
	Retained earnings	**Total**
Items that may be reclassified to profit or loss		
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	2.93	2.93
Income tax effect	(0.84)	(0.84)
Items that will not be reclassified to profit or loss		
Re-measurement gains/ (losses) on defined benefit plans	(63.76)	(63.76)
Deffered tax on Remeasured gain/(loss)	11.06	11.06
	(50.61)	**(50.61)**

28. Exceptional items

	31 March 2019	31 March 2018
Advances written off	1,177.12	7,236.04
Bad debts written off	-	2,166.30
Provision for bad and doubtful debts	-	1,183.87
Retention money and Earnest money written off	702.52	772.50
Goodwill Written off	510.00	-
CWIP provided/reversal of provision	(215.00)	400.00
Loss on sale of assets held for sale (refer note 46)	3,631.73	-
Gain on sale of Investments	-	(6,394.07)
Liabilities no longer required written back	(223.48)	(1,279.31)
	5,582.89	**4,085.33**

Management has performed the assessment of recoverability and has made the requried write offs/provision as stated above.

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

29. Income tax

The major components of income tax expenses for the year ended March 31, 2019 and March 31, 2018 are as follows:

Profit or loss section

	31 March 2019	31 March 2018
Current tax expense	10,220.35	7,657.62
Less: MAT credit entitlement	(1,250.24)	(550.75)
Adjustments in respect of current income tax of previous year	1,069.77	7.04
Deferred tax:	(4,948.09)	2,345.66
Income tax expense reported in the statement of profit or loss	**5,091.79**	**9,459.57**

Deferred tax related to items recognised in OCI during in the year:

	31 March 2019	31 March 2018
Net (gain) on remeasurement of defined benefit plans	24.99	11.06
Share of associates and joint ventures accounted for using the equity method	0.27	(0.84)
Income tax charged to OCI	**25.26**	**10.22**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2018 and 31 March 2017:

Particulars	**31 March 2019**	**31 March 2018**
Accounting profit before tax	20,599.67	26,932.26
At India's statutory income tax rate of 34.94% (31 March 2018: 34.608%)	7,197.52	9,320.72
Adjustments in respect of current income tax of previous years	1,069.77	7.04
Items which are not tax deductible for computing taxable income	3,657.95	2,344.07
Effect of changes in tax rate	(224.45)	153.73
Interest on Income tax	22.74	134.22
Items which are not tax taxable for computing taxable income	(5,863.80)	(2,676.68)
MAT credit entitlement	(153.33)	(99.85)
Tax on current year losses carried forwarded to future years	(3.61)	(1.93)
Unrealised profits- Associate/ Joint venture	-	44.20
Un realised profits on Intra Group Profits	-	22.49
Deduction allowed under Income tax - Depreciation	(266.06)	194.31
Impact of government grant	484.86	-
Effect of defered tax relating to previous periods	(910.93)	-
Others	81.13	17.25
Income tax expense reported in the statement of profit and loss	**5,091.79**	**9,459.57**

Pursuant to The Taxation Laws (Amendment) Ordinance, 2019 (Ordinance) issued subsequent to the balance sheet date, the tax rates have changed with effect from 1 April 2019. The group is evaluating the impact of such change taking into consideration various incentives being currently claimed by the holding company and its subsidiaries. The effect of such changes, if any, has not been given in the financial statements as this is a subsequent event.

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Deferred tax

	31 March 2019	31 March 2018
Deferred tax assets (net)	13,409.56	10,818.96
Deferred tax liability (net)	(1,979.05)	(5,533.33)
Net Deferred tax assets	**11,430.51**	**5,285.63**

Deferred tax (liabilities) /assets in relation to:

2018-2019	Opening balance	Recognised in profit or loss	Recognised in other comprehen-sive income	MAT Credit entitlement / (utilisation)	Closing balance
Deferred tax (liabilities) /assets in relation to:					
MAT Credit	3,973.40	-	-	1,250.24	5,223.64
Disallowances under Income Tax Act, 1961, allowed on payment basis	444.83	67.98	12.35	-	525.16
Unabsorbed depreciation and carried forward losses	(467.91)	721.19	-	-	253.28
Provision for replacment	4,580.58	(2,787.82)	-	-	1,792.76
Provision for capping and post closure	(504.38)	(875.38)	-	-	(1,379.76)
Provision for doubtful debts and advances	953.44	932.34	-	-	1,885.78
Property, plant and equipment and intangible assets	(3,017.10)	6,731.54	-	-	3,714.44
Financial assets at FVTPL	(377.15)	(573.87)	-	-	(951.02)
Processing charges amortisation	(52.63)	(17.96)	-	-	(70.59)
Deferred Tax on unrealised profits- Associate/ Joint venture	(259.85)	-	0.27		(259.58)
Deferred tax on compulsory convertible debentures and cumulative convertible redeemable preference shares	-	148.77	-	-	148.77
Interest Unwinding on Security Deposits Payable/investment in debenture	-	285.80	-	-	285.80
Others	12.40	315.50	8.63	(74.70)	261.83
	5,285.63	**4,948.09**	**21.25**	**1,175.54**	**11,430.51**

Deferred tax (liabilities) /assets in relation to:

2017-2018	Opening balance	Recognised in profit or loss	Recognised in other compre-hensive income	MAT Credit entitlement /(utilisation)	Closing balance
Deferred tax (liabilities) /assets in relation to:					
MAT Credit	3,422.65	-	-	550.75	3,973.40
Disallowances under Income Tax Act, 1961, allowed on payment basis	364.06	69.71	11.06	-	444.83
Unabsorbed depreciation and carried forward losses	(674.79)	206.88	-	-	(467.91)

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

2017-2018	Opening balance	Recognised in profit or loss	Recognised in other compre-hensive income	MAT Credit entitlement /(utilisation)	Closing balance
Provision for replacment	4,641.00	(60.42)	-	-	4,580.58
Provision for capping and post closure	(236.43)	(267.95)	-	-	(504.38)
Provision for doubtful debts and advances	945.26	8.18	-	-	953.44
Property, plant and equipment and intangible assets	(1,121.54)	(1,895.56)	-	-	(3,017.10)
Financial assets at FVTPL	(211.89)	(165.26)	-	-	(377.15)
Processing charges amortisation	(39.02)	(13.61)	-	-	(52.63)
Deferred Tax on unrealised profits- Associate/ Joint venture	(214.81)	(44.20)	(0.84)	-	(259.85)
Others	195.83	(183.43)	-	-	12.40
	7,070.32	**(2,345.66)**	**10.22**	**550.75**	**5,285.63**

30. Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 March 2019	31 March 2018
Profit attributable to the equity holders of the parent	16,202.81	17,984.91
Weighted average number of equity shares in calculating basic EPS (lakhs)	41.77	46.48
Weighted average number of equity shares in calculating diluted EPS (lakhs)	44.66	46.48

31. Significant accounting judgement, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Judgements

In the process of applying the Group’s accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

a. Revenue from contracts with customers

The company provides waste management services to its customers and has certain performance obligations attached to their services such as capping and post closure obligations. The company believes that these obligations are not separate performance obligations as they are required to be perfomed due to laws governing waste management and are not capable of being distinct from the most management service.

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

b. Recognition of Concession Agreement as an Intangible Asset and Financial Asset

i) Basis of accounting for the service concession

Management has assessed the applicability of Appendix C to Ind AS 115 “Service Concession Arrangements” (31 March 2018: Appendix A to Ind AS 11 “Construction Contracts”) to the concession agreement and hence has applied it in accounting for the concession.

As per the agreement with the municipal authorities, the construction and operations of facility shall be recovered by the Company in form of tipping fees received from municipal authorities (Intangible asset).

Disclosures for Service Concession Arrangement as prescribed under Appendix C to Ind AS 115 (31 March 2018: Appendix A to Ind AS 11 “Construction Contracts”). Disclosure have been incorporated into the financial statements.

ii) Significant assumptions in accounting for the intangible asset

The Group has recognised intangible asset with a construction margin based on sensitivity analysis of companies with business in similar construction activities.

c. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the group. Such changes are reflected in the assumptions when they occur.

(i) Provision for capping and post closure

Provision for capping requires an evaluation of the cost of protective capping of the active landfills in which waste is dumped. The provision recorded in the statement of financial statement at year-end is derived on the basis of estimated cost for capping the landfill, proportionate to the capacity of landfill utilised till the end of the year. The significant estimates involved include capping cost in respect of the total expected waste capacity of the landfill that requires, the time period during which these cost would actually be paid, inflation rate and the discount rate applied.

Further, to ensure that there is no negative impact on the environment due to waste disposal, the Company is required to perform certain post closure monitoring activities for a period ranging from 15-30 years after the estimated operating period (10-25 years). The provision for post closure monitoring at the end of each year is calculated based on the estimated aggregate costs to be incurred during the post closure period proportionate to the capacity of site utilized till the end of the year. The significant estimates involved include post monitoring cost in respect of the total expected waste during the operating period, the time period during which these cost would actually be paid, inflation rate and the discount rate applied.

The estimates for projected capping and post closure monitoring are developed using inputs from the Company’s engineers, accountants and are reviewed by management at regular intervals.

(ii) Provision for incinerations:

Provision for incinerations recorded in the balance sheet as at the year-end is derived on the basis of estimated cost of treating the incinerable waste in the facility. Such an estimate is made on the basis of average actual per tonne cost incurred by the Company.

(iii) Provision for replacements

Provision for replacements recorded in the balance sheet. Such an estimate is made on the basis of cost to be incurred by the Company.

(iv) Estimates related to service concession arrangement

The Company has recognised construction margin of 2.50% on intangible assets under service concession arrangement. Management has estimated such margin based on sensitivity analysis of similar construction contracts.

(v) Estimates of outcomes of indemnity events

The Company has estimated the outcomes of each of the indemnity events specified in SSPA (refer note 49) taking into account the probability of their occurrence and underlying factors.

(vi) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(vii) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

(viii) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(ix) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

32. Gratuity and other post-employment benefit plans

(a) Defined contribution plan

The following amount recognised as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

	31 March 2019	31 March 2018
Contribution to provident fund and other funds recognised as expense in the statement of profit and loss	1,617.73	1,327.80

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(b) Defined benefit plan

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of continuous service gets a gratuity on retirement at 15 days last drawn basic 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 table's 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 gratuity plan:

Statement of profit and loss

	31 March 2019	31 March 2018
Net employee benefit expense recognised in the employee cost		
Current service cost	293.41	198.32
Past service cost	4.75	4.03
Interest cost on defined benefit obligation	100.15	70.11
Interest income on plan asset	(37.36)	-
Net benefit expense	**360.95**	**272.46**

Re measurement during the period/year due to :

	31 March 2019	31 March 2018
Actuarial loss / (gain) arising from change in financial assumptions	62.13	35.54
Actuarial loss / (gain) arising from change in demographic assumptions	(81.35)	(9.26)
Actuarial loss / (gain) arising on account of experience changes	98.91	40.74
Return on plan assets excluding interest income	9.99	(3.26)
Amount recognised in OCI outside profit and loss statement	**89.68**	**63.76**
Balance Sheet:		
Reconciliation of net liability / asset		
Closing Present Value of Defined Benefit Obligation	1,630.48	1,224.89
Closing Fair Value of Plan Assets	479.46	413.90
Closing net defined benefit liability	**1,151.02**	**810.99**
Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	1,224.89	1,140.58
Current service cost	293.41	198.32
Interest cost	100.15	70.11
Past service cost	4.75	4.03
Re measurement during the period due to :		
Actuarial loss/(gain) arising from change in financial Assumptions	62.13	35.54
Actuarial loss/(gain) arising from change in demographic Assumptions	(81.35)	(9.26)
Actuarial loss/(gain) arising on account of experience Changes	98.91	40.74
Benefits paid	(72.41)	(255.17)
Closing defined benefit obligation	**1,630.48**	**1,224.89**

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	31 March 2019	31 March 2018
Net liability is bifurcated as follows :		
Current	367.14	216.07
Non-current	783.88	606.07
Net liability (net of plan assets)	**1,151.02**	**822.14**
Changes in Fair Value of Plan Assets		
Opening Fair Value of Plan Assets	413.90	372.09
Interest income on Plan Assets	37.36	-
Employer Contributions	97.80	80.44
Benefits paid	(59.51)	(35.37)
Remeasurements - Return on Assets (Excluding Interest Income)	(9.99)	(3.26)
Closing Fair Value of Plan Assets	**479.56**	**413.90**

The principal assumptions used in determining gratuity benefit obligation for the Group's plans are shown below:		
	31 March 2019	**31 March 2018**
Discount rate (p.a.)	7.60%	8.00%
Salary escalation rate (p.a.)	8.72%	8.00%
Mortality Rate (as % of IALM (2006-08) (Mod.) Ult. Mortality Table)	100.00%	100.00%
Disability Rate	0.22%	5.00%
With drawl rate	22.40%	19.17%
Normal Retirement age	60 Years	60 years
Adjutsed Average future service	25.72	26.00
A quantitative analysis for significant assumptions is as shown below:		
Assumptions - Discount rate		
Sensitivity Level (a hypothetical increase/(decrease) by)		
Impact of Increase in 100 bps on defined benefit obligation	1,558.53	1,244.84
Impact of Decrease in 100 bps on defined benefit obligation	1,740.99	1,421.83
Assumptions - Salary Escalation rate		
Sensitivity Level		
Impact on defined benefit obligation		
Impact of Increase in 100 bps on defined benefit obligation	1,743.52	1,424.04
Impact of Decrease in 100 bps on defined benefit obligation	1,554.24	1,241.30
Assumptions - Withdrawl rates		
Sensitivity Level (a hypothetical increase/(decrease) by)		
Impact of Increase in 100 bps on defined benefit obligation	1,638.63	1,326.01
Impact of Decrease in 100 bps on defined benefit obligation	1,648.96	1,328.42

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Assumptions - Mortality rate

Sensitivity Level

Impact on defined benefit obligation

Impact of Increase in 100 bps on defined benefit obligation

Impact of Decrease in 100 bps on defined benefit obligation

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 following payments are expected contributions to the defined benefit plan in future years:

	31 March 2019	31 March 2018
Estimated future contribution	535.00	227.97
Expected future benefit payments		
Within the next 12 months (next annual reporting period)	317.95	111.07
Between 2 and 5 years	753.06	372.67
Between 6 and 10 years	615.01	555.21
Total expected payments	**1,686.02**	**1,038.95**

The weighted average duration of the defined benefit plan obligation at the end of the reporting period (based on discounted cash flows) is 10.35 years

33. Group information

Information about subsidiaries

The consolidated financial statements of the Group includes subsidiaries, joint controlled entity and associates listed in the table below:

Name	Country of Incorporation	% equity interest	
		31 March 2019	31 March 2018
Subsidiaries and step down subsidiaries:			
Tamilnadu Waste Management Limited	India	100%	100%
Ramky Reclamation and Recycling Limited	India	100%	100%
Pro Enviro Recycling Private Limited (Subsidiary of Ramky Reclamation and Recycling Limited)	India	51%	51%
Deccan Recyclers Private Limited (Subsidiary of Ramky Reclamation and Recycling Limited)	India	100%	100%
Ramky ARM Recycling Private Limited (Subsidiary of Ramky Reclamation and Recycling Limited)	India	51%	51%
Ramky MSW Private Limited	India	100%	100%
Katni MSW Management Private Limited (Subsidiary of Ramky MSW Private Limited)	India	100%	100%
Saagar MSW Solutions Private Limited (Subsidiary of Ramky MSW Private Limited)	India	100%	100%
Ramky IWM Private Limited	India	100%	100%
Hyderabad Integrated MSW Limited	India	100%	100%
West Bengal Waste Management Limited	India	97%	97%

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Name	Country of Incorporation	% equity interest	
		31 March 2019	31 March 2018
Mumbai Waste Management Limited (refer note: a)	India	100%	100%
Bio Medical Waste Treatment Plant Private Limited (Subsidiary of Mumbai Waste Management Limited)	India	55%	55%
Delhi MSW Solutions Limited (refer note: b)	India	100.00%	99.98%
Hyderabad C&D Waste Private Limited (Subsidiary of Delhi MSW Solutions Limited)	India	100%	100%
Pro Enviro C&D Waste Management Private Limited (refer note. g) (Subsidiary of Delhi MSW Solutions Limited)	India	49%	49%
Visakha Solvents Limited	India	51%	51%
Ramky E-waste Management Limited	India	100%	100%
Ramky International (Singapore) Pte. Ltd	Singapore	100%	100%
Ramky Cleantech Services Pte. Ltd (Subsidiary to Ramky International (Singapore) Pte. Ltd)	Singapore	74%	74%
Ramky Cleantech Services (Philippines) Pte. Ltd (Subsidiary to Ramky Cleantech Services Pte Ltd)	Singapore	100%	100%
Ramky Cleantech Services (China) Pte. Ltd (Subsidiary to Ramky Cleantech Services Pte. Ltd)	Singapore	100%	100%
Delhi Cleantech Services Private Limited (Refer note:d)	India	100%	100%
Evergreen Cleantech Facilities Management (India) Limited (Subsidiary to Ramky Cleantech Services Pte. Ltd) (refer note:c)	India	-	100%
RVAC Private Limited (Subsidiary to Ramky International (Singapore) Pte. Ltd)	Singapore	98.56%	98.56%
PT Ramky Indonesia (Subsidiary to Ramky International (Singapore) Pte. Ltd)	Indonesia	100%	100%
Ramky Environmental Technology (Shenzhen) Co. Ltd (Subsidiary to Ramky International (Singapore) Pte. Ltd)	China	100%	100%
Ramky International (India) Pte. Ltd (Subsidiary to Ramky International (Singapore) Pte. Ltd)	Singapore	100%	100%
Medicare Environmental Management Private Limited (refer note: e) (Subsidiary to Ramky International (India) Pte. Ltd)	India	100%	100%
Ramky Energy and Environment Limited (Subsidiary to Medicare Environmental Management Private Limited)	India	100%	100%
Ramky Solutions Pte. Ltd. (Subsidiary to Ramky International (Singapore) Pte. Ltd)	Singapore	100%	100%
Ramky Enviro Engineers Middle East FZ LLC	UAE	100%	100%
Hyderabad MSW Energy Solutions Private Limited (Formerly known as East Coast Industries (India) Private Limited)	India	100%	100%
Pithampur Industrial Waste Management Private Limited	India	100%	100%
Ramky Enviro Services Private Limited	India	100%	100%
Maridi Bio Industries Private Limited (Formerly known as Cuttack Solid Waste Management Private Limited)	India	100%	100%
B & G Solar Private Limited	India	51%	51%
Ramky Risal Environmental Services Saudi Arabia Ltd	Saudi Arabia	70%	70%
Chennai MSW Private Limited	India	100%	100%

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Name	Country of Incorporation	% equity interest	
		31 March 2019	31 March 2018
Jodhpur MSW Private Limited	India	100%	100%
Dehradun Waste Management Private Limited	India	100%	100%
Chhattisgarh Energy Consortium (India) Private Limited (refer note 46)	India	51%	51%
Adityapur Waste Management Private Limited	India	100%	100%
REWA MSW Holdings Limited (refer note.f)	India	100%	100%
REWA MSW Management Solutions Limited (Subsidiary of REWA MSW Holdings Limited)	India	100%	100%
REWA Waste 2 Energy Projects Limited (Subsidiary of REWA MSW Holdings Limited)	India	100%	100%
Madhya Pradesh Waste Management Private Limited (refer note.c)	India	-	100%
Bhubaneswar Industrial Waste Management (Orissa) Private Limited (refer note:h)	India	-	100%
Ramky-Royal Building Maintenance and Services Inc (refer note g)	Philippines	50%	50%
Dhanbad Integrated MSW Limited (subsidiary of Delhi MSW Solutions Limited)	India	100%	-
Jointly Controlled Entities			
Al Ahlia Environmental Services Co LLC	Oman	50%	50%
Associate:			
Regency Yamuna Energy Limited (refer note.c)	India	-	31.24%
Maridi Eco Industries Private Limited (refer note.c)	India	-	48.65%
Al Ahlia Waste Treatment LLC	UAE	49%	-
Vilholi Waste Management System Private Limited	India	26%	26%
FARZ LLC	India	25%	25%

Notes:

a) Including 26% held by Ramky IWM Private Limited, a wholly owned subsidiary of Ramky Enviro Engineers Limited.

b) Including 49% held by Mumbai Waste Management Limited.

c) Sold/disposed during the current year.

d) Consists of 49% held by the parent company, REEL and 51% held by RCSPL in the previous year ended 31 March 2018. During the current year REEL has additionally acquired 51% held by RCSPL in the previous year. Acccordingly,this entity is a wholly-owned subsidiary of REEL as on 31 March 2019.

e) Including 49% held by Ramky IWM Private Limited and 51% by Ramky International (India) Pte. Ltd.

f) 51%, 26% and 23% held by Chennai MSW Private Limited, Delhi MSW Solutions Limited and Mumbai Waste Management Limited respectively.

g) The group has control over its relevant activites and hence classified as a subsidiary.

h) Merged with REEL, the holding company during the current year.(Refer note: 47)

Entity with control over the Group

Metropolis Investments Holdings Pte Ltd owns 59.50% of the equity shares in Ramky Enviro Engineers Limited (31 March 2018: Nil).

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

34. Related party transactions

(a) Nature of relationship and names of related parties

Nature of relationship	Name of related parties
i) Jointly Controlled Entity	Al Ahlia Environmental Services Co. LLC
	Al Ahlia Waste Treatment LLC
	Oman Maritime Waste Treatment Saoc
ii) Associates	Regecy Yamuna Energy Limited (till 29.01.2019)
	Vilholi Waste Management System Private Limited
	Maridi Eco Industries Private Limited (till 29.01.2019)
	FARZ LLC
iii) Entities controlled by persons having control/significant influence over Group	Ramky Infrastructure Limited
	Ramky Estates and Farms Limited
	Ramky Pharma City (India) Limited
	Ramky Towers Limited
	Ramky Foundation
	Ramky Advisory Services Limited
	Smilax Laboratories Limited
	Frank Lloyd Tech Management Services Limited
	Oxford Ayyappa Consulting Services (India) Pvt Ltd
	Abhiram Infra Projects Private Limited
iv) Group Companies and Companies/Firms/Other concerns in which Key management personal are interested	Ramky Enclave Limited
	MDDA Ramky IsBus Terminal Limited
	Ramky Integrated Township Limited
	Ramky Signature One Private Limited
	Ramky Sriram Properties Pvt Limited
	Ramky Engineering and Consulting Services (FZC)
	Ramky Elsamex Hyderabad Ring Road Limited
	Madhya Pradesh waste Management Private Limited (from 29 January 2019)
v) Key Managerial Person	
Managing director	M Goutham Reddy
Chief financial officer	G Hemanth Kumar Reddy (upto 14th Dec 2018)
Joint Managing Director & CFO	Anil Khandelwal (From 14th Dec 2018)
Joint Managing Director	Masood Alam Mallick (From 29th Dec 2018)
Company secretary	Govind Singh (w.e.f 26 May 2017)

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(b) Transactions with the related parties during the year

	Nature of Transaction	Year ended 3/31/2019	Year ended 3/31/2018
i) Ramky Infrastructure Limited	Contract revenue	-	51.97
	Subcontract expenses	-	1,031.32
	Revenue from waste disposal	903.15	1,007.63
	Service Income	0.05	10.42
	Operational income	-	9.33
	Operational expenses	73.92	113.96
	Development costs	376.96	110.20
	Expenses incurred on behalf of the group	-	28.39
	Slumpsale	-	1,158.06
	Capping works	-	561.84
	Security Deposit (Write Off)	-	0.25
	Mobilisation advance given	493.88	-
	Mobilisation advance adjusted	-	-
	Mobilisation advance received/(recovered)	-	300.62
	Inter corporate deposit given	4,700.00	-
	Inter corporate deposit received back	4,871.00	-
	Interest Income of ICD	190.44	-
	Retention money payable	-	250.58
	Interest expenditure	-	-
	Expenses incurred		
	Expenses incurred on behalf of the group	2.19	-
	Equity share purchase(Delhi MSW)	0.50	-
	Capital Advance	-	2,732.49
	Equity Investment	1.35	-
ii) Ramky Estates and Farms Limited	Consultancy Income	-	1.24
	Intercorporate deposit refunded	1,284.67	-
	Rent paid	15.15	21.68
	Service Income	-	118.80
	Operational income	57.14	65.61
	Interest Income	117.40	192.25
	Rental Income	30.24	34.02
	Capital Advance given	-	100.00
	Interest income on capital advance	98.32	288.28
	Receipts against assets held for sale	436.21	-
	Contract Revenue	-	-
iii) Ramky Pharma City (India) Limited	Operational expenses	234.88	198.90
	Purchase of Material	2.44	-
	Expenses incurred on behalf of the Group	-	140.22
	Lease rentals	4.22	-

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Nature of Transaction	Year ended 3/31/2019	Year ended 3/31/2018
iv) Ramky Towers Limited	Intercorporate Deposit granted	-	70.35
	Intercorporate Deposit granted received back	7,383.86	271.65
	Interest Income received	790.44	730.95
	Contract Revenue	391.56	-
v) Ramky Enclave Limited	Service Income	-	23.77
	Refund of retention money	1.01	-
vi) Ramky Foundation	Donation	460.68	354.12
vii) Al Ahalia Environmental services co LLC	Contract revenue	-	2,050.18
	Consultancy income	-	41.65
	Corporate Guarantee Given	-	4,411.25
	Intercorporate deposit given	1,112.74	
viii) Smilax Laboratories Limited	Purchase of Equity investments	400.00	4,961.72
	Sale of Equity investments	5,791.74	-
	Revenue from waste disposal	43.19	36.97
	Operational expenses	17.88	21.15
	Intercorporate Deposit granted received back	-	3,160.24
	Inter corporate deposit received back	-	-
	Interest Income received	-	273.11
ix) MDDA Ramky ISBus Terminal Limited	Service Income	-	79.16
x) Ramky Integrated Township Limited	Consultancy Income	14.70	1.75
	Service Income	-	7.32
xi) Ramky Elsamex Hyderabad Ring Road Limited	Interest Income received	37.68	40.12
	Intercorporate deposit refunded	367.98	-
xii) Frank Lloyd Tech Management Services Limited	Consultancy charges	168.56	106.34
	Revenue from waste disposal	-	-
xiii) Abhiram Infra Projects Private Limited	Intercorporate Deposit repaid	455.73	123.97
	Interest paid	91.60	110.98
	Performance guarantees given / (cancelled)	(543.90)	(24.09)
xiv) Maridi Eco Industries Private Limited	Revenue from waste disposal	21.67	17.16
	Inter corporate deposit taken	293.84	15.00
	Inter corporate deposit repaid	35.00	-
	Interest expense	21.19	
	Inter corporate deposit granted	765.51	540.00
	Inter corporate deposit granted received back	419.62	80.00
	Interest Income received	89.06	33.78
	Interest paid	-	0.31

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Nature of Transaction	Year ended 3/31/2019	Year ended 3/31/2018
xv) Vilholi Waste Management System Private Limited	Contract revenue	-	125.44
	Inter corporate deposit given	43.09	61.73
	Inter corporate deposit received back	13.00	70.00
	Interest Income received	28.37	26.60
	Expenses incurred on behalf of the group	-	4.63
xvi) Madhya Pradesh waste Management Private Limited	Inter corporate deposit given	6,528.77	-
	Inter corporate deposit received back	6,849.75	-
	Interest Income received	356.64	-
	Interest expense	1.51	-
	Rental Expenses	12.60	-
	Maintenance Expenses	7.98	-
	Advance from customers	614.00	-
	Sale of Regency Yamuna Energy Limited equity shares	700.00	-
	Sale of Frank Lloyd Tech Management Services Limited equity shares	1.20	-
	Sale of Frank Lloyd Tech Management Services Limited preference shares	407.20	-
	Sale of Limited Maridi Eco Industries Equity shares	403.46	-
	Sale of Smilax Laboratories Limited Equity shares	5,791.74	-
	Transfer of Madhucon inter corporate deposit to Madhya Pradesh Waste Management Private Limited	818.15	-
	Sale of Property, plant and equipment	6,332.92	-
xvii) Ramky Signature One Private Limited	Revenue from Consultancy services	7.50	-
xviii) Ramky Srisairam Properties Pvt Limited	Revenue from Consultancy services	2.25	-
xix) Oxford Ayyappa Consulting Services (India) Private Limited	Sale of Madhya Pradesh Waste Management Private Limited equity shares Sale of Madhya Pradesh Waste Management Private Limited equity shares Sale of Madhya Pradesh Waste Management Private Limited equity shares Sale of Madhya Pradesh Waste Management Private Limited equity shares	1.00	-
xx) Alla Dakshayanai	Rental Expenses	74.61	-
xxi) Farz LLC	Intercorporate deposits given	1,451.06	-
xxii) Govind Singh	Remuneration	12.45	6.80
xxiii) G Hemanth Kumar Reddy	Remuneration	12.00	25.08
xxiv) M Goutham Reddy	Remuneration	143.58	75.85
xxv) Anil K Khandelwal	Remuneration	124.36	-
xxvi) Masood Alam Mallick	Remuneration	55.20	-

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

C Balance outstanding at the end of the year

		Nature of Transaction	Year ended 3/31/2019	Year ended 3/31/2018
i)	Ramky Infrastructure Limited	Trade receivables	156.31	983.54
		Other Receivables	-	66.97
		Equity investments	-	1.31
		Share capital held	-	0.50
		Retention Money Receivable	-	867.60
		Advances received from Customers	0.35	-
		Mobilisation advance given	686.48	1,576.41
		Trade Payable	-	62.22
		Loans and Advances	-	-
		Intercorporate deposit	-	-
		Development costs payable	62.32	-
		Trade payable	21.05	-
		Capital creditors	-	328.12
		Security Deposit given	-	0.25
		Receivable on Slump sale	-	1,158.06
		Capital Advance	1,383.80	2,732.49
		Payable on account of purchase of shares (Delhi MSW)	0.50	-
ii)	Ramky Estates and Farms Limited	Trade receivables	16.29	118.09
		Advance to supplier	17.57	
		Service income receivable	-	194.41
		Rental income receivable	-	68.48
		Other Receivables	-	18.92
		Asset held for sale	-	420.09
		Rent Payable	-	67.12
		Intercorporate deposit given	-	1,810.96
		Advances received from Customers	19.95	14.73
		Advance for supply of software or advances given for expenses	-	50.00
		Trade Payable	-	3.71
		Capital Advance	-	2,175.00
iii)	Ramky Pharmacity India Limited	Trade payable	115.81	207.92
iv)	Ramky Towers Limited	Service income receivable	-	18.56
		Trade receivables	-	-
		Intercorporate deposit given	-	6,672.46
		Retension Money Receivable	-	17.99
		Trade Payable	-	94.33
		Interest Income Receivable	-	2.66
v)	Ramky Enclave Limited	Trade receivables	-	4.63
		Service income receivable	-	34.60
		Sundry Debtors	-	8.03
		Retention Money Receivable	-	1.01

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

		Nature of Transaction	Year ended 3/31/2019	Year ended 3/31/2018
vi)	Al Ahalia Environmental services co LLC	Mobilisation advance given	-	74.60
		Equity investments	145.65	145.65
		Trade receivables	-	-
		Corporate guarantee given	-	-
		Intercorporate deposit given	1,112.74	-
vii)	Smilax Laboratories Limited	Trade receivables	16.85	301.49
		Trade Payable	2.41	2.92
		Advances received from Customers	0.02	-
		Loans and Advances	-	-
		Security Deposit received	5.03	5.03
viii)	MDDA Ramky ISBus Terminal Limited	Trade receivables	-	9.10
ix)	Ramky Integrated Township Limited	Trade receivables	-	27.59
x)	Ramky Elsamex Hyderabad Ring Road Limited	Other receivables	-	3.75
		Intercorporate deposit given	-	334.06
xi)	Oxford Ayyappa Consulting Services (I) Pvt Ltd	Consultancy charges payable	-	10.75
		Trade Payable	-	8.37
xii)	Frank Lloyd Tech Management Services Limited	Trade receivables	-	5.50
		Advance for supply of software or advances given for expenses	69.33	250.77
		Trade payable	10.17	-
		Trade Payable	-	41.48
		Creditors for Capital goods	-	39.15
xiii)	Abhiram Infra Projects Private Limited	Intercorporate deposit taken	533.66	906.95
		Performance guarantees given	1,787.60	2,331.50
xiv)	Maridi Eco Industries Private Limited	Trade receivables	22.79	19.40
		Other Receivables	-	8.45
		Intercorporate deposit given	554.79	490.53
		Intercorporate deposit taken	293.18	15.27
xv)	Vilholi Waste Management System Private Limited	Trade receivables	71.05	71.05
		Equity investments	0.26	0.26
		Intercorporate deposit given	271.96	216.33
		Advance for supply of software or advances given for expenses	-	4.63
xvi)	Ramky Wavoo Developers Private Limited	Trade receivables	1.52	-
xvii)	Madhya Pradesh Waste Management Private Limited	Intercorporate deposit taken	13.47	-
		Rent payable	155.98	-
		Advances received from customers	614.00	-
xviii)	Ramky Signature One Private Limited	Trade Receivables	8.10	-

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Nature of Transaction	Year ended 3/31/2019	Year ended 3/31/2018
xix) Ramky Sriram Properties Private Limited	Trade Receivables	2.43	-
xx) Farz LLC	Intercorporate deposit given	1,451.06	-
xx) Alla Dakshayani	Rent payable	59.58	-
xxi) G Hemanth Kumar Reddy	Remuneration payable	-	0.80
xxii) Govind Singh	Remuneration payable	-	0.30
xxiii) M Goutham Reddy	Remuneration payable	-	4.05
xxiv) Anil K Khandelwal	Remuneration payable	-	-
xxv) Masood Alam Mallick	Remuneration payable	-	-

35. Contingent Liabilities and Commitments

	31 March 2019	31 March 2018
i) Leases:		
Operating lease commitments		
The Company has entered into operating leases towards rental premises with lease term of three years. The Company has the option to lease the premises for two additional terms of three years each.		
The Company has paid Rs. 36.24 lacs (31 March 2018: Nil) during the year towards minimum lease payment.		
Future minimum rentals payable under non-cancellable operating leases as at 31 March are, as follows:		
-Within one year	187.88	-
-After one year but not more than five years	-	-
-More than five years	-	-
ii. Commitments		
i) Commitment towards investment in companies (net of share application money)	-	-
ii) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	21,944.89	33,541.48
iii. Contingent liabilities:		
Performance Guarantees issued by banks:		
-On behalf of the subsidiaries, step-down subsidiaries and an associate	-	-
-On behalf of others	1,787.60	2,331.50
Corporate guarantees to banks against credit facilities extended to:		
- Subsidiaries, step-down subsidiary and jointly controlled entity	2,649.32	2,490.18
iv. Claims against the Group not acknowledged as debts in respect of:*		
a) Sales tax matters	583.73	127.49
b) Service tax matters	23,710.72	23,151.96
c) Income tax matters	946.78	1,075.75
d) other matters	1,439.43	1,276.78
*Excluding interest not ascertainable from the date of order, if any.		
There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident Fund dated 28 February 2019. As a matter of caution, the Company will make the provision as per the judgement on prospective basis from the following financial year.		

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

36. Movement in provision

Movement in provisions for the year ended 31 March 2019:

	Replacement	Capping	Post closure	Incineration
At the beginning of the year	21,365.41	4,588.73	1,510.17	369.21
Add: Provision made during the year	2,895	1,521.25	370.83	1,060.64
Add: Finance cost on liability component	1,981.92	370.82	172.15	-
Less: Provision reversed/utilized during the year	(200.83)	(940.96)	(73.89)	(1,006.13)
At the end of the year	**26,041.42**	**5,539.84**	**1,979.26**	**423.72**
Current provision	4,165.87	2,478.12	-	423.72
Non Current provision	21,875.55	3,061.72	1,979.26	-

Movement in provisions for the year ended 31 March 2018:

	Replacement	Capping	Post closure	Incineration
At the beginning of the year	19,976.49	5,610.59	1,181.74	1,171.96
Add: Provision made during the year	-	576.82	180.81	329.36
Add: Finance cost on liability component	2,575.38	650.99	179.59	-
Less: Provision reversed/utilized during the year	(1,186.46)	(2,249.67)	(31.97)	(1,132.11)
At the end of the year	**21,365.41**	**4,588.73**	**1,510.17**	**369.21**
Current provision	2,250.51	-	-	369.21
Non Current provision	19,114.90	4,588.73	1,510.17	-

37. Material partly owned subsidiary

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

Name	Country of Incorporation	31 March 2019	31 March 2018
Ramky Cleantech Services Pte. Ltd (Subsidiary to Ramky International (Singapore) Pte. Ltd) (RCSPL)	Singapore	74%	74%

Information regarding non-controlling interest

	31 March 2019	31 March 2018
Accumulated balances of material non-controlling interest:		
Ramky Cleantech Services Pte. Ltd (Subsidiary to Ramky International (Singapore) Pte. Ltd)	3,021.96	2,322.83
Profit/(loss) allocated to material non-controlling interest:		
Ramky Cleantech Services Pte. Ltd (Subsidiary to Ramky International (Singapore) Pte. Ltd)	626.46	497.35

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

The summarised financial information of this subsidiary is provided below.

Summarised statement of profit and loss:

	RCSPL	
	31 March 2019	**31 March 2018**
Revenue	40,060.24	48,345.36
Cost of Sales	34,955.82	42,998.40
Other expenses	1,999.57	2,809.22
Finance costs	122.48	215.13
Profit before tax	**2,982.37**	**2,322.61**
Income tax	572.91	409.84
Total comprehensive income	**2,409.46**	**1,912.77**
Attributable to non-controlling interests	626.46	497.35

Summarised balance sheet:

	RCSPL	
	31 March 2019	**31 March 2018**
Inventories and cash and cash equivalents (current)	20,605.01	20,964.25
Property, plant and equipment and other non-current financial assets (non-current)	2,330.22	10,040.57
Trade and other payable (current)	11,055.56	20,662.27
Interest-bearing loans and borrowing and deferred tax liabilities (non-current)	256.76	1,721.60
Total equity	**11,622.91**	**8,933.94**
Attributable to:		
Equity holders of parent	8,600.95	6,611.11
Non-controlling interest	3,021.96	2,322.83

Summarised cash flow information:

	RCSPL	
	31 March 2019	**31 March 2018**
Operating	5,585.11	7,359.85
Investing	2,315.92	(1,265.52)
Financing	(9,582.92)	(2,773.00)
Net increase/(decrease) in cash and cash equivalents	**(1,681.89)**	**3,321.33**

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

38. Interest in Joint Venture

Name of Joint Venture	Share	Assets	Liabilities	Group's invest-ment	Income	Expendi-ture	Tax	OCI	Total compre-hensive income	Group's Share of TCI	Group's Share of TCI considered in books
Al Ahlia Environmental Services Co LLC											
31 March 2019	50%	8,487.68	5,858.92	1,314.38	12,503.22	12,388.73	-	-	114.49	57.24	57.24
31 March 2018	50%	5,091.82	3,800.98	645.42	4,680.36	4,583.46	-	-	96.90	48.45	48.45

39. Interest in Associates

Name of Associates	Share	Assets	Liabilities	Group's invest-ment	Income	Expendi-ture	Tax	OCI	Total compre-hensive income	Group's Share of TCI	Group's Share of TCI considered in books
Maridi Eco Industries Private Limited											
31 March 2019	0%	-	-	-	-	-	-	-	-	-	-
Vilholi Waste Management System Private Limited											
31 March 2019	26.00%	805.35	1,155.15	-	6.16	86.46	-	-	(80.29)	(20.88)	-
31 March 2018	26.00%	1,054.99	1,068.61	-	5.27	8.16	-	-	(2.89)	(0.75)	(0.75)
Regency Yamuna Energy Limited											
31 March 2019	0%	-	-	-	-	-	-	-	-	-	-
Al Ahlia Waste Treatment LLC											
31 March 2019	49%	1,269.69	1,298.22	-	-	85.90	-	-	(85.90)	(42.09)	(28.11)
FARZ LLC											
31 March 2019	25%	14,585.82	14,460.64	31.30	-	46.19	-	-	(46.19)	(11.55)	(11.55)

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

40. Segment Reporting

Operating Segments

The Group has only one segment i.e. carrying on the business of Integrated waste management solutions, construction of waste treatment facilities, consultancy, emerging technologies, car park, cleaning, conservancy services. The group engaged in primarily business within India. The conditions prevailing in activities involved by the group are not being uniform, hence business segments forms the primary segment of the Group.

Year ended 31 March 2019

Particulars	Waste management division	Turnkey Projects Division	Car Park, Cleaning and Conservancy Service	Consultancy and Others	Unallocable	adjustment/ Eliminations	Total
Revenue							
External customers	153,464.22	16,335.12	39,027.52	12,262.27	-		221,089.12
Inter-segment	680.94	-	91.65	1,133.24		(1,905.82)	-
Total revenue	**154,145.15**	**16,335.12**	**39,119.17**	**13,395.51**	**-**	**(1,905.82)**	**221,089.12**
Income/(Expenses)							
Depreciation and amortisation	(16,267.05)	(21.66)	(2,012.72)	(173.17)	(83.17)	-	(18,557.77)
Segment profit	**45,631.91**	**2,798.95**	**3,810.48**	**700.95**	**(8,057.55)**	**-**	**44,884.74**
Add: Interest Income	-	-	-	-	4,469.82	-	4,469.82
Add: Other Income	-	-	-	-	2,857.20	-	2,857.20
Less: Finance Charges	-	-	-	-	(13,868.59)	-	(13,868.59)
Less: other expenses	-	-	-	-	(12,178.40)	-	(12,178.40)
Profit before share of profit of associates and a joint venture, exceptional items and tax	-	-	-	-	-	-	**26,164.77**
Add: Share of profit of an associate and a joint venture	-	-	-	-	17.59	-	17.59
Profit before tax and exceptional item	-	-	-	-	-	-	**26,182.36**
Less: Exceptional item	-	-	-	-	(5,582.89)	-	(5,582.89)
Profit before tax	-	-	-	-	-	-	**20,599.47**
Less: Tax expenses	-	-	-	-	(5,091.79)	-	(5,091.79)
Profit after tax							**15,507.68**
Total assets	**259,326.90**	**11,773.87**	**26,370.88**	**3,073.65**	**29,442.88**	**-**	**329,988.18**
Total liabilities	**123,335.46**	**7,176.27**	**10,240.80**	**3,381.98**	**19,466.95**	**-**	**163,601.46**
Other disclosures	-	-	-	-	-	-	**-**
Investments in an associate and a joint venture	-	-	-	-	1,345.68	-	1,345.68
Capital expenditure	45,126.78	1.87	783.63	323.90	149.16	-	46,385.34

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Year ended 31 March 2018

Particulars	Waste management division	Turnkey Projects Division	Car Park, Cleaning and Conservancy Service	Consultancy & Others	Unallocable	adjustment/ Eliminations	Total
Revenue							
External customers	117,401.16	5,189.41	46,189.49	5,780.17	-	-	174,560.24
Inter-segment	1,264.13	5,511.45	-	1,087.05	-	(7,862.63)	-
Total revenue	**118,665.30**	**10,700.86**	**46,189.49**	**6,867.22**	**-**	**(7,862.63)**	**174,560.24**
Income/(Expenses)							
Depreciation and amortisation	14,698.70	86.79	3,251.62	407.84	-	-	18,444.95
Segment profit	**38,029.81**	**(347.30)**	**2,927.28**	**1,766.53**	**-**	**-**	**42,376.32**
Add: Interest Income	-	-	-	-	4,110.35	-	4,110.35
Add: Other Income	-	-	-	-	1,455.67	-	1,455.67
Less: Finance Charges	-	-	-	-	(14,401.21)	-	(14,401.21)
Less: other expenses	-	-	-	-	(2,673.88)	-	(2,673.88)
Profit before share of profit of associates and a joint venture, exceptional items and tax	-	-	-	-	-	-	**30,867.25**
Add: Share of profit of an associate and a joint venture	-	-	-	-	150.34	-	150.34
Profit before tax and exceptional item	-	-	-	-	-	-	**31,017.59**
Less: Exceptional item	-	-	-	-	(4,085.33)	-	(4,085.33)
Profit before tax	-	-	-	-	-	-	**26,932.26**
Less: Tax expenses	-	-	-	-	(9,459.57)	-	(9,459.57)
Profit after tax							**17,472.69**
Total assets	**218,515.15**	**8,900.90**	**26,625.70**	**23,219.96**	**10,888.67**	**-**	**288,150.37**
Total liabilities	**130,153.01**	**10,521.94**	**9,716.53**	**2,098.72**	**11,294.58**	**-**	**163,784.78**
Other disclosures	-	-	-	-	-	-	
Investments in an associate and a joint venture	-	-	-	-	645.42	-	645.42
Capital expenditure	18,196.17	127.14	1,439.97	1,022.67	-	-	20,785.95

Inter-segment revenues are eliminated upon consolidation and reflected in the ‘adjustments and eliminations’ column. All other adjustments and eliminations are part of detailed reconciliations presented further below.

Adjustments and eliminations

Interest income, Other income, finance cost, other expenses, share of profit of an associates and a joint venture, exceptonal item and tax expenses are not allocated to individual segments as the same are managed on a group basis. Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties including movement of capital work in progress.

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

41. Fair values

The management assessed that loans, trade receivables, cash and cash equivalents, other balances with banks, other financial assets, borrowings, trade payables and other financial liabilities approximate their carrying amounts as fair value except for investment in mututal funds.

The fair value for investments in mutual funds (FVTPL) are valued using Level 1: Unquoted (unadjusted) market prices in active markets for identical assets or liabilities.

The fair value of Optionally convertible preference shares (refer note 49) are valued using Level 3: Valuaiton techniques for which the input that is significant to the fair value measurement is unobservable.

42. Financial risk management objectives and policies

The Group's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Group's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. In performing its operating, investing and financing activities, the Group is exposed to the Market Risk, Credit risk and Liquidity risk.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the value of financials instrument may result from changes in interest rates, credit worthiness, liquidity and other market changes. The Group exposure to market risk is primarily on account of interest rate risk. Financial instruments affected by market risk inculdes Loans, borrowings and deposits.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. This risk is set off partially due to investments in Mutual Funds.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Liabilities (Long Term Borrowings)

	Increase/decrease in basis points	Effect on profit before tax
31 March 2019		
INR	+100	541.51
INR	-100	(541.51)
31 March 2018		
INR	+100	724.17
INR	-100	(724.17)

ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

a) Trade receivables

Credit risk with respect to trade receivables is limited, based on our historical experience of collecting receivables, supported by the level of default.

b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's top management in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the top management on an annual basis, and may be updated throughout the year subject to approval of the Company's board of directors. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

iii) Foreign Currency risk

The year end foreign currency exposure that have not been hedged by a derivative instrument or other wise are as under

		In Foregin Currency		In Rupees	
Particulars	**Currency**	**31 March 2019**	**31 March 2018**	**31 March 2019**	**31 March 2018**
Borrowings	SGD	19.58	24.58	749.00	1,221.34
Other assets	USD	-	8.93	-	581.04
Other assets	EUR	14.26	-	1,113.10	-
Trade Payables	USD	13.60	-	942.50	-
		47.44	**33.51**	**2,804.60**	**1,802.38**

Foreign Currency Sensitivity

The following table demonstrate the senstivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities

	Increase/(decrease) in Profit before tax	
	31 March 2019	**31 March 2018**
Change in SGD rate		
- 5% Increase	(50.29)	(61.07)
- 5% decrease	50.29	61.07
Change in USD rate		
- 5% Increase	(47.13)	(29.05)
- 5% decrease	47.13	29.05
Change in EUR rate		
- 5% Increase	55.66	-
- 5% decrease	(55.66)	-

iv) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner. The Group invests its surplus funds in bank fixed deposits and in mutual funds, which carry no or low market risk.

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

The table below analyses derivative and non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date.

	Carrying Value	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years
As at 31 March 2019						
Borrowings (including current maturities)	60,948.76	4,691.61	5,514.42	4,933.35	23,075.31	22,734.07
Trade payables	23,139.18	-	20,110.73	2,881.26	147.19	-
Other financial liabilities	23,677.59	-	15,599.73	3,100.92	4,066.70	910.24
As at 31 March 2018						
Borrowings (including current maturities)	69,117.92	1,280.27	5,533.72	3,497.31	38,020.32	20,786.29
Trade payables	19,587.74	-	17,661.84	1,741.99	183.92	-
Other financial liabilities	21,453.75	20.51	7,777.68	9,136.79	3,322.30	1,196.47

At present, the Group does expects to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.

43. Capital management

The group endeavors to maintain sufficient levels of working capital, current assets and current liabilities which helps the company to meet its expense obligations while also maintaining sufficient cash flow. The capital structure of the group consists of net debt (borrowings offset by cash and bank balances) and equity of the group (comprising issued capital, reserves and retained earnings). The capital structure of the Company is reviewed by the management on a periodic basis.

Gearing ratio	31 March 2019	31 March 2018
Borrowings (non-current and current, including current maturities of non-current borrowings, interest accrued and due, Interest accrued but not due)	61,135.61	78,732.60
Less: Cash and cash equivalents (including mutual funds, balances at bank other than cash and cash equivalents and margin money deposits with banks)	(43,097.68)	(19,763.04)
Net debt (A)	18,037.93	58,969.56
Equity (refer note 11 and 12) (B)	162,744.06	120,180.06
Total Capital and Debt (C)	180,781.99	179,149.62
Gearing ratio (%) (A/C)	9.98%	32.92%

Gearing ratio:

The group monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The group's policy is to keep the gearing ratio within 50%.

In order to achieve this overall objective, the group makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company aims to ensure that it meets the financial covenants attached to the interest bearing loans and borrowings that define the capital structure requirements. For more details on financial covenants, refer Note 52.

44 During the previous year, the management had carried out a detailed evaluation of compliance with Foreign Exchange Management ODI regulations and have identified non-compliance with certain regulations under Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Amendment) Regulations, 2004 ('FEMA') relating to non-submission/delayed filing of Overseas Direct Investment ('ODI') forms, proof of investments, annual performance reports, non-intimation of changes in joint venture/wholly owned subsidiary within due dates, transactions involving both Foreign Direct Investment and ODI, intimation of setting up second layer of investment holding companies, transactions with more than one authorized dealer, remittances before allotment of Unique Identification Number.

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

REEL has filed the compounding application with the Reserve Bank of India (RBI) on 28 December 2018. During the current year, the RBI has directed the Company to file the compounding applications with the Authorized Dealers (AD). REEL has filed the required documents with AD and has received certain observations. REEL is currently in the process of addressing the aforesaid observations and file the compounding applications with the AD. Based on the legal opinion obtained and other documentary evidences available with REEL, the management is of the view that there would be no material impact on the financial statements and accordingly, no adjustments for the possible effect of such non-compliance have been made to the consolidated financial statements.

45 In relation to the Company and its subsidiary MWML, the income tax department has conducted survey operation on the Company's registered office on 17 May 2019. No order consequent to such operation has been received by the Company. Management believes that there would be no implication of the aforesaid survey operations on the standalone financial statements of the Company.

46 In the earlier years, the Company had entered into a share purchase agreement with the other shareholder of Chattisgarh Energy Consortium India Private Limited (CECIPL) and purchased a 51% stake in CECIPL. During the current year, consequent to the SSPA entered with the investor (refer note 49), the Company has entered into an agreement to sell its investment in CECIPL to one of the promoter's entity (buyer) and has received advance of Rs.614 for such sale from the buyer. The beneficial ownership of the said subsidiary of Rs.614 has been transferred to the buyer subsequent to the balance sheet date and hence the Company has continued to disclose the assets of the subsidiary as held for sale. The financial statements of CECIPL have not been audited after the year ending 31 March 2014 till current year. Pending transfer of the beneficial ownership as on the balance sheet date, the Company has consolidated CECIPL based on financial statements certified by the management.

Further, in the earlier years, the Company had filed for an arbitration with the other shareholder of CECIPL with respect to alleged failure of the performance obligations by the other shareholder as required in the share purchase agreement between the Company and the other shareholder. During the year, pursuant to arbitration being set aside by arbitration tribunal, the Company has made a provision for impairment of Rs.2,689.71 on capital work in progress in subsidiary, which has been disclosed as an exceptional item. The management of the Company does not currently envisage any further loss related to the subsidiary.

During the previous year, the group has identified certain investments, inter corporate loans, building and advances amounting to Rs. 33,074.57, which are not core to the business activities of the group. Except the shares in CECIPL as mentione above, the Company has sold the remaining assets classified as held for sale as at 31 March 2018 and incurred loss of Rs.3631.73 out of which Rs.2,689.71 is on account of CECIPL investment.

47 Scheme of Amalgamation under section 230 to 232 of the Companies Act, 2013

Pursuant to the scheme of Amalgamation (the "scheme") sanctioned by the Hyderabad bench of National Company Law Tribunal ("NCLT") vide its order dated 14 March 2019, Bhubaneswar Industrial Waste Management (Orissa) Private Limited ("transferor company"), a subsidiary of the Company, merged with the Company with effect from 1 April 2018 (the "appointed date"). The scheme was filed with the Registrar of the Companies on 25 March 2019 and pursuant thereto the entire business and all the assets and liabilities, duties and obligations of the transferor company have been transferred to and vested in the Company with effect from appointed date.

In accordance with the scheme, the investments held in the transferor company by the Company and its subsidiaries namely Chennai MSW Private Limited, Medicare Environmental Management Private Limited, Mumbai Waste Management Limited and Tamil Nadu Waste Management Limited ("the consideration") have been cancelled and no new equity shares were allotted for such shareholding.

The transferor company was engaged in the business of collection and treatment of industrial and commercial waste. The amalgamation with the Company is a non-cash transaction.

The amalgamation qualifies as a common control business combination and is accounted under "pooling of interest" method specified in Ind AS 103 Business Combinations notified under section 133 of the Companies Act 2013 and the rules made thereunder, as follows:

- All the assets and liabilities (including contingent liabilities), reserves, duties and obligations of the transferor company have been recorded in the books of account of the Company at their existing carrying amounts and the same form.
- Intercompany balances are cancelled
- The carrying amount of investments in the shares of the transferor company shall stand cancelled in the books of the Company.
- The difference between the value of net assets of the transferor company taken over by the Company and the consideration is transferred to capital reserve.

The authorised share capital of the company increased by Rs.17652.26 on account of scheme of amalgamation.

48 Pending disputes and Arbitration Details:

Ramky Energy And Environment Limited

i) During the previous years, New Delhi Muncipal Council has Terminated the concession agreement pertaining to collection and Transportation of MSW by mentioning the material breach of O&M requirements by the company. The company has challenged the same before applicable court and an arbitral tribunal of sole arbitrator was constituted for settlement of claim under The Arbitration and Conciliation Act, 1996. During the arbitral proceedings, claim and counter claim petitions were submitted by both the parties. As of now, the Company's Witness's deposition recording is still continuing. Because of change in lawyer for respondent side, cross examination could not be completed in last proceedings. Next date of hearing is to be declared by the Arbitrator. Post conclusion of oral evidence from either side, parties shall lead oral arguments followed by written arguments submission. Award may likely be published at beginning of new financial year.

ii) During the previous years, the company had sent a termination notice to the Kottayam Municipality, client for the project "Construction and operation of Municipal Solid Waste Treatment Plant in Kottayam, for non payment of dues and failure to address the issues of the project at various forums. The company had filed a writ petition before the honorable High Court of Kerala at Ernakulam. During the previous year, the honorable High Court directed the client to consider the company's claim and pass the appropriate orders, as there was no response from the client the company decided to appoint its arbitrator with a request to the client to nominate their arbitrator so that in turn both nominated arbitrators may nominate presiding arbitrator thus forming Arbitral Tribunal for settlement of claim under The Arbitration and Conciliation Act, 1996. Having complied due process, Tribunal commenced its hearing. During the arbitral proceedings, Ld. Arbitrator appointed by Hon'ble High Court on behalf of Respondent had resigned. Client nominated its replacement arbitrator for which the company objected stating that client can't nominate its arbitrator. Meanwhile, the company filed application before Hon'ble High Court for replacement of arbitrator while challenging appointment of arbitrator by Kottayam Municipality. Unfortunately, the case was dismissed and the Company has approached Hon'ble Supreme Court as Special Leave Petition (SLP) against the dismissal of company application. Currently, the hearing is postponed. Next hearing date yet to be notified.

iii) During the previous years, The Bruhat Bangalore Mahanagara Palike, the client for the project "Integrated Municipal Solid Waste Processing and Engineering Sanitary Land fill" at Bangalore sent a termination notice by mentioning the non fulfilment of conditions in the agreement. It was challenged by the company in the Court which led to constitution of Arbitral Tribunal of sole arbitrator. The Arbitration tribunal constituted on mutual consent and sole arbitrator was appointed as to settle the dispute. Arbitral Tribunal while dismissing counter claim, passed the award in company's favour. The company has received the arbitration award for an amount of Rs.400 lakhs as lump-sum against company claim of Rs.10,844 lakhs and the company filed an appeal against the arbitral award before the honorable High Court of Karnataka. Instead of replying to Bruhat Bangalore Mahanagara Palike petitions and filing execution petition for Rs.400 lakhs lumpsum award, the company has filed a memo before commercial court for arguments as both parties are contending that award. The proceedings are under process.

Management believes that though the amounts receivable from the above projects are long outstanding, these are good and recoverable. However, as as a matter of abundant caution, the management has provided an amount of Rs. 1949.32 lakhs towards impairment of assets in the above units.

Delhi Cleantech Services Private Limited

On 24th October 2013 the South Delhi Municipal Corporation ("the client") served a Speaking order for Termination of the project against the company. The company has challenged the order before the Honourable High Court of Delhi. On 06 December 2013 the Honourable High Court of Delhi directed that the Termination order served by the client be treated as show cause notice and the company has a liberty to file a response to the said. As per the Honourable court direction the company has filed a reply on 03 January 2014 to the client. Based on the company's reply, the client treated the speaking order as show cause notice. The client has not taken any steps in this regard, hence the company has filed a Petition under Section 11 of the Arbitration and Conciliation Act, 1996 for appointment of an Arbitrator before Honourable High Court of Delhi on 09 May 2016. Now the company is in the process of filing representation before the Arbitration Tribunal. However, as as a matter of abundant caution, the management has provided the entire amount for such receivable.

Jodhpur MSW Private Limited

During the year 2014-15 the company has sent a termination notice to the Jodhpur Nagar Nigam ("the client") because of significant delay in collection of amounts from the client. Later the client served a show cause notice for termination of contract. The company has filed an appeal before the Honourable High Court of Judicature for Rajasthan at Jodhpur for appointment of independent arbitrator under section 11 of the Arbitration and Conciliation Act, 1996. During the previous year the Honourable High Court of Rajasthan accepted the company's contention and appointed sole arbitrator to resolve the dispute. Now the company has filed the representation before the Arbitration Tribunal, the case is under proceeding of Arbitration Tribunal . In absence of certainity of recovery, the management has provided for balance recoverable from the client.

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Hyderabad Integrated MSW Limited

In F.Y.2017-18, the Company had filed a petition in High Court of Andhra Pradesh and Telangana against one of its customers the Greater Hyderabad Municipal Corporation(“GHMC”) towards non-certification / payment of escalation on tipping fee, deduction of performance penalty and non-deposit of withhold towards post closure obligations in escrow account along with interest, as applicable. The Court had directed the Company to settle the matters through arbitration process. In the previous year, on conclusion of arbitration process, the arbitrator passed an order on 10 March 2018 stating that the Company is not entitled to escalations and the customer is not entitled to deduct any amount towards performance penalty. Further it directed the customer to deposit amounts withhold towards post closure obligations in escrow account. On 15 June 2018 the company has filed petition at City Civil Court , Hyderabad challenging the arbitration award towards escalation, on 28 August 2018 the aforesaid customer also filed petition at City Civil Court , Hyderabad challenging the arbitration award towards performance penalty. The matter is pending before the City Civil Court. As at 31 March 2019, the Company has trade receivables of Rs 1,718.80 (net of provision of Rs.1,471.52) towards performance penalty deducted. Management is confident of recovering these balances and does not currently envisage any losses/ liability in this regard.

Delhi MSW Solutions Limited

The Company is currently awaiting the arbitration award for claims filed by it against NDMC in April 2017, majorly towards rate escalation and recovery of amount withheld on account of non-processing of refuse derived fuel (‘RDF’) along with certain other claims under the concession agreement with NDMC. The total amount of such disputed amount in the books of the Company as on 31 March 2019 is Rs. 5,244.28 (31 March 2018: Rs. 5,244.28), disclosed as non-current trade receivable as the estimated time period for the realisation of the claim amount may fall beyond the operating cycle of twelve months. As on 31 March 2019, the Company has also created a provision of Rs.5,244.28 against such disputed claims (31 March 2018: Rs.4,053.14). Based on internal assessment and legal opinion obtained by the Company, management is of the view that no further provisioning is required in this regard.

49 Pursuant to Share Subscription and Share Purchase Agreement (SSPA) entered by the Company on 20 August 2018 (amended pursuant to first amendment agreement dated 08 February 2019), with Metropolis Investment Holdings Pte Ltd (the investor) and its promoters, the following transactions (collectively, “the transaction”) were performed on 08 February 2019:

- The investor acquired 2,485,488 class A equity shares of Rs 10 each and 100 class B equity shares of Rs 10 each representing 59.5% of the shareholding of the Company from the promoters.
- The Company has issued 1,343,431 0.00001% Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs 15 per OCRPS (Rs. 201.51) to the investor at a premium of Rs. 9,468.18 per OCRPS (Rs. 127,198.47), totalling to Rs. 127,399.98. Based on the external valuation, the Company has determined the liability component of OCRPS to Rs. 11,855.00 which is disclosed as financial liability under “Other Non Current Financial Liabilities” and balance of Rs. 115,544.98 is classified as Equity component of compound financial instruments under “Other equity”. Refer note 11(b) for terms of OCRPS
- The Company has modified the terms of 71,145 0.001% Compulsorily Convertible Preference Shares (CCPS) of Rs 100 per CCPS (Rs. 71.15) and redeemed the same at a premium of Rs 87,608.20 per CCPS (Rs. 62,328.85), totalling to Rs. 62,400.00. In accordance with the provisions of Companies Act, 2013, the Company has utilised the existing securities premium to the tune of Rs. 17,946.05 and balance of Rs. 44,382.80 from the fresh issue proceeds of OCRPS to redeem the existing CCPS.
- The Company along with its subsidiaries has sold certain investments, inter-corporate loans, buildings and advances which were not core to the business of the Company to its promoters for Rs. 28,000 of which Rs. 4,929.19 was from the company and Rs. 23,070.59 was from its subsidiaries. Accordingly, the Company has recognised profit of Rs. 535.53 and loss of Rs. 4,167.26 on sale of such assets and disclosed the same under “Exceptional items”.
- The Company has declared a dividend of Rs 23,226.11 (excluding dividend distribution tax of Rs. 4,592.02) to the promoters.
- The Company has incurred transaction related expense of Rs 4,862.18 which has been charged off in the statement of profit and loss.

50 Service concession arrangements

The following Companies of the group (“concessionaries”) have entered into a services concession arrangement (s) with various authorities (“the Grantor”) for Design, Construction, Development, Finance, Operation and Maintenance of Integrated Municipal Solid Waste Management Projects on Build, Operate and Transfer (BOT) basis. Following is the description of such arrangements:

Delhi MSW Solutions Limited (DMSWSL)

DMSWSL has entered into the Service Concession Agreements ('the agreement' or 'SCA') with respective municipal authorities of Delhi, Bilaspur and Raipur, namely, North Delhi Municipal Corporation (NDMC), Bilaspur Municipal Corporation (BMC) and Raipur Municipal Corporation (RMC) respectively for development of Integrated Municipal Solid Waste Management Project ("the project") in these cities. These agreements have granted a concession period of 15 to 20 years (active landfill period) including construction period, along with an option with municipal authorities to extend the contract. The Company also has an obligation to maintain the project for 15 years (post closure maintenance period) after the expiry of active landfill period as per agreed contractual terms. The Company is entitled to collect tipping fees from the respective municipal authorities towards waste disposed. The Company shall transfer the project to the respective municipal authorities in accordance with the agreement on the completion of the concession period.

Hyderabad Integrated MSW Solutions Limited (HIMSWL) and Hyderabad MSW Energy Solutions Pvt Ltd (HMSWESPL):

HIMSWL has entered into a Concession Agreement ("the agreement") with Greater Hyderabad Municipal Corporation (GHMC) on 21 February 2009 for development of Integrated Municipal Solid Waste Management Project for the city of Hyderabad. The agreement has granted a concession period of 25 years (active landfill period) including construction period, along with an option with GHMC to renew or extend it for a further period of 20 to 25 years on terms which are to be mutually agreed upon. HIMSWL also has an obligation to maintain the project for 15 years (post closure maintenance period) after the expiry of active landfill period. HIMSWL is entitled to grant and is entitled to collect tipping fees from GHMC towards waste disposed. The Company shall transfer the project to GHMC in accordance with the agreement on the completion of the concession period. As part of the agreement, the group has set up HMSWESPL as SPC for setting up and operation and maintenance of Waste to Energy facility with a condition that all such facilities set up and maintained by the SPC (Hyderabad MSW Energy Solutions Pvt Ltd) shall be handed over to GHMC under same terms and conditions of Concession Agreement with HIMSW.

Saagar MSW Solutions Private Limited

The company has entered into a concession agreement with Nagar Palik Nigam on 27 March 2015 for development of Integrated Municipal Solid Waste Management Project ("the project") for the city of Saagar on Design, Build, Finance, Operate and Transfer (DBFOT) basis ("the project").

Katni MSW Management Private Limited

The company has entered into a concession agreement with Nagar Palik Nigam, Katni on 7 May 2015 for development of Integrated Municipal Solid Waste Management Project ("the project") for the city of Katni on Design, Build, Finance, Operate and Transfer (DBFOT) basis ("the project").

B & G Solar Private Limited

The company has entered into a power purchase agreement with Tamilnadu Electricity Board on 13 August 2010 for setting up of 1MW Solar Power Plant ("the project").

Dehradun Waste Management Private Limited

The company has entered into a concession agreement with Nagar Nigam Dehradun on 18 June 2007 for solid waste processing, composting and scientific landfill system ("the project") for the city of Dehradun on Build, Operate and Transfer (BOT) basis ("the project").

Pro Enviro C&D Waste Management Pvt Ltd (PECDWMPL)

PECDWMPL has entered into Service Concession Agreements with below metnioned municipal corporations for Collection, Transportation, Processing and Management , Maintenance and Operation of Construction & Demolition (C&D) waste in respect to waste material emerged from building in the respective municipalities area including Designing , Construction, Operation and Maintenance of C&D Waste Management. The Concession here by granted for 20 Years including the construction period of 6 months along with an option to extend the Contract for one more year. PECDWMPL is entitled to collect tipping fees from respective municipal corporations towards the collection & transportation of the waste. PECDWMPL shall transfer the projects to respective municiapl corporations in accordance with the agreement on the completion of the concession period.

a) Vijayawada Municipal Corporation (VMC) on 23 November 2017

b) Tirupati Municipal Corporation (TMC) on 06 July 2018

c) Greater Vishakapatnam Municipal Corporation (GVMC) on 30 December 2017

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Rewa MSW Holding Limited (RMSWHL)

RMSWHL has entered in Concession Agreement with the Commissioner Nagar Palik Nigam Regional Integrated Solid Waste Management Project - Rewa (MP) on 28 Feb 2017 for development of Integrated Municipal Solid Waste Management Project for the city of Rewa. The agreement has granted a concession period of 21 years including construction period. The Company is entitled to collect tipping fees from Rewa (MP) towards waste disposed in accordance with the Agreement. The Company shall transfer the project to concessionaire in accordance with the agreement on the completion of the concession period. As per the concession agreement, RMSWHL is supposed to incorporate 2 subsidiaries, one for Collection and Transport and Processiong disposal activities and one for Waste to Energy. Accordingly, RMSWHL had incorporated Rewa MSW Management Solutions Limited (RIMMSL) and REWA Waste 2 Energy Project Limited (RW2EPL) to take up the said activities respectively.

Ramky Enviro Engineers Limited

The company has entered into Service Concession Agreements with Belgaum City Corporation on 18 June 2007 and Shimoga City Corporation on 31 August 2007 wrt to Belgaum and Shimoga projects respectively for development of inertisation and landfill facility ("the project") for the city of Belgaum on Build, Operate and Transfer (BOT) basis ("the project"). These agreements have granted for concession period of 20 years (active landfill period) including construction period, along with an option with municipal authorities to extend the contract. The Company also has an obligation to maintain the project for 15 years (post closure maintenance period) after the expiry of active landfill period as per agreed contractual terms. The Company is entitled to collect tipping fees from the respective municipal authorities towards waste disposed. The Company shall transfer the project to the respective municipal authorities in accordance with the agreement on the completion of the concession period.

Details of profit margin and revenue recognized

	31 March 2019	31 March 2018
Profit margin recognised on the procurement and construction of infrastructure facilities for the year	577.87	461.90
Revenue recognised on development of infrastructure facilities for the year	28,520.45	8,907.08

Carrying value of concession intangibles

	31 March 2019	31 March 2018
At the beginning of the year	91,213.87	89,191.11
Add: Capitalised during the year	10,864.11	4,214.62
Less: Deletions / adjustments	421.97	(2,191.86)
As at year end	**102,499.95**	**91,213.87**
Accumulated amortisation:		
At the beginning of the year	10,480.13	3,266.60
Add: Amortisation for the year	8,372.29	7,215.67
Less: Deletions / adjustments	-	(2.14)
As at year end	**18,852.43**	**10,480.13**
Concession intangibles, net	**83,646.97**	**80,733.74**
Concession intangibles under development	**31,773.40**	**10,559.07**

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

51. Statutory Group Information

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities				Share in profit and loss				Share in other Comprehensive income				Share in total Comprehensive income			
	Balance as at 31 March, 2019		Balance as at 31 March, 2018		For the year ended 31 March, 2019		For the year ended 31 March, 2018		For the year ended 31 March, 2019		For the year ended 31 March, 2018		For the year ended 31 March, 2019		For the year ended 31 March, 2018	
	As % of consolidated net assets	INR lakhs	As % of consolidated net assets	INR lakhs	As % of consolidated profit and loss	INR lakhs	As % of consolidated profit and loss	INR lakhs	As % of consolidated other Comprehensive income	INR lakhs	As % of consolidated other Comprehensive income	INR lakhs	As % of consolidated total Comprehensive income	INR lakhs	As % of consolidated total Comprehensive income	INR lakhs
Parent company																
Ramky Enviro Engineers Limited	73%	121,360.86	51%	63,471.33	94%	14,624.24	52%	9,056.36	-1%	(9)	-0%	(2.96)	88%	14,615.07	49%	9,053.40
Subsidiaries companies																
Indian																
Tamilnadu Waste Management Limited	2%	3,092.10	6%	7,295.65	4%	634.46	-1%	(144.76)	-1%	(7)	2%	21.52	4%	627.45	-1%	(123.24)
Ramky Reclamation and Recycling Limited	0%	408.19	1%	651.79	-2%	(244.68)	-0%	(5.05)	0%	1.07	0%	-	-1%	(243.61)	-0%	(5.05)
Pro Enviro Recycling Private Limited	-0%	(232.93)	-0%	(155.53)	-0%	(77.37)	-0%	(65.67)	0%	-	0%	0.29	-0%	(77.37)	-0%	(65.38)
Deccan Recyclers Private Limited	-0%	(1.30)	0%	12.39	-0%	(13.64)	0%	24.60	0%	-	0%	-	-0%	(13.64)	0%	24.60
Ramky ARM Recycling Private Limited	0%	460.29	0%	-	-0%	(42.31)	0%	-	0%	-	0%	-	-0%	(42.31)	0%	-
Ramky MSW Private Limited	-1%	(989.30)	-1%	(866.19)	-0%	(47.01)	9%	1,625.52	0%	-	0%	-	-0%	(47.01)	9%	1,625.52
Katni MSW Management Private Limited	-0%	(396.43)	-0%	(292.38)	-1%	(103.22)	0%	1.76	-0%	(0.49)	0%	2.15	-1%	(103.71)	0%	3.92
Saagar MSW Solutions Private Limited	-0%	(118.00)	-0%	(57.30)	-0%	(40.90)	-0%	(71.81)	-0%	(1.83)	-0%	(4.42)	-0%	(42.72)	-0%	(76.23)
Ramky IWM Private Limited	1%	1,302.96	1%	1,821.92	-3%	(528.60)	1%	203.05	0%	-	0%	-	-3%	(528.60)	1%	203.05
Hyderabad Integrated MSW Limited	13%	20,843.29	15%	18,102.31	18%	2,766.91	18%	3,167.45	-0%	(2.16)	0%	0.14	17%	2,764.75	17%	3,167.59
West Bengal Waste Management Limited	4%	6,067.49	8%	9,404.55	-22%	(3,339.52)	-4%	(617.59)	-0%	(0.48)	-0%	(3.14)	-20%	(3,340.00)	-3%	(620.73)
Mumbai Waste Management Limited	23%	37,828.79	33%	40,703.73	48%	7,396.26	32%	5,671.80	-0%	(5)	-0%	(1.37)	45%	7,391.01	31%	5,670.44
Bio Medical Waste Treatment Plant Private Limited	0%	125.24	0%	135.38	0%	0.57	-0%	(0.98)	0%	-	0%	-	0%	0.57	-0%	(0.98)
Delhi MSW Solutions Limited	-0%	(376.39)	3%	3,935.13	-30%	(4,622.25)	-71%	(12,385.91)	0%	2	-2%	(21.96)	-28%	(4,620.12)	-68%	(12,407.87)
Hyderabad C&D Waste Private Limited	-0%	(145.72)	-0%	(38.51)	-1%	(107.22)	-0%	(5.65)	0%	-	0%	-	-1%	(107.22)	-0%	(5.65)
PRO Enviro C&D Waste Management Private Limited	-0%	(78.43)	0%	0.57	-1%	(78.12)	-0%	(0.54)	-0%	(1)	0%	-	-0%	(79.11)	-0%	(0.54)
Visakha Solvents Limited	0%	758.06	1%	702.90	0%	55.62	1%	154.73	-0%	(0.46)	-0%	(0.70)	0%	55.15	1%	154.03
Ramky E-waste Management Limited	0%	164.78	0%	164.51	0%	0.27	-0%	(0.27)	0%	-	0%	-	0%	0.27	-0%	(0.27)
Delhi Cleantech Services Private Limited	-1%	(1,197.56)	-1%	(1,008.96)	-1%	(212.05)	0%	3.36	0%	-	0%	-	-1%	(212.05)	0%	3.36

Notes to the consolidated financial statements (Contd.)

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	Balance as at 31 March, 2019		Balance as at 31 March, 2018		For the year ended 31 March, 2019		For the year ended 31 March, 2018		For the year ended 31 March, 2019		For the year ended 31 March, 2018		For the year ended 31 March, 2019		For the year ended 31 March, 2018	
	As % of consolidated net assets	INR lakhs	As % of consolidated net assets	INR lakhs	As % of consolidated profit and loss	INR lakhs	As % of consolidated profit and loss	INR lakhs	As % of consolidated other Comprehensive income	INR lakhs	As % of consolidated other Comprehensive income	INR lakhs	As % of consolidated total Comprehensive income	INR lakhs	As % of consolidated total Comprehensive income	INR lakhs
Evergreen Cleantech Facilities Management (India) Limited	0%	-	0%	120.10	0%	-	0%	42.83	0%	-	0%	-	0%	-	0%	42.83
Medicare Environmental Management Private Limited	5%	7,589.36	7%	8,800.07	8%	1,298.20	6%	1,023.45	-2%	(21.01)	-6%	(51.08)	8%	1,277.18	5%	972.37
Ramky Energy and Environment Limited	3%	4,624.00	5%	5,879.25	-8%	(1,247.15)	-8%	(1,359.96)	-1%	(9)	0%	2.08	-8%	(1,256.11)	-7%	(1,357.88)
Hyderabad MSW Energy Solutions Private Limited (Formerly known as East Coast Industries (India) Private Limited)	0%	299.81	-0%	(44.56)	2%	344.36	-0%	(0.22)	0%	-	0%	-	2%	344.36	-0%	(0.22)
Pithampur Industrial Waste Management Private Limited	-0%	(0.98)	-0%	(0.66)	-0%	(0.31)	-0%	(0.24)	0%	-	0%	-	-0%	(0.31)	-0%	(0.24)
Ramky Enviro Services Private Limited	0%	366.59	0%	89.68	2%	277.31	0%	72.46	-0%	(0)	0%	-	2%	277.23	0%	72.46
Maridi Bio Industries Private Limited (Formerly known as Cuttack Solid Waste Management Private Limited)	0%	201.62	0%	146.17	0%	55.45	-0%	(9.65)	0%	-	0%	-	0%	55.45	-0%	(9.65)
B & G Solar Private Limited	1%	941.87	1%	904.12	0%	63.35	0%	75.93	0%	-	0%	-	0%	63.35	0%	75.93
Chennai MSW Private Limited	0%	280.67	4%	5,230.93	11%	1,751.49	6%	1,005.85	-1%	(8.26)	1%	6.74	11%	1,743.23	6%	1,012.59
Jodhpur MSW Private Limited	-1%	(984.38)	-1%	(891.59)	-1%	(92.78)	-1%	(99.19)	0%	-	0%	-	-1%	(92.78)	-1%	(99.19)
Dehradun Waste Management Private Limited	0%	133.17	0%	228.40	-1%	(120.35)	1%	226.72	0%	-	0%	-	-1%	(120.35)	1%	226.72
Chhattisgarh Energy Consortium (India) Private Limited	0%	-	1%	1,099.39	-7%	(1,098)	-6%	(1,130.23)	0%	-	0%	-	-7%	(1,098.45)	-6%	(1,130.23)
Adityapur Waste Management Private Limited	-0%	(441.24)	-0%	(196.21)	-2%	(242.21)	-1%	(112.53)	-0%	(1)	0%	-	-1%	(243.64)	-1%	(112.53)
REWA MSW Holdings Limited	0%	0.07	0%	0.51	-0%	(0.47)	-0%	(0.49)	0%	-	0%	-	-0%	(0.47)	-0%	(0.49)
REWA MSW Management Solutions Limited	-1%	(1,101.76)	-0%	(60.08)	-7%	(1,043.29)	-0%	(61.08)	-0%	(0)	0%	-	-6%	(1,043.58)	-0%	(61.08)
REWA Waste 2 Energy Projects Limited	0%	3.27	0%	0.79	0%	2.48	-0%	(0.21)	0%	-	0%	-	0%	2.48	-0%	(0.21)
Madhya Pradesh Waste Management Private Limited	0%	-	0%	12.76	0%	-	0%	3.04	0%	-	0%	-	0%	-	0%	3.04
Bhubaneswar Industrial Waste Management (Orissa) Private Limited	0%	-	0%	24.33	0%	-	0%	14.70	0%	-	0%	-	0%	-	0%	14.70
Dhanbad Integrated MSW Limited	-0%	(20)	0%	-	-0%	(21)	0%		0%	-	0%	-	-0%	(21.28)	0%	-

Notes to the consolidated financial statements (Contd.)

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	As % of consolidated net assets	INR lakhs	As % of consolidated net assets	INR lakhs	As % of consolidated profit and loss	INR lakhs	As % of consolidated profit and loss	INR lakhs	As % of consolidated other Comprehensive income	INR lakhs	As % of consolidated other Comprehensive income	INR lakhs	As % of consolidated total Comprehensive income	INR lakhs	As % of consolidated total Comprehensive income	INR lakhs
Foreign																
Ramky International (Singapore) Pte. Ltd	10%	15,866.45	5%	5,695.24	11%	1,726.61	36%	6,303.80	57%	604.97	106%	946.91	14%	2,331.58	39%	7,250.71
Ramky Cleantech Services Pte. Ltd	0%	-	7%	8,825.40	0%		11%	1,977.30	0%		0%	-	0%	-	11%	1,977.30
Ramky Cleantech Services (Philippines) Pte. Ltd	0%	-	-0%	(12.75)	0%		-0%	(1.12)	0%		0%	-	0%	-	-0%	(1.12)
Ramky Cleantech Services (China) Pte. Ltd	0%	-	-0%	(412.77)	0%		-0%	(83.25)	0%		0%	-	0%	-	-0%	(83.25)
RVAC Private Limited	0%	-	0%	154.71	0%		-1%	(165.20)	0%		0%	-	0%	-	-1%	(165.20)
PT Ramky Indonesia	0%	-	0%	1.55	0%		0%	-	0%		0%	-	0%	-	0%	-
Ramky Environmental Technology (Shenzhen) Co. Ltd	0%	-	-0%	(19.61)	0%		0%	-	0%		0%	-	0%	-	0%	-
Ramky International (India) Pte. Ltd	0%	-	3%	3,491.29	0%		-0%	(0.95)	0%		0%	-	0%	-	-0%	(0.95)
Ramky Solutions Pte. Ltd.	0%	-	2%	2,229.62	0%		-0%	(6.02)	0%		0%	-	0%	-	-0%	(6.02)
Ramky-Royal Building Maintenance and Services Inc	0%	-	0%	13.42	0%		0%	14.10	0%		0%	-	0%	-	0%	14.10
Ramky Enviro Engineers Middle East FZ LLC	2%	4,139.62	3%	3,515.33	3%	412.16	-2%	(290.08)	20%	212.13	0%	-	4%	624.29	-2%	(290.08)
Ramky Risal Environmental Services Saudi Arabia Ltd	-1%	(1,445.13)	-1%	(1,030.63)	-2%	(359)	-1%	(168.54)	-5%	(56)	0%	-	-3%	(414.50)	-1%	(168.54)
Non-controlling interests in all subsidiaries	2%	3,678.84	3%	4,185.53	-4%	(695.99)	-3%	(512.22)	0%		1%	5.45	-4%	(695.99)	-3%	(506.77)
Associate company																
Indian																
Regency Yamuna Energy Limited	0%	-	0%	-	0%	-	0%	17.63	0%	-	0%	-	0%	-	0%	17.63
Maridi Eco Industries Private Limited	0%	-	0%	-	0%	-	1%	98.78	0%	-	0%	-	0%	-	1%	98.78
Vilholi Waste Management System Private Limited	-0%	(21)	0%	-	-0%	(20.88)	-0%	(0.75)	0%	-	0%	-	-0%	(20.88)	-0%	(0.75)
Foreign																
FARZ LLC	0%	31.30	0%	-	-0%	(11.55)	0%	-	0%	-	0%	-	-0%	(11.55)	0%	-
Al Ahlia Waste Treatment LLC	0%	-	0%	-	-0%	(42.09)	0%	-	0%	-	0%	-	-0%	(42.09)	0%	-
Joint controlled entities																
Foreign																
Al Ahlia Environmental Services Co LLC	1%	1,314.38	1%	645.42	0%	57.24	0%	48.45	0%	-	0%	-	0%	57.24	0%	48.45
Consolidation adjustment	-35%	(57,907.65)	-55%	(68,242.84)	-10%	(1,506.88)	23%	3,939.17	35%	371.60	-0%	(3.36)	-7%	(1,135.28)	21%	3,935.81
Total	100%	166,424.70	100%	124,365.59	100%	15,507.88	100%	17,472.69	100%	1,068.05	100%	896.30	100%	16,575.94	100%	18,368.99

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

52. Security details

A. Term Loan from Bank

(i) Ramky Enviro Engineers Limited:

a) ICICI bank has raised a demand of Rs. 512.51 lakhs on the Company in the current year as default charges for breach of certain financial covenants for earlier years and non-replenishment of Debt Service Reserve Account (DSRA). The same has been charged-off in the statement of profit and loss as penal interest under finance cost. The Management is currently in discussion with the bank for waiver of such charges and will reverse the liability in the year of receipt of waiver from the bank.

The term loan of Rs. 4,956.95 as on 31 March 2018 was completely repaid in the current year. This loan was secured by the following:

- First pari passu charge on movable fixed assets of the borrower excluding assets specifically charged to equipment finance lenders.
- Second pari passu charge on current assets of the borrower.
- Pledge of 15% shares of the company
- Pledge of 30% shares, Corporate guarantee and non disposable undertaking (NDA) and Power of attorney (POA) arrangement over 21% shares of Mumbai Waste Management Limited
- An exclusive charge on Escrow and Debt service reserve (DSRA) account.

In respect of loan mentioned in (a), ICICI bank has raised a demand of Rs.512.51 lakhs on the Company in the current year as default charges for breach of certain financial covenants for earlier years and non-replenishment of Debt Service Reserve Account (DSRA). The same has been charged-off in the statement of profit and loss as penal interest under finance cost. The management is currently in discussion with the bank for waiver of such charges and will reverse the liability in the year of receipt of waiver from the bank.

b) The term loan from Axis Bank of Rs. 3,142.32 as on 31 March 2018 was completely repaid in the current year. This loan was secured primarily by the following:

- Pari passu first charge on the entire movable fixed assets and current assets of the company excluding assets specifically charged to vehicle finance lenders.
- Pledge of 10% of equity shares of the company held by Oxford Ayyappa Consulting Services India Private Limited (OACSIPL) along with the corporate guarantee given by OACSIPL.
- Pari passu first charge on the leasehold land admeasuring 200 acres covered by survey no.684/1, Dundigal village, Qutubullapur mandal, Ranga Reddy district and buildings constructed/ to be constructed thereon standing in the name of the company.
- Personal guarantee given by Alla Ayodhya Rami Reddy.
- Goods / material procured / imported under letter of credits.

ii) Hyderabad Integrated MSW Limited:

Term Loan amounting to Rs. 19,448.95 (31 March 2018: Rs. 25,529.77) from Axis Bank is secured by

- First Charge by way of hypothecation over all the project's movable and intangible assets of the Company, both present and future (excluding assets for which company raised Vehicle loans).
- Deposit of licence agreement between company and GHMC. First paripassu charge on all the receivables/ revenues, bank accounts of the Company including escrow account. A first charge cum assignment of the receivables / revenues of the Company.
- First charge cum assignment of all receivables / revenues of the borrower from the project to the extent permitted under concession agreement.
- Pledge of 30 % of the Equity shares of the Company and non disposal undertaking for 51% of the total paid up equity share capital of the Company held by Ramky Enviro Engineers Limited. And pledge of preference shares of the Company held by holding company / group companies.
- Unconditional and irrevocable Corporate guarantee of Ramky Enviro Engineers Limited, Mumbai Waste Management Limited and West Bengal Waste Management Limited
- First pari passue charge on the entire current assets and fixed assets of West Bengal waste management limited (excluding assets for which company raised Vehicle loans) to be shared with the existing RTL facility of Axis bank in WBWML. Upon repayment of Vehicle loans bank would have charge on those Vehicles also.
- First pari passu charge on the entire cashflows of West Bengal Waste Management Limited (WBWML) to be shared with existing RTL facility of Axis bank in WBWML.
- Second charge on the current assets, fixed assets and cashflows of Mumbai Waste Management Limited (MWML). Upon repayment of the entire existing loans, bank would have first charge on the assets that are presently charged to the existing lenders.

Financial covenants

As per the sanction letter of Axis bank , the Company is required to comply with the following financial covenants at all times (along with other certain other contractual conditions):

i) Debt service coverage ratio (DSCR) of not less than 1.10

ii) Debt to Equity ratio of not more than 3

The Company is in compliance of the above financial covenants.

The rate of interest for term loans from banks ranges from 10.40 % p.a to 11% p.a.

iii) Mumbai Waste Management Limited (MWML)

ICICI bank has raised a demand of Rs. 585.69 lakhs on the Company in the current year as default charges for breach of certain financial covenants for earlier years and non-replenishment of Debt Service Reserve Account (DSRA). The same has been charged-off in the statement of profit and loss as penal interest under finance cost. The Management is currently in discussion with the bank for waiver of such charges and will reverse the liability in the year of receipt of waiver from the bank.

The term loan from ICICI bank of Rs. 4,683.19 as on 31 March 2018 was completely repaid in the current year. This loan was secured by

- First charge on the moveable fixed assets of the company and first charge on current assets of the company.
- Extension of charge on pledge of shares of 15% shares in Ramky Enviro Engineers Limited held by Mr. A.Ayodhya Rami Reddy and Pledge of 30% shares in the company held by Ramky Enviro Engineers Limited.
- Non disposal undertaking (NDU) and power of attorney arrangement over 21% shares in the company held by Ramky Enviro Engineers Limited.

iv) B&G Solar Private Limited

Term loan amounting to Rs. 278.41 (31 March 2018: Rs. 408.01) of B & G Solar Private Limited from Indian Overseas Bank is secured by way of

- first charge on fixed assets, current assets of B &G Solar and corporate guarantee of holding company Ramky Enviro Engineers Limited.

The rate of interest for term loans from banks is 12.50% p.a.

v) Medicare environmental management private limited (MEMPL)

The term loan from Yes bank of Rs. 2,242.00 as on 31 March 2018 was completely repaid in the current year. This loan was secured by

- Exclusive charge by way of mortgage of Hyderabad and Ahmedabad properties of the Company, hypothecation of all the Current & moveable fixed assets, present 85 future. All the Book Debts, Operating cash flows, revenues & receivables, all Intangibles including but not limited to Goodwill, uncalled Capital, Licenses and approvals of the Company, present & future.
- Corporate Guarantee of Ramky Enviro Engineers Limited.
- Pledge of 30% of the Shares of the Company held by Ramky IWM Private Limited Pledge of 30% Shares of Ramky Energy and Environment Limited held by company.
- Non disposal undertaking from Ramlcy IWM Private Limited and Ramky International (India) Pte Limited for the remaining 70% Shares of the company. Non disposal undertaking for the balance 70% Shares in Ramky Energy and Environment Limited held by company.

vi) Tamilnadu Waste Management Limited

The term loan from ICICI bank of Rs. 1,201.25 as on 31 March 2018 was completely repaid in the current year. This loan was secured by

- Second pari passu charge over movable fixed assets and current assets (both present and future) of TNWML.
- Extension of charge on pledge of 15% shares of the Company held by Mr. A.Ayodhya Rami Reddy and Pledge of 30% shares in Mumbai Waste Management Limited held by the Company.
- Non disposal undertaking (NDU) and power of attorney arrangement over 21% shares in Mumbai Waste Management Limited held by the Company.
- Exclusive charge on the Escrow Account and short fall undertaking from Mumbai Waste Management Limited.

vii) Ramky International Singapore Pte Limited

Term loan amounting to Rs. 1,005.79 (31 March 2018: 1,221.34) obtained from Development Bank of Singapore is secured by way of first legal mortgage over the property of RCSPL and a corporate guarantee from Ramky International (Singapore) Pte. Ltd. The rate of interest for term loan from bank is 4.35% p.a.

B. Term loans from others

Delhi MSW Solutions Limited

a) Term loan amounting to Rs. 28,725.44 (31 March 2018 : 28,866.96) obtained from Power Finance Corporation Limited (PFC) has been secured by

Notes to the consolidated financial statements (Contd.)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

- first charge on the overall immovable properties, both present and future.
- first charge on the overall movable properties and assets including plant and machinery, machinery spares, equipment, tools and accessories, furniture, fixtures and all other movable assets, both present and future, intangible, goodwill, uncalled capital, present and future save and except any hypothecation created or proposed to be created in relation to procurement of vehicles by way of Hire Purchase.
- first charge on the Borrower's operating cash flows, book debts, receivables, commissions, revenues of whatsoever nature and wherever arising of the Borrower, present and future.
- first charge on the Debt Service Reserve Account, TRA, any letter of credit and other reserves and any other bank accounts wherever maintained, present & future.

The loan is further secured by way of:

- Corporate Guarantee of Ramky Enviro and Engineers Limited, the holding company; and
- Balance maintained in the bank for DSRA.

Financial Covenants

As per the loan agreement with PFC, the Company is required to comply with the following financial covenants at all times (along with other certain other contractual conditions):

i) Debt to Equity Capital ratio of 2 or less and,

ii) Debt Service Coverage Ratio (DSCR) of not less than 1.2

Subsequent to the balance sheet date, the lender (Power Finance Corporation) has granted waiver for non-compliance of certain covenants and has also amended the financial covenant requirement. Accordingly, as at 31 March 2019, loan amounting to Rs 25,770.13 has been classified as "Non-current borrowings" and Rs 2,955.30 of current maturities pertaining to these loan balances have been classified under "Current Maturities of Non-current Borrowings".

The rate of interest for term loans from banks is 11.25% p.a.

C. Vehicle loans

(i) Ramky Enviro Engineers Limited:

a) Vehicle loans from ICICI Bank amounting to Rs. 150.05 and Kotak Mahindra Bank Limited amounting to Rs 66.47 with total of Rs 216.52 (31 March 2018: Rs. 186.28) are secured by way of hypothecation of the respective vehicles. These loans are repayable in monthly equated instalments beginning from the month subsequent to the month on which loan was drawn. The average interest rate is in the range of 8.58% p.a. to 8.98% p.a.

b) Vehicle loans from Others amounting to Rs. 496.55 (31 March 2018: Rs. 674.39) are secured by way of hypothecation of the respective vehicles. These loans are repayable in monthly equated instalments beginning from the month subsequent to the month on which loan was drawn. The average interest rate is in the rate of 9% p.a. to 10.5% p.a.

ii) Hyderabad Integrated MSW Limited

a) Vehicle loans amounting to Rs. 298.95 (31 March 2018: Rs. 372.89) obtained from ICICI bank are secured by way of hypothecation of such assets and are repayable in equated monthly instalments. The interest rate is 8.99% p.a.

b) Vehicle loans from Others amounting to Rs. 127.38 (31 March 2018: 133.06) are secured by way of hypothecation of the respective vehicles. These loans are repayable in monthly equated instalments beginning from the month subsequent to the month on which loan was drawn. The average interest rate is in the range of 8.09% p.a. to 11.50% p.a.

iii) Delhi MSW Solutions Limited

a) Vehicle loans amounting to Rs. 698.93 (31 March 2018: Rs. 871.79) obtained from ICICI bank are secured by way of hypothecation of such assets and are repayable in equal monthly instalments. The average interest rate is in the range of 8 % p.a. to 11% p.a.

b) Vehicle loans (including finance lease obligations) amounting to Rs.1,164.62 (31 March 2018: Rs. 559.83) obtained from Others are secured by way of hypothecation of such assets and are repayable in equal monthly instalments. The average interest rate is in the range of 8 % p.a. to 11% p.a.

iv) Mumbai Waste Management Limited

a) Vehicle loans from ICICI bank amounting to Rs. 107.10 (31 March 2018: Rs. 134.01) are secured by way of hypothecation of such assets and are repayable in equated monthly instalments. The average interest rate is in the range of 8.99% p.a. to 9.50% p.a.

b) Vehicle loans from Kotak Mahindra bank amounting to Rs.258.56 (31 March 2018: Rs.18.6) are secured by way of hypothecation of such assets and are repayable in equated monthly instalments. The average interest rate is in the range of 8.99% to 9.50%.

c) Vehicle loans from Others amounting to Rs.124.51 (31 March 2018: Rs.172.00) availed from "Cholamandalam investment and finance company limited" amounting to Rs 80.88 (31 March 2018: Rs 104.86), "Daimler Financial Services India Private Limited" amounting to Rs 43.63 (31 March 2018: Rs 67.14) are secured by way of hypothecation of such assets and are repayable in equated monthly instalments. The average interest rate is in the range of 8.08% p.a. to 9.00% p.a.

v) Medicare environmental management private limited

Vehicle loans amounting to Rs 4.22 (31 March 2018: Rs.16.66) of Medicare Environmental Management Private

Limited (MEMPL) obtained from HDFC Bank Limited are secured by way of hypothecation of such assets and are repayable in equated monthly instalments. The average interest rate is in the range of 10% p.a to 12.51% p.a.

vi) West Bengal Waste Management Limited

Vehicle loans amounting to Rs. 207.85 (31 March 2018: Rs. 257.60) obtained from ICICI Bank Limited are secured by way of hypothecation of such assets and are repayable in equated monthly instalments. The interest rate is 8.99 % p.a.

vii) Katni MSW Management private Limited

a) Vehicle loans amounting to Rs. 98.58 (31 March 2018: Rs.122.14) obtained from ICICI Bank Limited are secured by way of hypothecation of such assets and are repayable in equated monthly instalments. The interest rate is 8.94% p.a.

b) Vehicle loans from Others amounting to Rs. 19.06 (31 March 2018: Nil) are secured by way of hypothecation of such assets repayable in equated monthly instalments. The interest rate is 8.94% p.a.

viii) Tamilnadu Waste Management Limited

Vehicle loans amounting to Rs. 60.21 (31 March 2018: Rs. 75.81) obtained from ICICI bank are secured by way of hypothecation of such assets repayable in equated monthly instalments. The interest rate is in the range of 9.25% p.a to 13.75 % p.a.

ix) Saagar MSW Solution Private Limited

a) Vehicle loans amounting to Rs. 166.8 (31 March 2018: Rs. 231.62) obtained from ICICI bank are secured by way of hypothecation of such assets repayable in equated monthly instalments. The interest rate is 9.49 % p.a.

b) Vehicle loans amounting to Rs. 101.29 (31 March 2018: Rs. 58.62) obtained from Others are secured by way of hypothecation of such assets repayable in equated monthly instalments. The interest rate is 8.94% p.a.

x) REWA MSW Management Solutions Limited

a) Vehicle loans amounting to Rs. 662.60 (31 March 2018: Rs. 818.36) obtained from ICICI bank are secured by way of hypothecation of such assets repayable in equated monthly instalments. The interest rate is in the range of 8.99% p.a to 9.49 % p.a.

b) Vehicle loans amounting to Rs. 886.64 (31 March 2018: Rs. 349.76) obtained from Others are secured by way of hypothecation of such assets repayable in equated monthly instalments. The interest rate is of 10.5% p.a.

D. Cash credit

(i) Ramky Enviro Engineers Limited:

Cash credits from Axis bank amounting to Rs. 3,777.39 (31 March 2018: Rs. 13.47) are secured by way of

- Pari passu first charge on the entire movable fixed assets and current assets of the company excluding assets specifically charged to vehicle finance lenders.
- Pledge of 10% of equity shares of the company held by Oxford Ayyappa Consulting Services India Private Limited (OACSIPL) along with the corporate guarantee given by OACSIPL.
- Pari passu first charge on the leasehold land admeasuring 200 acres covered by survey no.684/1, Dundigal village, Qutubullapur mandal, Ranga Reddy district and buildings constructed/ to be constructed thereon standing in the name of the company.
- Personal guarantee given by Alla Ayodhya Rami Reddy.
- Goods / material procured / imported under letter of credits.

(ii) Visakha Solvents Limited

Cash credit amounting to Rs. 73.91 (31 March 2018: Rs 88.70) obtained from Indian Overseas bank is secured by way of hypothecation of stocks and receivables and first charges on entire current assets of the Company and collaterally secured by the extension of charge on fixed assets of the Company. The interest rate is in the range of 13.25% p.a to 13.75 % p.a.

(iii) B&G Solar Pvt ltd

Cash credit from Indian Overseas bank of Rs. 5.95 as on 31 March 2018 was completely repaid in the current year. The same was secured by - first charge on fixed assets, current assets of B &G Solar and corporate guarantee of holding company Ramky Enviro Engineers Limited. The rate of interest for term loans from banks is 12.50% p.a.

53 Standards issued but not effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The group intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

A. Ind AS 116- Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Group intends to adopt these standards from 1 April 2019. As the Group does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its Consolidated Financial Statements.

B. Amendments to existing issued Ind AS

The MCA has carried out amendment in follwing accounting standards:

i) Ind AS 12 Income taxes to insert of Appendix C Uncertainty over income tax treatments.

ii) Ind AS 19 Employee Benefits

iii) Ind AS 23 Borrowing Costs

iv) Ind AS 28 Investments in Associates and Joint Ventures

v) Ind AS 109 Financial Instruments

vi) Ind AS 111 Joint Arrangements

Application of above standards are not expected to have any significant impact on group's financial statements.

As per our report attached of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors of
Ramky Enviro Engineers Limited

per Darshan Varma
Partner
Membership No: 212319

M Goutham Reddy
Managing Director
DIN: 00251461

Masood Alam Mallick
Joint Managing Director
DIN: 01059902

Anil Khandelwal
Jt. Managing Director & Chief Financial Officer
DIN: 02552099

Govind Singh
Company secretary
Membership No: A41173

Place: Mumbai
Date: 26 September 2019

Place: Mumbai
Date: 26 September 2019

COMPLIANCE TO THE GLOBAL GOALS FOR SUSTAINABLE DEVELOPMENT

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