

INDEPENDENT AUDITOR'S REPORT

To the Members of Haldia Water Services Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Haldia Water Services Private Limited** (the "Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period then ended and notes to the financial statements, including a summary of Significant Accounting Policies and other explanatory information (the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2020, loss and other comprehensive income, changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Financial Statements under the provisions of the Companies Act, 2013 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 opinion.

Emphasis of Matter

We draw your attention to Note 24 to the financial statement which explains the uncertainties and the management's assessment of the financial impact due to the lock-down and other restrictions and conditions



related to the COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon circumstances / developments as they evolve in the subsequent periods.

Our opinion is not modified in respect of this matter.

Information Other than Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Board report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable under the applicable laws and regulations.

Management's Responsibility for the Financial Statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

The Board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Companies Act, 2013, 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.



Other Matters

Due to COVID 19 pandemic and the consequential nationwide lockdown announced by the Central and State Government including the travel restrictions, maintenance of social distancing etc., and the audit team could not visit the Plant. The audit team have performed the audit from remote location, on the basis of data, scan copies, documents, management estimates, assumptions, certificates and other information supplied electronically by the management on online platform. We have relied on Management assurance of the authenticity, completeness and accuracy of these records electronically submitted to us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2016', 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" 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) Without prejudice to the situation described under "Other matter" section, 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 Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
 - e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 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 financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

According to the information and explanations given to us and based on the audit procedures conducted by us, the company is not paying any managerial remuneration to its directors.
 - h) With respect to the other matters to be included in the Auditors 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. According to the information and explanations given to us and based on the audit procedures conducted by us, the Company does not have any pending litigations as at 31 March 2020.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. The Company does not have any amount to be transferred to the Investor Education and Protection Fund.

For D. K. Chhajer & Co.

Chartered Accountants

F.R.N. - 304138E



Niraj K. Jhunjhunwala

Partner

Membership No. 057170

UDIN: 20057170AAAA DS2790

Place: Kolkata

Date: 29th June, 2020



**Annexure A to the Independent Auditor's Report
of Haldia Water Services Private Limited for the period ended 31 March, 2020**

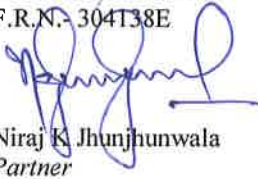
- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
(c) The Company does not have any immovable properties, therefore Para 3(i)(c) of the order is not applicable to the Company.
- ii. The company does not hold any Inventory. Hence, Para 3(ii) of the order regarding physical verification is not applicable.
- iii. The Company has not granted any loans, secured or unsecured, to companies, limited liability partnership firm, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Para 3(iii)[(a), (b) and (c)] of the said Order are not applicable to the Company.
- iv. The Company has not granted any loan or provided any guarantee or security to the parties covered under section 185 of the Act or made any investments, hence the provisions of Section 185 and 186 of the Act are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the provision of Para 3(v) of the order is not applicable on the Company.
- vi. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the Company and accordingly Para 3 (vi) of the order is not applicable.
- vii. (a) The Company is generally regular in depositing the undisputed statutory dues, including provident fund, Employees' State Insurance, Income tax, Goods and Service tax, Customs Duty, cess and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March 2020 for a period of more than six months from the date of becoming payable.
(b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
- viii. The Company has not taken any loan from banks, financial institutions or Government and has not issued any debentures.
- ix. The Company has not raised any money by way of initial public offer/further public offer (including debt instruments) during the period. In our opinion, the term loans have been applied for the purpose for which they were obtained.
- x. In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period.
- xi. The Company has not paid any managerial remuneration and hence, provisions of Para 3(xi) of the order is not applicable to the company.
- xii. The Company is not a Nidhi Company, the provisions of Para 3(xii) of the Order are not applicable to the company.



**Annexure A to the Independent Auditor's Report
of Haldia Water Services Private Limited for the period ended 31 March, 2020**

- xiii. Transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable Indian accounting standards.
- xiv. During the period, the Company has not made any preferential allotment/private placements of shares/fully/partly convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or person connected with them. Accordingly, clause 3(xv) of the Order is not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly the provision of Para 3(xvi) are not applicable to the Company.

For D. K. Chhajjer & Co.
Chartered Accountants
F.R.N. 304T38E


Niraj K. Jhunjhunwala
Partner

Membership No. 057170
UDIN: 2005 7170 AAAA DS 2790
Place: Kolkata
Date: 29th June, 2020



Annexure B to the Independent Auditor's Report

(Referred to in Paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

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

We have audited the internal financial controls over financial reporting of Haldia Water Services Private Limited ("the Company") as at 31 March 2020 in conjunction with our audit of the financial statements of the Company for the period 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("The Act").

Auditor's 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 Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Annexure B to the Independent Auditor's Report

(Referred to in Paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

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 standalone 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, read with impact of Covid- 19 stated in Emphasis of Matter paragraph in Independent Auditor's Report, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, 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 ICAI.

For D. K. Chhajjer & Co.

Chartered Accountants

F.R.N.-304138E


Niraj K. Jhunjhunwala

Partner

Membership No. 057170

UDIN: 20057170 AAAADS 2790

Place: Kolkata

Date: 29th June, 2020



HALDIA WATER SERVICES PRIVATE LIMITED

Balance Sheet as at 31st March, 2020

	Particulars	Note No.	As at 31st March, 2020 (Amount in INR Lakhs)
	ASSETS		
(1)	Non - current assets		
	(a) Property, plant and equipment	3	4.29
	(b) Intangible assets	4	774.63
	(c) Other non-current assets	5	1.40
	Total Non-Current Assets		780.32
(2)	Current assets		
	(a) Financial assets		
	(i) Trade Receivables	6	639.15
	(ii) Cash and cash equivalents	7	453.93
	(iii) Other Current Assets	8	0.70
	(b) Current Tax Assets	9	1.38
	Total Current Assets		1,095.16
	Total Assets		1,875.48
	EQUITY AND LIABILITIES		
(1)	Equity		
	(a) Equity Share capital	10	10.00
	(b) Other equity	11	(34.76)
	Total Equity		(24.76)
	Liabilities		
(1)	Non - current liabilities		
	(a) Financial liabilities		
	Borrowings	12	1,182.50
	(b) Provisions	13	0.98
	(c) Deferred Tax Liabilities (Net)	14	52.77
	Total Non-Current Liabilities		1,236.25
(2)	Current liabilities		
	(a) Financial liabilities		
	(i) Trade Payables	15	584.50
	(ii) Other financial liabilities	16	65.83
	(b) Other current liabilities	17	13.66
	Total Current Liabilities		663.99
	Total Liabilities		1,900.24
	Total Equity and Liabilities		1,875.48
	Corporate Information	1	
	Significant accounting policies and estimates	2	
	Other Disclosures	24	


The accompanying notes 1 to 24 are an integral part of the financial statements.


In terms of our report of even date

For D. K. Chhajer & Co.
Chartered Accountants
Firm's Registration No. - 804138E

Niraj K. Chhajer
Partner
Membership No. 057170
UDIN :

For and on behalf of the Board of Directors
Haldia Water Services Private Limited


SOURAV DASPATNAIK
(Director)
DIN: 02147356


SUMIT PANSARI
(Director)
DIN: 08410228

Place: Kolkata
Date: 29.06.2020.




HALDIA WATER SERVICES PRIVATE LIMITED

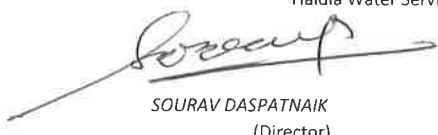
Statement of Profit and Loss from 12th July, 2019 to 31st March, 2020


Particulars	Note No.	YTD ended 31st March, 2020 (Amount in INR Lakhs)
Revenue from operations	18	2,892.88
Other income	19	2.46
Total income		2,895.34
Expenses:		
Cost of materials consumed	20	1,071.66
Employee benefit expense	21	404.46
Finance Costs	22	118.75
Depreciation and amortization expense	-	34.76
Other Expenses	23	1,247.70
Total expenses		2,877.33
Profit before tax		18.01
Exceptional Items		-
Tax expense		
Current Tax		-
Deferred Tax		52.77
Total tax Expense		52.77
Profit/ (loss) for the year (A)		(34.76)
Other Comprehensive Income		
A. (i) Items that will not be reclassified to Profit or Loss		-
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-
B. (i) Items that will be reclassified to Profit or Loss		-
(ii) Income tax relating to items that will be reclassified to Profit or Loss		-
Other Comprehensive Income (B)		-
Total Comprehensive Income for the year (A+B)		(34.76)
Earnings per equity share (Nominal value per share Rs.10/-)		
- Basic		(34.76)
- Diluted		(34.76)
Corporate Information	1	
Significant accounting policies and estimates	2	
Other Disclosures	24	

The accompanying notes 1 to 23 are an integral part of the financial statements.
In terms of our report of even date

For D. K. Chhajjer & Co.
Chartered Accountants
Firm's Registration No. 304138E

Niraj Jounjhuwala
Partner
Membership No. 057170
UDIN :

For and on behalf of the Board of Directors
Haldia Water Services Private Limited


SOURAV DASPATNAIK
(Director)
DIN: 02147356


SUMIT PANSARI
(Director)
DIN: 08410228

Place: Kolkata
Date: 29.06.2020.



HALDIA WATER SERVICES PRIVATE LIMITED
Cash Flow Statement from 12th July, 2019 to 31 March 2020

Particulars	YTD ended 31st March, 2020
	(Amount in INR Lakhs)
A. Cash flow from operating activities	
Net Profit / (Loss) before extraordinary items and tax	18.01
Adjustments for:	
Depreciation and amortisation	34.76
Finance costs	118.75
Interest income	(2.46)
Operating profit/(loss) before working capital changes	169.06
Decrease/ (Increase) in Inventories	-
Decrease/ (Increase) in Trade receivables	(639.15)
Decrease/ (Increase) in Short-term loans and advances	-
Decrease/ (Increase) in Long-term loans and advances	(1.40)
Decrease (Increase) in Other Current Assets	-
Decrease/ (Increase) in Other Current Assets	(2.08)
Increase/(Decrease) in Trade payables	584.50
Increase/ Decrease in Other current liabilities and provisions	80.47
Cash generated from operations	191.40
Direct Tax Paid	-
Net cash flow from/(used in) operating activities (A)	191.40
B. Cash flow from investing activities	
Capital expenditure on fixed assets, including capital advances	(813.68)
Interest received	2.46
Net cash flow from/(used in) investing activities (B)	(811.22)
C. Cash flow from financing activities	
Proceeds from Issue of Equity Shares	10.00
Proceeds from long term borrowings	1,182.50
Proceeds/(Repayment) from short term borrowings	-
Finance cost	(118.75)
Net cash flow from/(used in) financing activities (C)	1,073.75
Net (decrease)/increase in Cash and cash equivalents (A+B+C)	453.93
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	453.93

In terms of our report of even date

For D. K. Chhajjer & Co.
Chartered Accountants
Firm's Registration No. -304138E

Niraj K. Jhunjhunwala
Partner
Membership No. 057170
UDIN :

For and on behalf of the Board of Directors
Haldia Water Services Private Limited

SOURAV DASPATNAIK
(Director)
DIN: 02147356

SUMIT PANSARI
(Director)
DIN: 08410228

Place: Kolkata
Date: 29.06.2020.



HALDIA WATER SERVICES PRIVATE LIMITED

Statement of Changes in Equity for the period ending 31st March, 2020

a. Equity Share Capital

(Amount in INR Lakhs)

Particulars	Note	Amount
Equity Shares of Rs. 10 each Issued, Subscribed and Fully Paid		
As At 1st April 2019	9	
Issue of share capital		10.00
As At 31st March 2020		10.00

b. Other Equity

Particulars	Reserves and Surplus Retained Earnings	Total
As At 1st April 2019	-	-
Profit for the year	(34.76)	(34.76)
Other Comprehensive Income for the year	-	-
As At 31 March 2020	(34.76)	(34.76)

Retained Earnings


This reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

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

In terms of our report of even date

For and on behalf of the Board of Directors
Haldia Water Services Private Limited


For D. K. Chhajjer & Co.
Chartered Accountants
Firm's Registration No. -304138E


Niraj K Jhunjhunwala
Partner

Membership No. 057170
UDIN :

Place: Kolkata
Date: 29.06.2020.


SOURAV DASPATNAIK
(Director)
DIN: 02147356


SUMIT PANSARI
(Director)
DIN: 08410228



HALDIA WATER SERVICES PRIVATE LIMITED

Notes to accounts

1 Corporate Information

Haldia Water Services Private Limited ('the Company') has been incorporated in India on 12th July, 2019. The company is primarily engaged in the business of repair, up-gradation, operation, maintenance and management of water supply at Haldia for improvement and revamping of existing water supply, transmission and distribution network under the command area of Haldia, Purba Medinipur, pursuant to the Letter of Intent/Award received from Haldia Development Authority, a statutory Authority under Government of West Bengal and in compliance with the Concession Agreement.

2 Significant Accounting Policies

(a) Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

(b) Basis of accounting and preparation of financial statements and presentation

The Financial Statements have been prepared on the historical cost basis.

The financial statements are presented in Indian Rupees ("Rupees" or "Rs."), which is the Company's functional and presentation currency.

The Company has ascertained its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current as per the criteria specified in Schedule III to Companies Act, 2013.

(c) Current and 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.

(d) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. In case of land the Company has availed fair value as deemed cost on the date of transition to Ind AS. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately. Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress. Depreciation on Property, Plant and Equipment is provided using written down value method on depreciable amount.

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013



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. Gains or losses arising from derecognition of a Property, Plant and Equipment 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 and Loss when the asset is derecognised.

(e) Leases

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

Leased Assets: Assets held under finance leases are initially recognised as Assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised.

A leased asset is depreciated over the useful life of the asset ranging from 18 years to 99 years. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

(f) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation / depletion and impairment losses, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the Intangible Assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Intangible Assets Under Development. 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 and Loss when the asset is derecognised. The company's intangible assets comprises assets with finite useful life which are amortised on a straight-line basis over the period of their expected useful life. The amortisation period and the amortisation method for Intangible Assets with a finite useful life are reviewed at each reporting date.

(g) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss.

Development costs are capitalised as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and Loss.

(h) Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) Finance Costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

(j) Inventories



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Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition. Cost of finished goods, work-in-progress, raw materials, chemicals, stores and spares, packing materials, trading and other products are determined on weighted average basis.

(k) Impairment of Non-Financial Assets -

Property, Plant and Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs. An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(l) Provisions

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. 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.

(m) Employee Benefits Expense

Short-Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

The Company recognises 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 recognised 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 recognised 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 Plans

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972. The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Income Tax authorities. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of Defined Benefit Plans in respect of post-employment are charged to the Other Comprehensive Income.

Employee Separation Costs

The Company recognises the employee separation cost when the scheme is announced and the Company is demonstrably committed to it.

(n) Tax Expenses

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in Equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

i. Current Tax



Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

ii. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(o) Foreign Currencies Transactions and Translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalised as cost of assets. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates 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 was measured. 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 Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively). In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognised. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

(p) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped. Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period. Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when the it becomes unconditional. The Company does not adjust short-term advances received from the customer for the effects of significant financing component if it is expected at the contract inception that the promised good or service will be transferred to the customer within a period of one year.

Contract Balances:

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

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

Interest Income from a Financial Assets is recognised using effective interest rate method.

(q) Financial Instruments

i. Financial Assets

A. Initial Recognition and Measurement



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All Financial Assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

B. Subsequent Measurement

a) Financial Assets measured at Amortised Cost (AC).

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 –

C. Investment in Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any). The investments in preference shares with the right of surplus assets which are in nature equity in accordance with Ind AS 32 are treated as separate category of investment and measured as at FVTOCI.

D. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'. However, dividend on such equity investments are recognised in Statement of Profit and loss when the company's right to receive payment is established.

E. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL). Expected Credit Losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- The Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii. Financial Liabilities

A. Initial Recognition and Measurement All Financial Liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent Measurement

Financial Liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii. Derecognition of Financial Instruments

The Company derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of a Financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv. Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

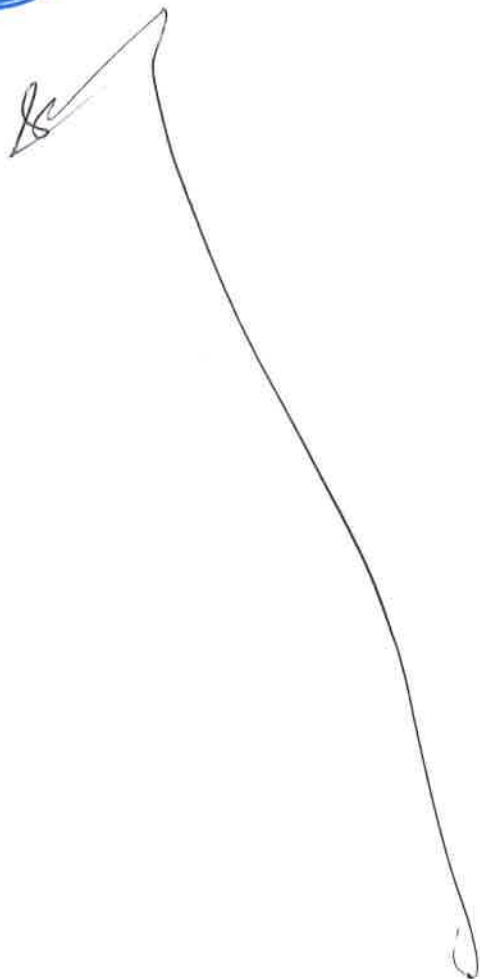


(r) **Non-current Assets Held for Sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification. Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of sell and are presented separately in the Balance Sheet.

(s) **Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.



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HALDIA WATER SERVICES PRIVATE LIMITED
Notes Forming Part of the Financial Statements (contd.)

Note No. : 3 Property, plant and equipment

(Amount in INR Lakhs)

Particulars	Land & Buildings	Plant & Equipments	Furnitures	Computer Hardwares	Total
Gross Block					
Balance as at 01.04.2018	-	-	-	-	-
Additions during the period	-	-	-	-	-
Deductions during the period	-	-	-	-	-
Balance as at 31.03.2019	-	-	-	-	-
Balance as at 01.04.2019	-	-	-	-	-
Additions during the period	-	0.69	0.98	3.61	5.28
Deductions during the period	-	-	-	-	-
Balance as at 31.03.2020	-	0.69	0.98	3.61	5.28
Accumulated Depreciation					
Balance as at 01.04.2018	-	-	-	-	-
Amortisation expenses for the period	-	-	-	-	-
Deductions during the period	-	-	-	-	-
Balance as at 31.03.2019	-	-	-	-	-
Balance as at 01.04.2019	-	-	-	-	-
Amortisation expenses for the period	-	0.00	0.06	0.92	0.99
Deductions during the period	-	-	-	-	-
Balance as at 31.03.2020	-	0.00	0.06	0.92	0.99
Net Block					
Net carrying amount as at 31.03.2019	-	-	-	-	-
Net carrying amount as at 31.03.2020	-	0.69	0.92	2.69	4.29



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HALDIA WATER SERVICES PRIVATE LIMITED
Notes Forming Part of the Financial Statements (contd.)

Note No. : 4 Intangible Assets

(Amount in INR Lakhs)

Particulars	Development Expenditure (Internally Generated)	Brand Licence	Computer Software	Others*	Total
Cost					
Balance as at 01.04.2018	-	-	-	-	-
Additions during the period	-	-	-	-	-
Deductions during the period	-	-	-	-	-
Balance as at 31.03.2019	-	-	-	-	-
Balance as at 01.04.2019	-	-	-	-	-
Additions during the period	-	-	-	808.40	808.40
Deductions during the period	-	-	-	-	-
Balance as at 31.03.2020	-	-	-	808.40	808.40
Accumulated amortisation & impairment					
Balance as at 01.04.2018	-	-	-	-	-
Amortisation expenses for the period	-	-	-	-	-
Deductions during the period	-	-	-	-	-
Balance as at 31.03.2019	-	-	-	-	-
Balance as at 01.04.2019	-	-	-	-	-
Amortisation expenses for the period	-	-	-	33.77	33.77
Deductions during the period	-	-	-	-	-
Balance as at 31.03.2020	-	-	-	33.77	33.77
Net carrying amount					
Net carrying amount as at 31.03.2019	-	-	-	-	-
Net carrying amount as at 31.03.2020	-	-	-	774.63	774.63

* Concession Rights



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HALDIA WATER SERVICES PRIVATE LIMITED

Notes Forming Part of the Financial Statements (contd.)

(Amount in INR Lakhs)

Note No. : 5 Other non-current assets (Unsecured, considered good)	
Particulars	As at 31st
	March, 2020
Advances other than capital advances	1.40
Deposit with statutory authorities	-
Balance with Revenue Authorities	-
	1.40

Note No. : 6 Trade Receivables	
Particulars	As at 31st
	March, 2020
Unsecured and considered good	639.15
	639.15

Note No. : 7 Cash and cash equivalents	
Particulars	As at 31st
	March, 2020
Cash in hand	-
Balances with banks	
On current accounts	53.93
On FD accounts	400.00
	453.93

Note No. :8 Other Current Assets	
Particulars	As at 31st
	March, 2020
Interest Receivable	0.70
	0.70

Note No. :9 Current Tax Assets (net)	
Particulars	As at 31st
	March, 2020
Current Tax Assets (net) - TDS receivable	1.38
	1.38



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HALDIA WATER SERVICES PRIVATE LIMITED

Notes Forming Part of the Financial Statements (contd.)

Note No. : 10

(Amount in INR Lakhs)

Equity Share capital

Particulars	As at 31st March, 2020	
	No. of shares	Amount
(a) Authorised Equity shares of par value Rs. 10/- each	1,50,000	15.00
(b) Issued, subscribed and fully paid up Equity shares of par value Rs. 10/- each	1,00,000	10.00
		10.00

(c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31st March, 2020	
	No. of shares	Amount
At the beginning of the year	-	-
Add: Issued during the year	1,00,000	10.00
Less: Calls Unpaid / Arrear Subscription	-	-
At the end of the year	1,00,000	10.00

(d) Terms / Rights attached to Equity shares :

The Company has only Equity shares having a par value of Rs. 10.00 per share. Each holder of Equity shares are entitled to to receive dividend as declared from time to time and entitled to one vote per share.

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 dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Shares held by holding/ultimate holding company and/or their subsidiaries/associates :

Name of the Company (Relationship)	As at 31st March, 2020	
	No. of shares	% of holding
1) Shristi Infrastructure Development Corporation Ltd. Holding Company (w.e.f. 12.07.2019)	51,000	51.00%
2) Swach Environment Private Limited.	38,000	38.00%

(f) Shareholders holding more than 5 % of the equity shares in the Company :

Name of the shareholders	As at 31st March, 2020	
	No. of shares	% of holding
Shristi Infrastructure Development Corporation Ltd.	51,000	51.00%
Swach Environment Private Limited.	38,000	38.00%
Ion Exchange (India) Ltd.	11,000	11.00%

Note No. : 11	
Other Equity	
Particulars	As at 31st March, 2020
	Amount
RESERVES AND SURPLUS	
General Reserve	
Retained Earnings	
Opening Balance	
Add: Net Profit/(Loss) after tax transferred from Statement of Profit and Loss	(34.76)
	(34.76)
Other Comprehensive Income	
At the end of the year	(34.76)



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HALDIA WATER SERVICES PRIVATE LIMITED

Notes Forming Part of the Financial Statements (contd.)

(Amount in INR Lakhs)

Note No. : 12 Financial Liabilities (Non-current)	
Particulars	As at 31st March, 2020
Borrowings (Carried at amortized cost) From entities other than banks - Term loan -Secured	1,182.50
	1,182.50
Terms of repayment: F.Y. 2019-20: Repayment of Loan Facility- The amount outstanding in the Loan Account will be repaid in 12 quarterly installments from 7th year after the date of first disbursement. It carries interest rate @ 14% per annum. Repayment of Non Fund Facility- The NF Facility shall be repaid within 15 years during the Concession period & a period of 90 days after the transfer date.	

Note No. : 13 Provisions	
Particulars	As at 31st March, 2020
Provisional Liability for Employee benefits	0.98
	0.98

Note No. : 14 Deferred Tax Liability	
Particulars	As at 31st March, 2020
Deferred Tax Liabilities (Net)	52.77
	52.77
COMPONENT OF DEFERRED TAX LIABILITIES / (ASSET) Deferred tax liabilities / (asset) in relation to: Property, Plant and Equipment and Intangible Asset At the beginning of the period - Charge/(credit) to Statement of Profit and Loss 52.77 Charge/(credit) to Other Comprehensive Income - At the end of the period 52.77	

Note No. : 15 Trade Payables	
Particulars	As at 31st March, 2020
Trade Payables	584.50
	584.50

Note No. :16 Other financial liabilities	
Particulars	As at 31st March, 2020
Other Payables	
Liability for expenses	65.22
Provisional Liability for Employee benefits	0.61
	65.83



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HALDIA WATER SERVICES PRIVATE LIMITED

Notes Forming Part of the Financial Statements (contd.)

(Amount in INR Lakhs)

Note No. : 17 Other current liabilities	
Particulars	As at 31st March, 2020
Statutory liabilities	13.66
	13.66

Note No. : 18 Revenue from Operations	
Particulars	As at 31st March, 2020
Income from Water Service	2,892.88
	2,892.88

Note No. : 19 Other Incomes	
Particulars	As at 31st March, 2020
Interest Income	2.46
	2.46

Note No. : 20 Cost of material Consumed	
Particulars	As at 31st March, 2020
Consumables for Site	86.65
Electricity Expenses Site	985.01
	1,071.66

Note No. : 21 Employee benefit expense	
Particulars	As at 31st March, 2020
Salary & Employee benefits	396.48
Staff Welfare	7.98
	404.46

20.1	<u>Salary & Employee benefits</u>	
	Salaries	403.68
	Contribution to PF and Other Funds	1.64
	Provision for Employees' Gratuity	0.39
	Provision for Employees' Leave	0.77
		406.48

20.2 AS PER INDIAN ACCOUNTING STANDARD 19 "EMPLOYEE BENEFITS", THE DISCLOSURES AS DEFINED ARE GIVEN BELOW :

20.2.1 Defined Contribution Plans Contribution to Defined Contribution Plans, recognised as expense for the year is as under :

2019-20
1.18
0.36

Employer's Contribution to Provident Fund
Employer's Contribution to Pension Scheme




HALDIA WATER SERVICES PRIVATE LIMITED

Notes Forming Part of the Financial Statements (contd.)

(Amount in INR Lakhs)

20.2.2 Defined Benefit Plan

	GRATUITY
<u>Components of Employer Expenses</u>	
1) Current Service Cost	-
2) Interest cost	-
3) Expected return on plan assets	-
4) Curtailment cost / (credit)	-
5) Settlement cost / (credit)	-
6) Plan Amendments cost/(credit) - Plan introduction	0.39
7) Actuarial Losses / (Gains)	-
Total amount recognized in P&L (Total 1 to 7)	0.39
<u>Net assets / (liability) recognized in balance sheet</u>	
Present value of Defined Benefit Obligation	0.39
Fair value of plan assets	-
Funded status [Surplus/(Deficit)]	-
Unrecognized past service cost	-
Net asset/ (liability) recognized in balance sheet as at	0.39
Current Asset / (Liability)	0.01
Non Current Asset / (Liability)	0.38
<u>Change in Defined Benefit Obligations (DBO) during the year</u>	
Present Value of DBO at beginning of the year	-
Current Service cost	-
Interest cost	-
Curtailment cost / (credit)	-
Settlement cost / (credit)	-
Plan Amendments cost/(credit) - Plan introduction	0.39
Acquisitions	-
Actuarial (Gains) / Losses	-
Benefits paid	-
Present Value of DBO at the end of the year	0.39
<u>Actuarial Assumptions</u>	
Discount Rate	6.70%
Expected return on plan assets	-
Salary Escalation	-
Mortality	-
Retirement/ Superannuation Age	-

	LEAVE
<u>Components of Employer Expenses</u>	
1) Current Service Cost	-
2) Interest cost	-
3) Expected return on plan assets	-
4) Curtailment cost / (credit)	-
5) Settlement cost / (credit)	-
6) Plan Amendments cost/(credit) - Plan introduction	0.61
7) Actuarial Losses / (Gains)	-
Total amount recognized in P&L (Total 1 to 7)	0.61
<u>Net assets / (liability) recognized in balance sheet</u>	
Present value of Defined Benefit Obligation	0.61
Fair value of plan assets	-
Funded status [Surplus/(Deficit)]	0.61
Unrecognized past service cost	-
Net asset/ (liability) recognized in balance sheet as at	0.61
Current Asset / (Liability)	0.05
Non Current Asset / (Liability)	0.56



HALDIA WATER SERVICES PRIVATE LIMITED

Notes Forming Part of the Financial Statements (contd.)

(Amount in INR Lakhs)

Change in Defined Benefit Obligations (DBO) during the year	
Present Value of DBO at beginning of the year	-
Current Service cost	-
Interest cost	-
Curtailment cost / (credit)	-
Settlement cost / (credit)	-
Plan Amendments cost/(credit) - Plan introduction	0.61
Acquisitions	-
Actuarial (Gains) / Losses	-
Benefits paid	-
Present Value of DBO at the end of the year	0.61
Actuarial Assumptions	
Discount Rate	6.70%
Expected return on plan assets	-
Salary Escalation	-
Mortality	-
Retirement/ Superannuation Age	-

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Components of Employer Expenses	
1) Current Service Cost	-
2) Interest cost	-
3) Expected return on plan assets	-
4) Curtailment cost / (credit)	-
5) Settlement cost / (credit)	-
6) Plan Amendments cost/(credit) - Plan introduction	0.16
7) Actuarial Losses / (Gains)	-
Total amount recognized in P&L (Total 1 to 7)	0.16
Net assets / (liability) recognized in balance sheet	
Present value of Defined Benefit Obligation	0.16
Fair value of plan assets	-
Funded status [Surplus/(Deficit)]	0.16
Unrecognized past service cost	-
Net asset/ (liability) recognized in balance sheet as at	0.16
Current Asset / (Liability)	0.12
Non Current Asset / (Liability)	0.04

Change in Defined Benefit Obligations (DBO) during the year	
Present Value of DBO at beginning of the year	-
Current Service cost	-
Interest cost	-
Curtailment cost / (credit)	-
Settlement cost / (credit)	-
Plan Amendments cost/(credit) - Plan introduction	0.16
Acquisitions	-
Actuarial (Gains) / Losses	-
Benefits paid	-
Present Value of DBO at the end of the year	0.16

Actuarial Assumptions	
Discount Rate	6.70%
Expected return on plan assets	-
Salary Escalation	5.00%
Mortality	-
Retirement/ Superannuation Age	-



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HALDIA WATER SERVICES PRIVATE LIMITED

Notes Forming Part of the Financial Statements (contd.)

(Amount in INR Lakhs)

Note No. : 22 Finance Costs	
Particulars	As at 31st March, 2020
<u>Interest and finance charges on financial liabilities not at fair value through profit or loss</u>	
Interests	87.04
Interest on PG / BG	31.70
Bank Charges & Commission	0.01
	118.75

Note No. : 23 Other Expenses	
Particulars	As at 31st March, 2020
License Fees	1,000.00
Professional Fees	102.69
Repair & Maintenance	103.23
Legal Fees & Exp	-
Printing & Stationery	0.30
Travelling	14.42
Business Promotion & development	2.37
Meter Hiring Charge	-
Rates & Taxes	0.52
Insurance Premium	5.35
Advertisement & Publicity	0.08
Other - Misc.	1.44
Office Rent	0.29
Security & Services	5.17
Meeting & Conferance	0.14
IT Software & Accessories	0.07
Telephone, Mobile & Internet Charges	0.47
Statutory Audit Fees	1.18
Preoperative Expenses	9.98
	1,247.70

Note No. : 23.1 Pre-operative Expenses	
Particulars	As at 31st March, 2020
Professional Fees	7.35
Legal Fees & Exp	0.32
Printing & Stationery	0.06
Travelling	0.09
Business Promotion	0.35
Metre Hiring Charge	1.18
Rates & Taxes	0.10
Advertisement & Publicity	0.06
Other - Misc.	0.11
Security & Services	0.41
Interest Earned	(0.06)
	9.98



HALDIA WATER SERVICES PRIVATE LIMITED

Notes Forming Part of the Financial Statements (contd.)

Note No. : 24 Other Disclosures

1. Contingent liabilities and commitments (to the extent not provided for)

(Rs. In Lakh)			
Sl. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
I.	Contingent liabilities Performance Bank Guarantee (NFB)	2,000.00	-
II.	Commitments	-	-

2. The company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31.03.2020 as micro, small and medium enterprises. Consequently, the amount due to micro and small enterprises as per requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil (31st March 2019 - Nil).

3. Operating Segment

The Company has only one reportable segments under Ind AS-108 'Operating Segment'. Hence, separate business segment and geographical segment information is not applicable.

4. Related party disclosures :

Name of the related parties and description of relationship :

Holding Company : Shristi Infrastructure Development Corporation Limited (51% shareholder since 12.07.2019)

Investor having significant influence : Swach Environment Private Limited (38% shareholder since 12.07.2019)

Key Managerial Personnel :
 AJAY ANOOP POPAT (Director since 12.07.2019)
 SOURAV DASPATNAIK (Director since 12.07.2019)
 SUMIT PANSARI (Director since 16.03.2020)
 RAJIV KESHRI (Director since 12.07.2019 through 15.03.2020)
 NANDISWAR M. (KMP since 16.03.2020)
 ARUP CHATTERJEE (KMP since 16.03.2020)

Enterprises over which Key Managerial Personnel are able to exercise significant influence Swach Environment Private Limited

Transactions with Related parties :

Nature of transaction (excluding reimbursements)	Holding Company	Investor having significant influence :	KMP
Issue of equity shares	5.10	3.80	NIL
Salaries and Other Benefits			
Nandiswar M	NIL	NIL	11.68
Arup Chatterjee	NIL	NIL	5.67
Receivables/Recoverable			
Nandiswar M	NIL	NIL	0.20
Arup Chatterjee	NIL	NIL	0.19

- c) The transactions with related party has been entered at an amount which are not materially different from those on normal commercial terms.



Signature

Signature

HALDIA WATER SERVICES PRIVATE LIMITED

Notes Forming Part of the Financial Statements (contd.)

Note No. : 24 Other disclosures (contd.)

5. Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March 2020

(Rs. In Lakh)

Sl. No.	Particulars	Refer Note No.	Carrying value Amortized cost		Fair Value	
			31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
(1)	Financial assets					
(b)	Cash and cash equivalents		453.93	-	453.93	-
	Total		453.93	-	453.93	-
(2)	Financial liabilities					
(a)	Borrowings		1,182.50	-	1,182.50	-
(c)	Other financial liabilities		65.83	-	65.83	-
			1,248.33	-	1,248.33	-

B. Fair value hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No Financial assets and financial liabilities are measured at fair value on a recurring basis.

6. Financial risk management objectives and policies

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The company generally does not have trade receivables . Hence, the management believes that the company is not exposed to any credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. The company is exposed to liquidity risk due to bank borrowings and trade and other payables. The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation.



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HALDIA WATER SERVICES PRIVATE LIMITED

Notes Forming Part of the Financial Statements (contd.)

Note No. : 24 Other disclosures (contd.)

The following are the contractual maturities of financial liabilities:

(Rs. In Lakh)			
Particulars	Less than 1 year	More than 5 years	Total
31st March, 2020			
Borrowings	-	1,182.50	1,182.50
Other financial liabilities	65.83	-	65.83
Total	65.83	1,182.50	1,248.33
31st March, 2019			
Borrowings	-	-	-
Other financial liabilities	-	-	-
Total	-	-	-

(c) Market risk

Foreign currency risk

The Company has no international transactions and is not exposed to foreign exchange risk.

Interest rate risk

The Company's fixed rate borrowings are carried at amortised cost. They are, therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. The Company has no variable rate borrowings.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is not exposed to price risk.

7. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders.

The Gearing Ratio at the end of the reporting period was as follows:

(Rs. In Lakh)	
Particulars	As At 31 March 2020
Long-Term Borrowings	1,182.50
Short-Term Borrowings and Current Maturities of Long-Term Borrowings	-
Total Borrowings (a)	1,182.50
Less:	
Cash and Cash Equivalents	453.93
Total Cash (b)	453.93
Net Debt (c = a-b)	728.57
Total Equity (as per Balance Sheet) (d)	(24.76)
Total Capital (e = c + d)	703.81
Gearing Ratio (c/e)	1.04



HALDIA WATER SERVICES PRIVATE LIMITED

Notes Forming Part of the Financial Statements (contd.)

Note No. : 24 Other disclosures (contd.)

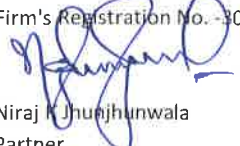
8. GLOBAL HEALTH PANDEMIC ON COVID-19 AND ITS IMPACT IN BUSINESS

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

COVID-19 is significantly impacting business operation of the companies, by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lockdown of production facilities etc. On 24th March, 2020, the Government of India ordered a nationwide lockdown for 21 days which further got extended till 3rd May, 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities. In assessing the recoverability of assets such as Trade receivable etc. the Co. has considered internal and external information. The Co. has made analysis on the assumptions used basis the internal and external information/indicators of future economic conditions, the Co. expects to recover the carrying amount of the assets.

In terms of our report of even date

For D. K. Chhajjer & Co.
Chartered Accountants
Firm's Registration No. - 304138E


Niraj K. Jhunjhunwala
Partner
Membership No. 057170
UDIN :

Place: Kolkata
Date: 29.06.2020.

For and on behalf of the Board of Directors
Haldia Water Services Private Limited


SOURAV DASPATNAIK
(Director)
DIN: 02147356


SUMIT PANSARI
(Director)
DIN: 08410228

