

N. M. RAIJI & CO.

Chartered Accountants

E-7/14, Vasant Vihar
New Delhi-110057
Telephone : 41660547
Telefax : 41660548

Independent Auditor's Report To the Members of Dakshin Dilli Swachh Initiatives Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Dakshin Dilli Swachh Initiatives Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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



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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017 and its profit and its cash flow for the period ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 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 and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

(d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;



N. M. RAIJI & CO.

(e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

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

- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any foreseeable losses on long term contracts and had no derivative contracts outstanding as at 31 March 2017; and
- iii. The Company did not have any dues on account of Investor Education and Protection Fund.
- iv. The Company has provided requisite disclosures in the financial statements as to the holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

For N M Raiji & Co.
Chartered Accountants
ICAI Firm Registration number: 108296W

S.N. Shivakumar

CA. S. N. Shivakumar
Partner
Membership No. 088113



Place: New Delhi
Date: 01 June, 2017

**ANNEXURE A TO THE AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF
DAKSHIN DILLI SWACHH INTITIATIVES LIMITED:**

1. (a) The Company has maintained its fixed assets register showing full particulars, including quantitative details and the situation of its fixed assets;
- (b) As per the information and explanations given to us, the Company has the policy of physical verification of fixed assets in a phased manner, on rotation basis. During the year, physical verification of some of the fixed assets has been conducted during the year by the management and no material discrepancies were noticed during such verification.
- (c) There are no immovable properties held in the name of the company. Accordingly, the provision of clause 3 (i) (c) of the Order is not applicable to the Company and hence not commented upon.
2. (a) There was no stock of finished goods, stores, spare parts and raw material. Hence, no physical verification could be conducted during the year.
- (b) Since there was no stock of finished goods, stores, spare parts and raw material, accordingly, the provisions of clause 3 (ii) of the Order remains inapplicable to the Company and hence not commented upon.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanation given to us, the company is specifically exempted from the provisions of section 186 of the Companies Act 2013 and there is no transaction under section 185 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
7. (a) According to the records, information and explanations provided to us, the Company is generally regular in depositing with appropriate authorities undisputed amount of provident fund, investor education protection fund, employee's state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, cess and other statutory dues applicable to it and no undisputed amounts payable were outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable;
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.



N. M. RAIJI & CO.

8. Based upon the audit procedures performed and the information and explanations given by the management the Company has not defaulted in the repayment of loans and borrowings to a financial institution, banks, govt. or dues to debenture holders. Accordingly, the provisions of clause 3 (viii) of the Order is not applicable to the Company and hence not commented upon.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order is not applicable to the Company and hence not commented upon.
10. To the best of our knowledge and belief and according to the information and explanation provided to us, no fraud by the Company or on the company was noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. To the best of our knowledge and belief, the Company is not a Nidhi Company. Consequently clause 3 (xii) of the Order is not applicable to the Company.
13. In our opinion, and according to information and explanations given to us, the Company is in compliance with the provisions of section 188 of the Companies Act, 2013 where applicable, for all transactions with the related party and the details of the related party have been disclosed in the financial statements as required by the applicable accounting standard.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has duly complied with the requirements of Section 42 of the Companies Act, 2013 in relation to the issue of preferential shares during the year. The amount raised is being used for the purpose for which the funds were raised.
15. Based upon the audit procedures performed and 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. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order is not applicable to the Company and hence not commented upon.

For N M Raiji & Co.

Chartered Accountants

ICAI Firm Registration number: 108296W

S.N. Shivakumar

CA. S. N. Shivakumar

Partner

Membership No. 088113

Place: New Delhi

Date: 01 June, 2017



ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS of DAKSHIN DILLI SWACHH INITIATIVES LIMITED (Referred to in Paragraph 2 point (f) under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date)

1. 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 **DAKSHIN DILLI SWACHH INITIATIVES LIMITED** (“the Company”) as at March 31, 2017, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

2. 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 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.

3. Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial



Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

4. Meaning of Internal Financial Controls over Financial Reporting

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



5. Inherent Limitations of Internal Financial Controls over Financial Reporting

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

6. Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For N.M.Raiji and Co.
Chartered Accountants
Firm's Registration Number: 108296W**

S.N. Shivakumar

**CA S.N.Shivakumar
Partner
Membership Number: 088113**



Place : *New Delhi*
Date : *01/06/2017*

DAKSHIN DILLI SWACHH INITIATIVES LIMITED
Balance Sheet as at March 31, 2017

Particulars	Note No.	As at March 31, 2017 (Rupees)	As at March 31, 2016 (Rupees)
I EQUITY AND LIABILITIES			
1. Shareholders' funds			
a. Share capital	3	140,100,000	50,100,000
b. Reserves and surplus	4	33,787,330	(1,191,609)
2. Non-Current Liabilities			
a. Long Term Borrowings	5	155,375,689	54,992,178
b. Long Term Provisions	6	810,412	-
c. Deferred Tax Liability	7	7,952,593	-
3. Current liabilities			
a. Short Term Borrowings	8	255,000,000	150,000,000
b. Trade Payable	9	-	-
-Dues of Micro & Small Enterprises (SME)		-	-
-Dues of creditors other than (SME)		33,110,600	118,544
c. Other Current Liabilities	10	112,966,982	70,352,818
d. Short Term Provisions	11	6,080,699	-
Total		745,184,306	324,371,931
II ASSETS			
1. Non - current assets			
a. Fixed assets (Net)			
(i) Tangible Assets	12	392,732,927	245,440
(ii) Intangibles Assets		21,442,099	-
(iii) Capital work-in-progress		88,711,824	171,513,778
(iv) Intangible Assets under Development		2,921,704	11,336,975
b. Long Term Loans & Advances	13	6,819,313	746,360
2. Current assets			
a. Trade Receivable	14	119,529,559	-
b. Cash and cash equivalents	15	36,642,103	18,548,007
c. Short term loan and advances	16	20,655,650	120,030,000
d. Other Current Asset	17	55,729,127	1,951,371
Total		745,184,306	324,371,931
Summary of significant accounting policy	2		

Notes 1 to 28 forms part of the Financial Statements
As per our report of even date attached

For N.M.Raiji & Co.
Chartered Accountants
Reg. No. 108296W

S.N. Shivakumar

CA S.N.Shivakumar
Partner
(M.No. 088113)

Place : New Delhi
Date: 01 June, 2017



For and on behalf of the Board

Kamal Saini
Kamal Saini
Chief Financial Officer

Place : New Delhi
Date: 01 June, 2017

Nitin Agrahari
Nitin Agrahari
Company Secretary

Place : New Delhi
Date: 01 June, 2017

Anil Gupta
Anil Gupta
Managing Director
DIN: 01442867

Place : New Delhi
Date: 01 June, 2017

Neeru Abrol
Neeru Abrol
Director
DIN: 01279485

Place : New Delhi
Date: 01 June, 2017

DAKSHIN DILLI SWACHH INITIATIVES LIMITED
Statement of Profit and Loss for the year ended March 31, 2017

Particulars	Note No.	For the Year Ended March 31, 2017	For the Period Ended March 31, 2016
		(Rupees)	(Rupees)
1. INCOME			
a. Revenue from Operations	18	314,861,627	-
b. Other Income	19	16,214,876	2,536,409
Total Revenue		331,076,503	2,536,409
2. EXPENSES			
a. Employee Cost	20	20,774,027	8,200
b. Finance Cost	21	36,674,208	2,091,616
c. Depreciation and amortization expenses	12	24,609,747	11,126
d. Other expenses	22	197,291,176	1,617,076
Total Expenses		279,349,158	3,728,018
3. Profit before tax		51,727,345	(1,191,609)
4. Tax Expense			
Current Tax		10,533,210	-
Deferred Tax		7,952,593	-
MAT Credit Entitlement		1,737,398	-
5. Profit after Tax		34,978,939	(1,191,609)
6. Earnings per equity share:	23		
Basic		3,498	(414)
Diluted		3,498	(414)
Summary of significant accounting policy	2		

Notes 1 to 28 forms part of the Financial Statements
As per our report of even date attached

For N.M.Raiji & Co.
Chartered Accountants
Reg. No. 108296W

S.N. Shivakumar

CA S.N.Shivakumar
Partner
(M.No. 088113)

Place : New Delhi
Date: 01 June, 2017



For and on behalf of the Board

Kamal Saini
Kamal Saini
Chief Financial Officer

Place : New Delhi
Date: 01 June, 2017

Nitin Agrahari
Nitin Agrahari
Company Secretary

Place : New Delhi
Date: 01 June, 2017

Anil Gupta
Anil Gupta
Managing Director
DIN: 01442867

Place : New Delhi
Date: 01 June, 2017

Neeru Abrol
Neeru Abrol
Director
DIN: 01279485

Place : New Delhi
Date: 01 June, 2017

DAKSHIN DILLI SWACHH INITIATIVES LIMITED
Cash Flow Statement for the year ended March 31, 2017

Particulars	For the year ended March 31, 2017 (Rupees)	For the period ended March 31, 2016 (Rupees)
A. CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT/(LOSS) BEFORE TAX	51,727,345	(1,191,609)
Adjustments for:		
Finance costs	36,674,208	2,091,616
Interest income	(16,203,466)	(2,091,616)
Depreciation and amortisation expenses	24,609,747	11,126
Provision for Employee Benefits (Net)	862,194	-
Operating profit before working capital changes	97,670,027	(1,180,483)
Adjustments for movement in working capital:		
Decrease/(Increase) in trade receivables	(119,529,559)	-
Decrease/(Increase) in long term loans and advances	(4,589,198)	-
Decrease/(Increase) in short term loans and advances	(3,280,276)	(2,474,089)
Decrease/(Increase) in other current assets	(48,976,905)	-
(Decrease)/Increase in trade payables	32,992,056	57,243,745
(Decrease)/Increase in other current liabilities	(7,390,324)	-
Cash Flow from Operating Activities	(53,104,180)	53,589,173
Payment of Taxes	(4,250,651)	(253,642)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	(57,354,831)	53,335,531
B. CASH FLOW FROM INVESTING ACTIVITIES		
Short term loans	102,682,207	-
Issue of FD	-	(10,000,000)
Proceeds from FD	10,000,000	-
Capital expenditure on fixed assets including capital work-in-progress	(347,322,106)	(183,107,320)
Interest on loan received	11,333,698	209,162
Interest on FD Received	68,917	-
NET CASH FROM (USED IN) INVESTING ACTIVITIES	(223,237,284)	(192,898,158)
C. CASH FROM FINANCING ACTIVITIES		
Proceeds from Issue of Preference Share Capital	90,000,000	50,100,000
Proceeds from vehicle loan	150,073,804	68,219,795
Proceed from Short Term Loan	105,000,000	30,000,000
Payment of interest on loan	(36,387,593)	(209,162)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	308,686,211	148,110,633
Net Increase(decrease) in Cash and Cash Equivalents	28,094,096	8,548,007
Cash and Cash Equivalent at the beginning of the year	8,548,007	-
Cash and Cash Equivalent at the end of the year (note no. 11)	36,642,103	8,548,007
	28,094,096	8,548,007

Notes 1 to 28 forms part of the Financial Statements
As per our report of even date attached

For **N.M.Raiji & Co.**
Chartered Accountants
Reg. No. 108296W

S.N. Shivakumar

CA S.N.Shivakumar
Partner
(M.No. 088113)

Place : New Delhi
Date: **01/06/2017**



For and on behalf of the Board

Kamal Saini
Chief Financial Officer

Place : New Delhi
Date: 01 June, 2017

Nitin Agrahari
Company Secretary

Place : New Delhi
Date: 01 June, 2017

Anil Gupta
Managing Director
DIN: 01442867

Place : New Delhi
Date: 01 June, 2017

Neeru Abrol
Director
DIN: 01279485

Place : New Delhi
Date: 01 June, 2017

DAKSHIN DILLI SWACHH INITIATIVES LIMITED

Notes forming part of Financial Statement for the year ended March 31, 2017

Note No. 1 - Background

Dakshin Dilli Swachh Initiatives Limited was incorporated on November 09, 2015 as Public limited Company. DDSIL is engaged in the business of collection, segregation, transportation, trading, processing, composting, recycling, treatment and disposal of all types of waste (whether solid, liquid or gaseous substances) and including municipal solid waste, electronic waste (e-waste), construction and demolition debris, bio-medical waste, hazardous waste, sewage, waste water etc.

Note No. 2 - Significant Accounting Policies

I Basis of preparation of Financial Statements

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, and accounting standards as per section 133 of the companies act 2013 read with rule 7 of companies (accounts) rules 2014.

All incomes and expenditures having a material bearing on the financial statements are recognized on accrual basis.

II Use of estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates and the difference between the actual results and the estimates are recognized in the period in which the results are known / materialize.

III Revenue recognition

Revenue is recognized on an accrual basis to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue comprises:

a. Sale of Services:

- i **Income from waste collection, processing and transportation:** Revenue is recognized on the basis of collection and transportation of material to the project site.
- b. **Interest income** - Interest income is accrued evenly over the period of the instrument.

IV Fixed Assets and Depreciation/Amortization

a Fixed assets:

Fixed assets are carried at cost less accumulated depreciation / amortization and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Pre-operative expenditure pending allocation

Pre-operative expenditure incurred in relation to construction of fixed assets in respect of projects which are yet to commence commercial operations pending allocation includes:

- i. Incidental expenditure during construction period comprising payment to and provision for employees, professional fees and other expenses directly attributable or allocable to construction of fixed assets.
- ii. Interest and financing cost net of interest income pending allocable to construction of fixed assets.



DAKSHIN DILLI SWACHH INITIATIVES LIMITED

Notes forming part of Financial Statement for the year ended March 31, 2017

b Depreciation and amortization

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Asset Type	Useful Life
Data Processing- Server and Networking Equipment	4 years

(i) Assets purchased on or after April 1, 2014 are depreciated on Straight Line Method, over the useful life of assets as prescribed under Schedule II of the Companies Act 2013 .

(ii) All categories of assets costing less than Rs. 5,000 each are fully depreciated in the year of purchase.

(iii) Leasehold improvement cost are capitalized and amortized over the period of lease agreement.

(iv) The residual value of all the assets is retained at Rs. 1 each.

c Impairment of assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

V Foreign Currency Transactions

a. Transactions in foreign currencies are translated to the reporting currency based on the exchange rate on the date of the transaction. Exchange difference arising on settlement thereof during the year is recognized as income or expenses in the Profit and Loss Account.

b. Monetary items denominated in foreign currency outstanding as at the year-end are valued at closing date rates, and unrealized translation differences are included in the statement of Profit and loss.

VI Employee Benefits

a Short term

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
(b) in case of non-accumulating compensated absences, when the absences occur.



DAKSHIN DILLI SWACHH INITIATIVES LIMITED

Notes forming part of Financial Statement for the year ended March 31, 2017

b Long term

The Company has both defined-contribution and defined-benefit plans. Defined benefit plan has some assets in special funds or securities and plan is financed by the Company.

i. Defined-contribution plans

The Company's contributions to provident fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

ii. Defined-benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

iii. Other employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date.

VII Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence, that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognized in reserves are recognized in reserves and not in the Statement of Profit and Loss.

VIII Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of the resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognized in the financial statements.



DAKSHIN DILLI SWACHH INITIATIVES LIMITED

Notes forming part of Financial Statement for the year ended March 31, 2017

IX Segment Reporting

a. Segment revenues, expenses, assets and liabilities are identified to segments on the basis of their relationship to the operating activities of the Segment.

b. Revenue, expenses, assets and liabilities, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, are included under "Unallocated Revenue/Expenses/Assets/Liabilities".

X Borrowing Cost

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalization of such asset are added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

XI Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

XII Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

XIII Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

XIV Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

XV Operating cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

XVI Material events

Material events occurring after the Balance Sheet date are taken into cognizance.

XVII Preliminary expenditure

Preliminary expenditure has been written off as and when incurred.



DAKSHIN DILLI SWACHH INITIATIVES LIMITED

Notes forming part of Financial Statement for the year ended March 31, 2017

Note No. 3 - Share Capital

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number	Rupees	Number	Rupees
Authorised				
Equity Shares of Rs. 10/- each	10,000	100,000	10,000	100,000
Zero Coupon Cumulative Redeemable Preference Shares of Rs. 10/- each	14,990,000	149,900,000	6,990,000	69,900,000
	15,000,000	150,000,000	7,000,000	70,000,000
Issued, Subscribed and Paid up				
Equity Shares of Rs. 10/- each fully paid up (Refer foot notes (a), (b) & (c) below)	10,000	100,000	10,000	100,000
Zero Coupon Cumulative Redeemable Preference Shares of Rs. 10/- each Fully Paid up	14,000,000	140,000,000	5,000,000	50,000,000
Total	14,010,000	140,100,000	5,010,000	50,100,000

Footnotes:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number	Rupees	Number	Rupees
Equity Share				
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	100,000	10,000	100,000
Preference shares				
Shares outstanding at the beginning of the year	5,000,000	50,000,000	5,000,000	50,000,000
Shares Issued during the year	9,000,000	90,000,000	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	14,000,000	140,000,000	5,000,000	50,000,000

(b) Shares held by Holding Company

Holding Company i.e. IL&FS Environmental Infrastructure and Services Limited holds 10,000 equity shares and 14000000 preference shares

(c) Shareholder holding more than 5 percent shares:

Particulars	Equity Shares		Equity Shares	
	As at March 31, 2017		As at March 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
IL&FS Environmental Infrastructure and Services Limited	10,000	100%	10,000	100%
Preference Shares				
IL & FS Environmental Infrastructure and Services Limited	14,000,000	100%	5,000,000	100%

(d) The company has only one class of ordinary equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. Each holder of these ordinary shares are entitled to receive dividends as and when declared by the company.

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 proportionate to the number of equity shares held by the shareholders.

(e) Details of Specified Bank Notes (SBN) held and transacted during the period 08 November, 2016 to 30 December, 2016 :

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016			NIL
(+) Permitted receipts		NA	NIL
(-) Permitted payments		NA	NIL
(-) Amount deposited in Banks		-	NIL
Closing cash in hand as on 30.12.2016			NIL



DAKSHIN DILLI SWACHH INITIATIVES LIMITED

Notes forming part of Financial Statement for the year ended March 31, 2017

Note No. 4 - Reserves and Surplus

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Surplus/(deficit) in Statement of Profit and Loss		
Opening Balance	(1,191,609)	-
Net profit/(Loss) for the year/period	34,978,939	(1,191,609)
Total	33,787,330	(1,191,609)

Note No. 5 Long Term Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Secured Loans		
Loan for Vehicle		
Tata Motors Finance Ltd.*	155,375,689	54,992,178
Total	155,375,689	54,992,178

*Long Term borrowings together with all principal, interest, liquidated damages, free costs, charges, expenses and others monies and all other amount stipulated and payables to the lenders shall be secured by way of hypothecation on Vehicles.

Note No. 6 Long Term Provisions

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Provision for employee benefits		
For compensated absences	496,689	-
For gratuity	313,723	-
Total	810,412	-

Note No. 7 Deferred Tax Liability

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Deferred Tax Liability	7,952,593	-
Total	7,952,593	-

Note No. 8 Short Term Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Secured Loans		
Loan from Other	100,000,000	-
Unsecured Loans		
Loan from Related Party	155,000,000	150,000,000
Total	255,000,000	150,000,000



Note No. 9 Trade Payable

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Sundry Creditor	16,536,765	28,544
Accrued Expense	16,573,835	90,000
Total	33,110,600	118,544

Note No. 10 Other Current Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Current Maturities of Long- Term debt		
Vehicle loan - Tata Motors Finance Ltd.	62,917,910	13,227,617
Interest accrued but not due (related party)	6,314,788	6,000,592
Other Payables		
Statutory dues	2,351,849	2,737,923
Payables for purchase of capital assets		
- Payable to related party	-	20,595,286
- Payable to Others	39,401,767	27,061,983
Expenses payable		
- To related party	115,628	144,916
- To Employees	1,865,040	584,501
Total	112,966,982	70,352,818

Note No. 11 Short Term Provision

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Provision for Income Tax	6,028,917	-
Provision for employee benefits		
For compensated absences	50,641	-
For gratuity	1,141	-
Total	6,080,699	-



DAKSHIN DILLI SWACHH INITIATIVES LIMITED

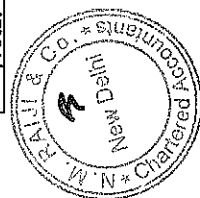
Notes forming part of Financial Statement for the year ended March 31, 2017

Note No. 12 - Fixed Assets

Particulars	Gross Block		As at March 31, 2017	As on April 1, 2016	Accumulated Depreciation		Net Block	
	Additions	Deletions			Depreciation charge for the year	On Disposals	As at March 31, 2017	As on April 1, 2016
(a) Tangible Assets								
(a) Data Processing Equipment	2,567,217	-	2,773,818	10,000	566,933	576,933	2,196,885	196,601
(b) Office Equipment	2,603,980		2,653,945	1,126	779,546	780,672	1,873,273	48,839
(c) Plant & Machinery	49,532,552		49,532,552	-	1,500,938	1,500,938	48,031,614	-
(d) Furniture & Fixture	3,639,076		3,639,076	-	169,959	169,959	3,469,117	-
(e) Vehicle	354,746,227		354,746,227	-	21,374,549	21,374,549	333,371,678	-
(f) Civil Work	3,945,518		3,945,518	-	155,158	155,158	3,790,360	-
Total Previous Year	417,034,570	-	417,291,136	11,126	24,547,082	24,558,208	392,732,927	245,440
(b) Intangibles Assets								
(a) Software	21,504,763		21,504,763	-	62,664	62,664	21,442,099	-
Total Previous Year	21,504,763	-	21,504,763	-	62,664	62,664	21,442,099	-
Grand Total	438,539,333	-	438,795,899	11,126	24,609,747	24,620,873	414,175,025	245,440

Note No. 12 - Capital Work in Progress

Particulars	As on April 1, 2016	Addition during the year	Capitalised /Recovery during the year	Charged Off to Statement of Profit & Loss	As at March 31, 2017
Plant & Machinery	2,653,622	22,832,982	12,059,346	109,594	13,322,664
Vehicles	108,406,717	258,085,175	324,733,626	-	41,758,266
Civil Work	703,343	19,217,780	4,405,409	265,637	15,250,077
EDC - Interest	4,575,708	11,473,662	13,190,617	-	2,858,753
EDC - Salary	5,377,083	4,180,256	7,734,443	-	1,822,896
EDC - Rent	660,388	257,939	743,172	-	175,155
EDC - Labour	-	124,946	101,115	-	23,831
EDC - Business Promotion	-	1,528,001	1,236,561	-	291,440
WIP- Intangibles	11,336,975	12,237,916	20,653,187	-	2,921,704
WIP- IT	-	5,711,704	1,867,089	-	3,844,615
WIP- Insurance	239,033	200,038	355,325	-	83,746
WIP Others	48,892,884	2,896,742	41,747,579	761,666	9,280,381
Total	182,850,753	338,747,141	428,827,469	1,136,897	91,633,528



DAKSHIN DILLI SWACHH INITIATIVES LIMITED

Notes forming part of Financial Statement for the year ended March 31, 2017

Note No. 13- Long term loans & Advances

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
a) Capital Advances, Considered good	3,833,961	492,718
b) TDS Recoverable	-	253,642
c) Security Deposits	1,247,955	-
d) MAT Credit Entitlement	1,737,398	-
Total	6,819,313	746,360

Note No. 14 - Trade Receivables

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they were due for payment	-	-
Outstanding for a period less than six months from the date they were due for payment	119,529,559	-
Total	119,529,559	-

Note No.15 - Cash And Cash Equivalents

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Cash and Cash Equivalents		
Cash Imprest	42,061	-
Bank balance in current accounts	36,600,042	8,548,007
Fixed Deposit	-	10,000,000
Total	36,642,103	18,548,007

Note No. 16 - Short-Term Loans And Advances

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Unsecured, considered good		
(a) Loan to Related Party	17,317,793	120,000,000
(b) Advances		
-To related party	27,581	-
-To Others	3,310,276	30,000
Total	20,655,650	120,030,000



Note No. 17 - Other Current Assets

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Interest accrued but not due		
-From related party	2,682,966	1,882,454
-On Fixed Deposit	-	68,917
Interest accrued and due- From related party	4,069,256	-
Prepaid Expenses	660,524	-
Unbilled revenue	48,316,381	-
Total	55,729,127	1,951,371



DAKSHIN DILLI SWACHH INITIATIVES LIMITED

Notes forming part of Financial Statement for the year ended March 31, 2017

Note No. 18- Revenue from Operation

Particulars	For the year Ended March 31, 2017	For the Period Ended March 31, 2016
	Rupees	Rupees
(a) Tipping Fees	314,861,627	-
Total	314,861,627	-

Note No. 19- Other Income

Particulars	For the year Ended March 31, 2017	For the Period Ended March 31, 2016
	Rupees	Rupees
(a) Interest Income		
- Interest on Fixed Deposit	30,273	444,793
- Interest on Loan	16,173,193	2,091,616
- Interest on Income tax refund	11,410	-
Total	16,214,876	2,536,409

Note No. 20 - Employee Cost

Particulars	For the year Ended March 31, 2017	For the Period Ended March 31, 2016
	Rupees	Rupees
(a) Salary	17,714,493	-
(b) Contribution to provident and other funds	2,329,993	-
(c) Staff Welfare Expenses	729,541	8,200
	20,774,027	8,200

Note No. 21 - Finance Cost

Particulars	For the year Ended March 31, 2017	For the Period Ended March 31, 2016
	Rupees	Rupees
(a) Interest on loan (Vehicle Loan)	12,580,300	2,091,616
(b) Interest on loan (Related Party)	18,577,451	-
(c) Interest on loan (Others)	4,941,457	-
(d) Finance Charges	575,000	-
	36,674,208	2,091,616



Note No. 22 - Other Expenses

Particulars	For the year Ended March 31, 2017	For the Period Ended March 31, 2016
	Rupees	Rupees
(a) Bank Charges	107,452	-
(b) Business Promotion	730,608	-
(c) Conveyance Charges	410,373	-
(d) Communication Expenses	886,816	88,191
(e) Electricity charges	956,864	11,000
(f) Frieght Charges	718,985	-
(g) Insurance	909,214	-
(h) Office & Admiration Expenses	537,285	6,308
(i) Power & Fuel	42,170,840	-
(j) Printing & Stationery	1,225,547	17,908
(k) Legal & Professional Fees	45,205,859	1,387,870
(l) Repair & Maintenance	9,477,444	500
(m) Contract Labour Charges	82,702,879	-
(n) Statutory Audit Fee	359,500	100,000
(o) Hire Charges	1,473,085	-
(p) Rent	4,656,688	-
(q) Rates & Taxes	14,000	-
(r) Consumables	4,093,529	-
(s) Miscellaneous Expenses	654,209	5,299
Total	197,291,176	1,617,076

Note No. 23- Earnings Per Equity Share

Particulars		For the year Ended March 31, 2017	For the Period Ended March 31, 2016
Earnings Per Equity Shares:			
Net profit/(loss) after tax	Rupees	34,978,939	(1,191,609)
Weighted average number of equity shares outstanding during the year	Numbers	10000	2877
Nominal Value of Equity Shares	Rupees	10	10
Basic Earnings per Share	Rupees	3,498	(414)
Equity shares used to compute diluted earnings per share	Numbers	10000	2877
Diluted Earnings per Share	Rupees	3,498	(414)



DAKSHIN DILLI SWACHH INITIATIVES LIMITED

Notes forming part of Financial Statement for the year ended March 31, 2017

Note No. 24 Employee benefit obligations

Defined-Contribution Plans

The Company offers its employees defined contribution plan in the form of provident fund. Provident fund cover all regular employees. Contributions are paid during the year into separate funds under certain statutory / fiduciary-type arrangements. Both the employees and the Company pay predetermined contributions into the provident fund. The contributions are normally based on a certain proportion of the employee's salary.

The Company has recognized Rs. 1,061,635 for Provident fund contribution and Rs. 331,952 for employee state insurance in the statement of profit and loss.

Defined-Benefits Plans

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are based on years of service and the employee's compensation (immediately before separation). The gratuity scheme covers all regular employees. Commitments are actuarially determined at year-end. Actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to the statement of profit and loss.

i. Change in defined benefit obligation

	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Present value of obligation at the beginning of the year	-	-
Past service cost	22,679	-
Current service cost	292,185	-
Interest expense	-	-
Transferred to group company	-	-
Benefit paid	-	-
Actuarial (gain)/loss	-	-
Present value of obligations at the end of the year	314,864	-

ii. Fair value of plan assets

	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer contributions	-	-
Actuarial gain/(loss)	-	-
Fund management charges	-	-
Benefit paid	-	-
Fair value of plan assets at the end of the year	-	-

iii. Return on plan assets

	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Actual return on plan assets	-	-

iv. Amount recognized in the Balance Sheet

	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Present value of defined benefit obligations	314,864	-
Fair value of plan assets	-	-
Net liability/(asset) recognized in the balance sheet	314,864	-

v. Expenses recognized in statement of profit and loss

	Year ended 31 March, 2017	Period ended 31 March, 2016
	Rupees	Rupees
Current service cost	292,185	-
Past service cost	22,679	-
Interest expense	-	-
Expected return on plan assets	-	-
Net actuarial (gain)/loss recognized during the year	-	-
Expenditure recognized in statement of profit and loss	314,864	-



vi. Balance Sheet reconciliation

	Year ended 31 March, 2017	Period ended 31 March, 2016
	Rupees	Rupees
Net liability/(asset) at the beginning of the year	-	-
Expenses as above	314,864	-
Contribution	-	-
Transferred to group company	-	-
Fund management charges	-	-
Net liability/(asset) at the end of the year	314,864	-

The actuarial calculations used to estimate defined benefit commitments and expenses are based on the following assumptions, which if changed, would affect the defined benefit commitment's size, funding requirements and expense.

vii. Principal actuarial assumptions

	Year ended 31 March, 2017	Period ended 31 March, 2016
Discount rate	7.50% p.a.	NA
Expected salary escalations	5.00% p.a.	NA
Expected return on plan assets	0.00% p.a.	NA
Attrition Rate	0.00% p.a.	NA
Mortality table used	IALM (2006-08)	NA

Discount rate is based on prevailing market yields of government of India securities

viii. Demographic assumptions

	Year ended 31 March, 2017	Period ended 31 March, 2016
Retirement Age (years)	58	NA
Ages (Withdrawal rate %)		
Upto 30 Years	3.00%	NA
From 31 to 44 Years	2.00%	NA
Above 44 years	1.00%	NA

Employer best estimate of the contribution for the next 12 months is Rs. 421,668.

Long-term compensated absences**Principal actuarial assumptions**

	Year ended 31 March, 2017	Year ended 31 March, 2016
Discount rate	7.50% p.a.	NA
Expected salary escalations	5.00% p.a.	NA
Expected return on plan assets	0.00% p.a.	NA
Attrition Rate	0.00% p.a.	NA
Mortality table used	IALM (2006-08)	NA

Employer best estimate of the contribution for the next 12 months is Rs. 476,087.



DAKSHIN DILLI SWACHH INITIATIVES LIMITED

Notes forming part of Financial Statement for the year ended March 31, 2017

Note No. 25- Related Party Disclosures

Disclosures as required by the Accounting Standard (AS) 18 – "Related Party Disclosures" are as below:

A. Name of the related parties and nature of relationship

Nature of Relationship	Name of Entity
Holding Company	IL&FS Environmental Infrastructure Services Ltd (IEISL)
Fellow Subsidiary	IL&FS Financial Services Ltd. East Delhi Waste Processing Company Limited
Ultimate Holding	Kanak Resource Management Limited
Key Management Personnel	Infrastructure Leasing & Financial Service Ltd. Anil Gupta (Managing Director)

B. Statement of material transactions during the year with subsidiaries, fellow subsidiaries and affiliates

Sr. No.	Nature of transactions	Ultimate Holding/ Holding Company	Fellow Subsidiaries	Affiliates	KMP
Amount in Rupees					
A. Transactions during the year					
1	Interest Income				
	IL&FS Environmental Infrastructure and Services Ltd.	16,006,618 (2,091,616)	- (-)	- (-)	- (-)
	East Delhi Waste Processing Company Ltd.	- (-)	166,575 (-)	- (-)	- (-)
2	Administration and other expenses				
	IL&FS Environmental Infrastructure and Services Ltd. (includes Professional Fees, Rent)	43,789,753 (1,269,446)	- (-)	- (-)	- (-)
	Infrastructure Leasing & Financial Services Ltd.	812,528 (-)	- (-)	- (-)	- (-)
	Mr. Anil Gupta	- (-)	- (-)	- (-)	2,760,000 (-)
3	Expenses Charged to Balance Sheet				
	IL&FS Environmental Infrastructure and Services Ltd.	10,757,217 (47,288,500)	- (-)	- (-)	- (-)
4	Borrowing/ Interest expenses Charged to Balance sheet				
	IL&FS Financial Services Ltd	- (-)	6,158,921 (4,575,708)	- (-)	- (-)
5	Borrowing/ Interest expenses Charged to profit and Loss account				
	IL&FS Financial Services Ltd	- (-)	18,577,451 (2,091,616)	- (-)	- (-)

Figures in brackets represent transaction for the year ended 31st March, 2016

B. Balances at year-end

6 Short-term loans and advances

IL&FS Environmental Infrastructure and Services Ltd.	17,317,793 (120,000,000)	- (-)	- (-)	- (-)
--	-----------------------------	----------	----------	----------

7 Interest accrued but not due

IL&FS Environmental Infrastructure and Services Ltd.	2,682,966 (1,882,454)	- (-)	- (-)	- (-)
--	--------------------------	----------	----------	----------



8 Interest accrued/ receivable				
IL&FS Environmental Infrastructure and Services Ltd.	3,919,339	-	-	-
	(-)	(-)	(-)	(-)
East Delhi Waste Processing Company Ltd.	-	149,917	-	-
	(-)	(-)	(-)	(-)
9 Prepaid Insurance				
IL&FS Environmental Infrastructure and Services Ltd.	466,273	-	-	-
	(-)	(-)	(-)	(-)
10 Interest Advance				
IL&FS Financial Services Limited	-	27,581	-	-
	(-)	(-)	(-)	(-)
11 Equity Share Capital				
IL&FS Environmental Infrastructure and Services Ltd.	-	-	-	-
	(68,917)	(-)	(-)	(-)
12 Share Capital				
Equity				
IL&FS Environmental Infrastructure and Services Ltd.	100,000	-	-	-
	(100,000)	(-)	(-)	(-)
Preference				
IL&FS Environmental Infrastructure and Services Ltd.	140,000,000	-	-	-
	(50,000,000)	(-)	(-)	(-)
13 Short term borrowings				
IL&FS Financial Services Limited	-	155,000,000	-	-
	(-)	(150,000,000)	(-)	(-)
14 Interest accrued but not due				
IL&FS Financial Services Limited	-	5,895,639	-	-
	(-)	(-)	(-)	(-)
15 Other Current Liabilities				
IEISL-Current Account	-	-	-	-
	(144,916)	(-)	(-)	(-)
Infrastructure Leasing & Financial Services Ltd.	115,628	-	-	-
	(239,033)	(-)	(-)	(-)
C. Other Transactions during the Year				
16 Loan Taken				
IL&FS Financial Services Limited	-	155,000,000	-	-
	(-)	(150,000,000)	(-)	(-)
17 Loan Repaid				
IL&FS Financial Services Limited	-	150,000,000	-	-
	(-)	(-)	(-)	(-)
18 Loan Given				
IL&FS Environmental Infrastructure and Services Ltd.	56,500,000	-	-	-
	(120,000,000)	(-)	(-)	(-)
East Delhi Waste Processing Company Ltd.	-	10,000,000	-	-
	(-)	(-)	(-)	(-)
19 Loan repayment received				
IL&FS Environmental Infrastructure and Services Ltd.	159,182,207	-	-	-
	(-)	(-)	(-)	(-)
East Delhi Waste Processing Company Ltd.	-	10,000,000	-	-
	(-)	(-)	(-)	(-)



DAKSHIN DILLI SWACHH INITIATIVES LIMITED

Notes forming part of Financial Statement for the year ended March 31, 2017

Note No. 26 - Segment Reporting

The Company operates in a single geographic segment. In the absence of separate reportable business or geographic segments the disclosures required under the Accounting Standard (AS) 17 on "Segment Reporting" have not been made.

Note: 27 Commitments (to the Extent not provided for)

Particulars	As at March 31, 2017	As at March 31, 2016
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances paid of Rs. 3,833,961), (Previous year advances paid of Rs. 492,718)	9,132,988	215,268,420

Note: 28

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.




Kamal Saini
Chief Financial Officer

Place : New Delhi
Date: 01 June, 2017



Nitin Agrahari
Company Secretary

Place : New Delhi
Date: 01 June, 2017



Anil Gupta
Managing Director
DIN: 01442867

Place : New Delhi
Date: 01 June, 2017



Neeru Abrol
Director
DIN: 01279485

Place : New Delhi
Date: 01 June, 2017

