N.C. AGGARWAL & CO.
CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITORS' REPORT

To
The Members of JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure-1** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;

(e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to **Annexure-2**.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 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 as on 31st March, 2018;

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ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses; and

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

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

Rishu Bansal
Partner
Membership No.520759
Date: 18th May,2018
Place: New Delhi

N.C. AGGARWAL & CO. * CHARTERED ACCOUNTANTS * New Delhi

ANNEXURE-1 TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of **JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED** on the accounts for the year ended 31st March, 2018)

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

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

   (c) The Company does not own any immovable property. Hence, para 1(c) of the order for reporting on title deed of immovable property held in name of the Company is not applicable.

2. As explained to us, the management during the year has physically verified inventories. In our opinion, the frequency of verification is reasonable. The discrepancies noticed during physical verification of inventories as compared to book records were not material and the same have been properly dealt with in the books of account.

3. According to the information and the explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the order are not applicable to the company and hence not commented upon.

4. The Company has not granted any loans or given any guarantee and security covered under Section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iv) of the order are not applicable to the company and hence not commented upon.

5. According to the information given to us, the Company has not accepted any deposits under the provisions of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the companies Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time. No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.

6. To the best of our knowledge and as explained, the maintenance of cost records as specified by the Central Government under sub-section (l) of section 148 of the Companies Act, 2013 is not applicable to the company.

7. (a) Undisputed statutory dues including provident fund, employee' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.

N.C. AGGARWAL & CO. New Delhi CHARTERED ACCOUNTANTS

(b) According to the information and explanations given to us, there are no material dues in respect of income tax and sales tax which have not been deposited with the appropriate authorities on account of any dispute. To the best of our knowledge and as explained, the Company does not have any other statutory dues i.e. wealth tax, service tax, duty of customs, duty of excise and value added tax as mentioned in para (vii) (b) of the Order.

8. In our opinion, on the basis of books and records examined by us and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks. The company does not have any dues payable to financial institutions or government or debenture holders.

9. The Company has not raised any money by way of initial public offer or further public offer or debt instruments. In our opinion, and according to the information and explanation given to us, the term loans have been applied for the purposes for which they were raised, other than temporary deployment pending allocation.

10. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company or by its officers or employees during the year.

11. The Company has not paid any managerial remuneration under the provisions of Section 197 read with Schedule V of the Companies Act, 2013. Accordingly, provisions of clause 3 (xi) of the Order are not applicable to the Company.

12. The company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13. According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Act, and where applicable the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. The Company has not made any preferential allotment or private allotment of shares or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.

15. The Company has not entered into any non-cash transactions with the directors or persons connected with him as covered under Section 192 of the Companies Act, 2013. Accordingly, provisions of clause 3 (xv) of the Order are not applicable to the Company.

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

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

Rishu Bansal
Partner
Membership No.520759
Date: 18th May,2018
Place: New Delhi

N.C. AGGARWAL & CO. * CHARTERED ACCOUNTANTS * New Delhi

ANNEXURE-2 TO INDEPENDENT AUDITORS' REPORT

Annexure referred to in our report of even date to the members of JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED on the accounts for the year ended 31st March, 2018

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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

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

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

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

Rishu Bansal
Partner
Membership No.520759
Date: 18th May,2018
Place: New Delhi

N.C. AGGARWAL & CO. ★ CHARTERED ACCOUNTANTS ★ New Delhi

JITF Urban Waste Management (Bathinda) Limited
BALANCE SHEET AS AT MARCH 31, 2018
CIN No.U90001UP2011PLC069571

(Amount in ₹)

	Particulars	Note No	As at March 31, 2018	As at March 31, 2017
	ASSETS			
(1)	**Non-current assets**			
	(a) Property, Plant and Equipment	1	241,568,580	262,255,999
	(b) Capital work-in-progress		398,336	-
	(c) Intangible assets	2	1,095,986	1,548,639
	(d) Financial Assets			
	(i) Other financial assets	3	796,755	810,255
(2)	**Current assets**			
	(a) Inventories	4	13,713,782	885,924
	(b) Financial Assets			
	(i) Trade receivables	5	21,717,436	24,169,505
	(ii) Cash and cash equivalents	6	16,827,708	15,742,192
	(c) Current tax assets (Net)	7	3,139,367	2,194,528
	(d) Other current assets	8	2,478,108	1,699,066
	TOTAL ASSETS		**301,736,058**	**309,306,108**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	9	576,560	576,560
	(b) Other Equity		(162,316,104)	(44,957,982)
	Liabilities			
(1)	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	10	406,930,112	236,111,640
	(ii) Other financial liabilities	11	2,617,311	1,790,911
	(b) Provisions	12	519,845	-
(2)	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	13	-	33,500,000
	(ii) Trade payables	14	7,590,101	11,679,494
	(iii) Other financial liabilities	15	44,210,929	70,364,480
	(b) Other current liabilities	16	1,593,097	241,005
	(c) Provisions	17	14,207	-
	TOTAL EQUITY AND LIABILITIES		**301,736,058**	**309,306,108**
	Significant accounting policies and notes to financial statements	25		

As per our report of even date attached
For **N.C. Aggarwal & Co.**
Chartered Accountants
Firm Registration No. 003273N

N.C. AGGARWAL & CO. ★ CHARTERED ACCOUNTANTS ★ New Delhi

Rishu Bansal
Partner
M.No. 520759
Place : New Delhi
Dated : 18th May 2018

For and on behalf of the Board of Directors of
JITF Urban Waste Management (Bathinda) Limited

Umesh Chopra
Director
DIN - 05277483

Verinder Singh Luthra
Whole Time Director
DIN - 08079850

JITF Urban Waste Management (Bathinda) Limited

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

(Amount in ₹)

	Particulars	Note No	Year ended March 31, 2018	Year ended March 31, 2017
I	**Revenue from operations**	18	49,834,617	62,254,232
II	Other income	19	2,165,591	79,852
III	**Total Income (I+II)**		**52,000,208**	**62,334,084**
IV	**Expenses**			
	Changes in inventories of finished goods, Stock-in -Trade and work- in-progress	20	(12,827,858)	(885,924)
	Employee benefits expense	21	7,065,693	16,316,988
	Finance costs	22	40,865,996	55,178,401
	Depreciation and amortization expense	23	20,134,347	23,034,419
	Other expenses	24	113,918,296	115,690,563
	Total expenses (IV)		**169,156,474**	**209,334,447**
V	**Profit/(loss) before exceptional items and tax (III- IV)**		**(117,156,266)**	**(147,000,363)**
VI	Exceptional Items		-	-
VII	**Profit/(loss) before tax (V-VI)**		**(117,156,266)**	**(147,000,363)**
VIII	**Tax expense:**			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
	Total Tax Expense (VIII)		-	-
IX	Profit (Loss) for the year (VII-VIII)		**(117,156,266)**	**(147,000,363)**
X	**Other Comprehensive Income**			
	Items that will not be reclassified to profit and loss			
	(i) Re-measurement gains (losses) on defined benefit plans		(201,856)	167,818
	(ii) Income tax effect on above		-	-
	Total Other Comprehensive Income		**(201,856)**	**167,818**
XI	**Total Comprehensive Income for the year (IX+X)(Comprising profit (loss) and other comprehensive income for the year)**		**(117,358,122)**	**(146,832,545)**
XII	**Earnings per equity share**			
	(1) Basic (Amount in ₹)		(9.62)	(12.07)
	(2) Diluted (Amount in ₹)		(9.62)	(12.07)
	Significant accounting policies and notes to financial statements	25		

As per our report of even date attached
For **N.C. Aggarwal & Co.**
Chartered Accountants
Firm Registration No. 003273N

Rupta

Rishu Bansal
Partner
M.No. 520759
Place : New Delhi
Dated : 18th May 2018

N.C. AGGARWAL & CO. ★ CHARTERED ACCOUNTANTS ★ New Delhi

For and on behalf of the Board of Directors of
JITF Urban Waste Management (Bathinda) Limited

Umesh Chopra
Director
DIN - 05277483

Verinder Singh Luthra
Whole Time Director
DIN - 08079850

JITF Urban Waste Management (Bathinda) Limited
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31,2018

A. Equity Share Capital

(Amount in ₹)

As at April 1, 2016	**576,560**
Changes in equity share capital during F.Y.2016-17	-
Balance as at March 31, 2017	**576,560**
Changes in equity share capital during F.Y.2017-18	-
Balance as at March 31, 2018	**576,560**

B. Other Equity

Particulars	Equity component of compound financial instruments*	Zero Coupon Compulsorily Convertible Debentures**	Reserves and Surplus		Items of Other Comprehensive Income	Total
			Securities Premium Reserve	Retained Earnings	Re-measurement of the net defined benefit Plans	
Balance as at April 1, 2016	**13,681,472**	**101,869,000**	**54,725,888**	**(296,495,497)**	**(40,300)**	**(126,259,437)**
Total Comprehensive Income for the year 2016-17	-	-	-	(147,000,363)	-	(147,000,363)
Issue of 0% CCD's	-	228,134,000	-		-	228,134,000
Re-measurements of the net defined benefit Plans	-	-	-	-	167,818	167,818
Balance as at March 31, 2017	**13,681,472**	**330,003,000**	**54,725,888**	**(443,495,860)**	**127,518**	**(44,957,982)**
Total Comprehensive Income for the year 2017-18	-	-	-	(117,156,266)	-	(117,156,266)
Re-measurements of the net defined benefit Plans	-	-	-	-	(201,856)	(201,856)
Balance as at March 31, 2018	**13,681,472**	**330,003,000**	**54,725,888**	**(560,652,126)**	**(74,338)**	**(162,316,104)**

*2,06,600 4% Cummulative Optionally Convertible Preference Shares (COCPS) having face Value of Rs. 100 each and premium of Rs. 400/- on each COCPS alloted on 30th January, 2015. The COCPS Shall be redeemed/converted at the option of the investor after 12 years in 3 equal annual instalments. In case of exercise of option by investor for conversion of COCPS, each COCPS shall be converted into 10 equity shares of Rs. 10/- each. (Net of debt portion of Rs 3,48,92,640)

**1,01,869 Zero Coupon Compulsorily Convertible Debenture of face value of Rs. 1000/- each are convertible into 100 equity shares of Rs. 10/- each for each debenture after the period of 7 years from the date of last tranche of CCD Allotment i.e. 9th January 2013 or long stop date i.e 24th October, 2013 whichever is earlier. A fresh 2,28,134 Zero Coupon Compulsorily Convertible Debenture of face value of Rs. 1000/- each issued on 1st March 2017 are convertible into 100 equity shares of Rs. 10/- each for each debenture after the period of 7 years from the date of Allotment.

The accompanying notes forms an integral part of these financial statements.

As per our report of even date attached

For **N.C. Aggarwal & Co.**
Chartered Accountants
Firm Registration No. 003273N

Rishu Bansal
Partner
M.No. 520759
Place : New Delhi
Dated : 18th May 2018

N.C. AGGARWAL & CO. ★ CHARTERED ACCOUNTANTS ★ New Delhi

For and on behalf of the Board of Directors of
JITF Urban Waste Management (Bathinda) Limited

Umesh Chopra
Director
DIN - 05277483

Verinder Singh Luthra
Whole Time Director
DIN - 08079850

JITF Urban Waste Management (Bathinda) Limited

Statement of cash flows for the year ended March 31, 2018

(Amount in ₹)

PARTICULARS	Year ended March 31, 2018		Year ended March 31, 2017	
A. CASH INFLOW (OUTFLOW) FROM THE OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS		(117,156,266)		(147,000,363)
Adjustments for :				
Add/(Less)				
Depreciation	20,134,347		23,034,419	
Interest Expenses	39,330,252		53,304,534	
Interest Income	-	59,464,599	(79,852)	76,259,101
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(57,691,667)		(70,741,262)
Adjustments for :				
Inventories	(12,827,858)		(885,924)	
Trade Receivables	2,452,069		(10,220,106)	
Loans and advances and other assets	(765,542)		(366,568)	
Trade and Other Payables	(27,586,061)	(38,727,392)	(162,427)	(11,635,025)
CASH GENERATED FROM OPERATIONS BEFORE EXCEPTIONAL ITEMS		(96,419,059)		(82,376,287)
Tax Paid		(944,839)		1,371,783
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES		(97,363,898)		(81,004,504)
B. CASH INFLOW/(OUTFLOW) FROM INVESTMENT ACTIVITIES				
Sale/(Purchase) of Property, Plant & Equipment	607,389		94,242,171	
Interest Received	-		366,815	
NET CASH INFLOW/(OUTFLOW)FROM INVESTING ACTIVITIES		607,389		94,608,986
C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES				
Interest paid	(39,476,447)		(36,009,077)	
Loan Repaid to Subsidiary	(33,500,000)		-	
Increase/(Decrease) in Short Term Borrowings	-		51,284,738	
Increase/(Decrease) in Long Term Borrowings	170,818,472		(28,749,000)	
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		97,842,025		(13,473,339)
NET CHANGES IN CASH AND CASH EQUIVALENTS		1,085,516		131,143
Cash and cash equivalents at beginning of the year		15,742,192		15,611,049
Cash and cash equivalents at end of the year		16,827,708		15,742,192

NOTE:

1. Increase/(decrease) in long term and short term borrowings are shown net of repayments.
2. Figures in bracket indicates cash out flow.
3. The above cash flow statement has been prepared under the indirect method set out in IND AS - 7 'Statement of Cash Flows'
4. The accompanying notes forms an integral part of these financial statements.

As per our report of even date attached

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

Rupta

Rishu Bansal
Partner
M.No. 520759
Place : New Delhi
Dated : 18th May 2018

N.C. AGGARWAL & CO. * CHARTERED ACCOUNTANTS * New Delhi

For and on behalf of the Board of Directors of
JITF Urban Waste Management (Bathinda) Limited

Umesh Chopra
Director
DIN - 05277483

Verinder Singh Luthra
Whole Time Director
DIN - 08079850

JITF Urban Waste Management (Bathinda) Limited
Notes to Financial Statements

1. Property, Plant and Equipment

(Amount in ₹)

Particulars	Buildings	Plant and Equipment	Office Equipments	Furniture and Fixtures	Vehicles	Computer	Total
Gross Block							
As at April 1, 2016	**137,739,584**	**128,508,963**	**1,031,800**	**41,339**	**33,262,252**	**941,804**	**301,525,742**
Additions	-	5,482,986	-	-	-	-	5,482,986
Disposal/Adjustments	-	-	-	-	-	-	-
As at March 31, 2017	**137,739,584**	**133,991,949**	**1,031,800**	**41,339**	**33,262,252**	**941,804**	**307,008,728**
Additions	-	105,730	10,000	-	-	-	115,730
Disposal/Adjustments	-	1,287,916	-	-	-	-	1,287,916
As at March 31, 2018	**137,739,584**	**132,809,763**	**1,041,800**	**41,339**	**33,262,252**	**941,804**	**305,836,542**
Accumulated Depreciation							
As at April 1, 2016	**1,957,112**	**9,851,650**	**407,172**	**25,251**	**9,545,787**	**364,544**	**22,151,516**
Charge for the year	5,819,294	11,384,750	283,502	12,618	4,890,506	210,543	22,601,213
Disposal/Adjustments	-	-	-	-	-	-	-
As at March 31, 2017	**7,776,406**	**21,236,400**	**690,674**	**37,869**	**14,436,293**	**575,087**	**44,752,729**
Charge for the year	5,819,294	8,561,820	213,820	1,104	4,890,506	186,718	19,673,262
Disposal/Adjustments	-	166,455	(8,426)	-	-	-	158,029
As at March 31, 2018	**13,595,700**	**29,631,765**	**912,920**	**38,973**	**19,326,799**	**761,805**	**64,267,962**
Net carrying amount							
As at March 31, 2016	**135,782,472**	**118,657,313**	**624,628**	**16,088**	**23,716,465**	**577,260**	**279,374,226**
As at March 31, 2017	**129,963,178**	**112,755,549**	**341,126**	**3,470**	**18,825,959**	**366,717**	**262,255,999**
As at March 31, 2018	**124,143,884**	**103,177,998**	**128,880**	**2,366**	**13,935,453**	**179,999**	**241,568,580**

2. Intangible Assets

Particulars	Software
Gross Block	
As at April 1, 2016	**2,242,722**
Additions	174,840
Disposal/Adjustments	-
As at March 31, 2017	**2,417,562**
Additions	-
Disposal/Adjustments	-
As at March 31, 2018	**2,417,562**
Accumulated Depreciation	
As at April 1, 2016	**435,717**
Charge for the year	433,206
Disposal/Adjustments	-
As at March 31, 2017	**868,923**
Charge for the year	461,085
Disposal/Adjustments	8,432
As at March 31, 2018	**1,321,576**
Net carrying amount	
As at March 31, 2016	**1,807,005**
As at March 31, 2017	**1,548,639**
As at March 31, 2018	**1,095,986**

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JITF Urban Waste Management (Bathinda) Limited
Notes to Financial Statements

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
3. Other non-current financial assets		
Security Deposits		
- Unsecured, considered good	796,755	810,255
Total Other non current financial assets	**796,755**	**810,255**
4. Inventories		
Work-in-progress	4,028,762	-
Finished goods	9,685,020	885,924
Total Inventories	**13,713,782**	**885,924**
5. Trade receivables		
Unsecured		
Considered good	21,717,436	24,169,505
Total Trade Receivables	**21,717,436**	**24,169,505**
6. Cash and cash equivalents		
Balances with Banks		
On current accounts	16,827,708	15,741,082
Cash on hand	-	1,110
Total Cash and Cash equivalents	**16,827,708**	**15,742,192**
7. Current tax assets (net)		
Advance taxation	3,139,367	2,194,528
Total Current Tax Assets	**3,139,367**	**2,194,528**
8. Other current assets		
Advances to vendors	622,361	546,412
Advance to Employees	1,652,969	1,082,468
Other receivables	202,778	70,186
Total Other Current Assets	**2,478,108**	**1,699,066**
9. Equity Share Capital		
Authorised		
1,00,000 Equity shares of Rs. 10/- each	1,000,000	1,000,000
2,50,000 Preference Shares of Rs. 100/- each	25,000,000	25,000,000
	26,000,000	**26,000,000**
Issued		
57,656 Equity shares of Rs. 10/- each fully paid up	576,560	576,560
	576,560	**576,560**
Subscribed and fully paid-up		
57,656 Equity shares of Rs. 10/- each fully paid up	576,560	576,560
	576,560	**576,560**
4% Cumulative Optionally Convertible Preference Shares (COCPS)		
2,06,600 Preference Shares of Rs.100/- each fully paid up	20,660,000	20,660,000
	20,660,000	**20,660,000**
(a) Reconciliation of the number of shares:		
Equity shares		
Shares outstanding as at the beginning of the year	57,656	57,656
Shares outstanding as at the end of the year	**57,656**	**57,656**
4% Cumulative Optionally Convertible Preference Shares (COCPS)*		
Shares outstanding as at the beginning of the year	206,600	206,600
Shares outstanding as at the end of the year	**206,600**	**206,600**

*2,06,600 4% Cummulative Optionally Convertible Preference Shares (COCPS) having face value of Rs. 100/- each and premium of Rs. 400/- each alloted on 30th January, 2015. These will be redeemed/converted at the option of the investor after 12 years in 3 equal annual instalments. In case of exercise of option by investor for conversion of COCPS, each COCPS shall be converted into 10 equity shares of Rs 10/- each.

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JITF Urban Waste Management (Bathinda) Limited
Notes to Financial Statements

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017

(b) Details of shareholders holding more than 5% shares in the company:

Equity Shares

Name of Equity Shareholders	As March 31, 2018		As March 31, 2017	
	No. of shares	% of holding	No. of shares	% of holding
JITF Urban Infrastructure Limited*	51890	90	51890	90
Ladurner Impianpi S.R.L Italia	5766	10	5766	10
Total	57656	100	57656	100

* Including 6 Shares held by Person/Companies as nominees of JITF Urban Infrastructure Limited

Preference Shares

Name of COCPS Shareholder	As March 31, 2018		As March 31, 2017	
	No. of shares	% of holding	No. of shares	% of holding
JITF Urban Infrastructure Limited	206600	100	206600	100
Total	206600	100	206600	100

(c) Terms/Rights attached to shares

Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per equity share. Each equity shareholder is entitled to one vote per share.

Preference Shares

Preference shareholder (COCPS) would be entitled to vote only on issues relating to COCPS.

(d) Nature and Purpose of Reserves

Security premium account is created when shares are issued at premium. The Company may issue fully paid-up bonus shares to its members out of the security premium reserve account and can use this reserve for buy-back of shares.

Retained Earnings represent the undistributed profits of the Company.

Other Comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into i). Items that will not be reclassified to profit and loss ii). Items that will be reclassified to profit and loss.

NON CURRENT LIABILITIES

10. Non Current borrowings

Particulars	As at March 31, 2018	As at March 31, 2017
a) Secured		
(i) Term Loan from banks	153,304,000	201,219,000
Secured Non Current borrowings	**153,304,000**	**201,219,000**

(i) Term loan from Punjab National Bank of Rs.19,16,36,000/- (including Rs 3,83,32,000 shown in current maturity) as on 31st March 2018 & Rs.23,95,51,000/- (including Rs 3,83,32,000 shown in current maturity) as on 31st March 2017 carries interest @ 13.75% repayable in 28 quarterly equal installments from July, 2016. Loan is Secured by way of hypothecation of all movable fixed assets both, present or future and pledge of Compulsory Convertible Debentures having face value of Rs. 10.18/- crores held by JITF Urban Infrastructure Ltd. Loan is also secured by corporate guarantee of Jindal ITF Limited and JITF Urban Infrastructure Limited.

(ii) There is no default in repayment of principal and interest thereon.

Particulars	As at March 31, 2018	As at March 31, 2017
b) Unsecured		
Liability Component of Compound Financial Instrument (COCPS)	34,892,640	34,892,640
Loans from related parties *	218,733,472	-
Unsecured Non Current borrowings	**253,626,112**	**34,892,640**
Total Non Current Borrowings	**406,930,112**	**236,111,640**

* Refer Note no 25.10 for details of Loan from related party.

11. Other non-current financial liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for interest on COCPS *	2,617,311	1,790,911
Total other non-current financial liabilities	**2,617,311**	**1,790,911**

* Refer Note no 25.10 for details of interest on COCPS

JITF Urban Waste Management (Bathinda) Limited

Notes to Financial Statements

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
12. Provisions		
Provision for Employee benefits		
- Gratuity	277,103	-
- Leave Encashment	242,742	-
Total Long term Provisions	**519,845**	**-**
13. Current borrowings		
Unsecured		
Loans from related parties *	-	33,500,000
Total current borrowings	**-**	**33,500,000**

* Refer Note no 25.10 for details of Loan from related party.

Particulars	As at March 31, 2018	As at March 31, 2017
14. Trade payables		
Trade payables (including acceptances)*	7,590,101	11,679,494
Total Trade payables	**7,590,101**	**11,679,494**

*There are no Micro and Small Enterprises, to whom the Company owes dues as at 31st March 2018. This Information as Required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006 has been Determined to the extent such Parties have been Identified on the basis of information available with the Company.

Particulars	As at March 31, 2018	As at March 31, 2017
15. Other current financial liabilities		
Current Maturities of Long Term debts-Secured	38,332,000	38,332,000
Interest Accrued and due	2,383,989	2,797,496
Capital Creditors	563,149	6,982,635
Security Deposit	15,000	15,000
Payable to related parties *	48,600	17,339,402
Interest Payable	-	146,195
Other outstanding financial liabilities	2,553,720	4,727,601
Dues to Employees	314,471	24,151
Total other financial liabilities	**44,210,929**	**70,364,480**

* Refer Note no 25.10 for details of Loan from related party.

Particulars	As at March 31, 2018	As at March 31, 2017
16. Other current liabilities		
Statutory Dues	1,593,097	241,005
Total other current liabilities	**1,593,097**	**241,005**
17. Current provisions		
Provision for Employee benefits		
- Gratuity	4,538	-
- Leave Encashment	9,669	-
Total current provisions	**14,207**	**-**

(Amount in ₹)

	Year ended March 31, 2018	Year ended March 31, 2017
18. Revenue from operations		
a) Sale of products		
Finished goods	1,367,057	1,469,988
Total Sale of products	**1,367,057**	**1,469,988**
b) Sale of Services		
Tipping Fee	35,958,511	38,680,714
User Collection Revenue	12,509,049	22,103,530
Total Sale of Services	**48,467,560**	**60,784,244**
Total Revenue from operations	**49,834,617**	**62,254,232**

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JITF Urban Waste Management (Bathinda) Limited
Notes to Financial Statements

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
19. Other income		
Interest Income	-	79,852
Other Non Operating Income	2,165,591	-
Total other income	**2,165,591**	**79,852**
20. Changes in inventories of finished goods, stock-in-trade and work-in-progress		
Opening Stock		
-Finished Goods	885,924	-
	885,924	**-**
Closing Stock		
-Finished Goods	9,685,020	885,924
-Work in Progress	4,028,762	-
	13,713,782	**885,924**
Net (Increase)/Decrease In Stock	**(12,827,858)**	**(885,924)**
Total (Increase)/Decrease in Stock	**(12,827,858)**	**(885,924)**
21. Employee benefit expenses		
Salary and Wages	6,219,609	14,506,105
Contribution to Provident and other funds	396,797	912,871
Workmen & Staff welfare expenses	449,287	898,012
Total Employee benefit expenses	**7,065,693**	**16,316,988**
22. Finance Cost		
a) Interest Expense		
- on Term loans	29,180,264	35,941,195
- Other Interest	10,149,988	17,363,339
- Interest on fair valuation of financial Instrument	826,400	826,400
b) Bank and Finance charges	709,344	1,047,467
Total Finance Cost	**40,865,996**	**55,178,401**
23. Depreciation and amortisation		
Depreciation	19,673,262	22,601,212
Amortisation	461,085	433,207
Total Depreciation and amortisation	**20,134,347**	**23,034,419**
24. Other expenses		
Stores and Spares Consumed	2,723,370	2,259,868
Power and Fuel	11,479,319	10,340,097
Tipping Fee Paid	70,084,721	78,477,287
Wieghment Charges	971,219	1,095,160
Transportation Cost	224,641	445,973
Hire Charges	6,435,260	6,088,338
Repairs to Buildings	-	20,736
Repairs to Plant and Machinery	4,606,914	4,445,172
Rent	135,332	287,861
Rates and Taxes	122,765	1,578,942
Insurance	448,529	442,626
Repair and Maintenance-Others	373,525	506,541
Travelling and Conveyance	970,004	652,451
Vehicle Upkeep and Maintenance	45,495	-
Postage and Telephones	348,049	483,927
Legal and Professional Fees	9,223,297	3,079,591
Security Expenses	1,994,120	-
Electricity Expenses	2,486,815	694,743
Auditors' Remuneration	35,760	48,360
Advertisement	14,400	50,576
Other Selling Expenses	234,858	993,654
Loss on Sale/Discard of Fixed Assets	1,203	
Net foreign currency (gain)/loss - operating expenses	23,888	
Miscellaneous Expenses	934,812	3,698,660
Total other expenses	**113,918,296**	**115,690,563**

JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED
Statement of Significant Accounting Policies & Notes to Financial Statements
Note No-25

1. Corporate and General Information

JITF Urban Waste Management (Bathinda) Limited is a Company incorporated on 23rd August, 2011 with the main object to develop and implement a viable and environmentally sustainable MSW management to scientifically manage the collection, transportation, processing and disposal of MSW and gainfully utilize it to produce compost, Refuse Derived Fuel ("RDF") and/or power, and dispose-off the residual matter in an environmentally benign manner by Developing, Constructing, Operating and Maintaining an Integrated Municipal Solid Waste Management Projects for Bathinda Cluster in Punjab.

The company has carried out operational of collection and transportation of Municipal solid waste during the Financial Year 2017-18 has commenced processing and disposal of solid waste in the form of RDF and Compost.

2. Basis of preparation

The Annual financial statement have been prepared complying with all Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2015.

The Significant accounting policies used in preparing the financial statements are set out in Note no. 25.3 of the Notes to these Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 25.4 on critical accounting estimates, assumptions and judgements).

3.0 Significant Accounting Policies

3.1 Basis of Measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention except following which have been measured at fair value:

- financial assets and liabilities except certain Investments and borrowings carried at amortised cost,
- defined benefit plans – plan assets measured at fair value,

The financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency and all amounts are rounded to the nearest rupee thereof, except as stated otherwise.

3.2 Property, Plant and equipment

On transition to IND AS, the Company has adopted exception for property, plant and equipment at fair value and subsequently Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Assets are depreciated to the residual values on a straight line basis over the estimated useful lives based on technical estimates. Assets residual values and useful lives are reviewed at each financial year end considering the physical condition of the assets and benchmarking analysis or whenever there are indicators for review of residual value and useful life. Freehold land is not depreciated. Estimated useful lives of the assets are as follows:

Category of Assets	Years
Building	
- Building	25
Equipment & Machinery	
- Plant & Machinery	5-15
Other Office Equipments	
- Computer equipment	3-5
- Office equipment	3-8
- Furniture & fixture	5
- Vehicles	8-10

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The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

3.3 Intangible Assets

Identifiable intangible assets are recognised a) when the Company controls the asset, b) it is probable that future economic benefits attributed to the asset will flow to the Company and c) the cost of the asset can be reliably measured.

Computer software's are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license, generally not exceeding five years on straight line basis. The assets' useful lives are reviewed at each financial year end.

3.4 Impairment of non-current assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use).The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

3.5 Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents include, outstanding bank overdrafts shown within the borrowings in current liabilities in the Balance Sheet and which are considered an integral part of the Company's cash management.

3.6 Inventories

Inventories are valued at the lower of cost and net realizable value except scrap, which is valued at net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost is computed on the weighted average basis.

3.7 Employee benefits

Employee benefit i.e. contribution to provident fund, leave encashment and gratuity is reimbursed to holding company on cost to cost basis and treated as defined contribution.

3.8 Foreign currency reinstatement and translation

(a) Functional and presentation currency

Financial statements have been presented in Indian Rupees, which is the Company's functional and presentation currency.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in profit or loss. Differences arising on settlement of monetary items are also recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. Exchange component of the gain

New Delhi
CHARTERED ACCOUNTANTS

or loss arising on fair valuation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to such exchange difference.

3.9 Financial instruments – initial recognition, subsequent measurement and impairment

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

a) Financial Assets

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

i. Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognised in provision for impairment and the change in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income

b) Financial Liabilities

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss.

i. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

ii. Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR") except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

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Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.10 Compound financial instruments

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

3.11 Equity share capital

Ordinary shares are classified as equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

3.12 Borrowing costs

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

3.13 Taxation

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised

AGARWAL & CO. New Delhi CHARTERED ACCOUNTANTS for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

3.14 Revenue recognition and other operating income

Sale of goods

Revenue for sale of Refused Derived Fuel (RDF) and compost is recognized at the fair value of consideration received or receivable and represents the net invoice value of goods supplied to third parties after deducting discounts, volume rebates and are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. There is no excise duty and sale tax on RDF and compost at present on sales made as per state government notification/policy.

Sale of services-job work

Revenue for collection and transportation of Municipal solid waste i.e. tipping Fees including unbilled revenue is recognised on accrual basis.

Other Income

Interest

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

3.15 Earnings per share

Basic earnings per share are computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.16 Provisions and contingencies

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 equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

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3.17 Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
b) Held primarily for the purpose of trading,
c) Expected to be realised within twelve months after the reporting period, or
d) 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 classified as current when:

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

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

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

3.18 Recent Ind AS Pronouncement

Standards issued but not yet effective

Ind AS 115 - Revenue from Contracts with Customers
In March 2018, the Ministry of Corporate Affairs had notified Ind AS 115 (Revenue from Contracts with Customers) which would be applicable for accounting periods beginning on or after 1 April 2018. This Standard establishes the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. Revenue is recognised when a customer obtains control of a promised good or service. The standard replaces Ind AS 18 Revenue and Ind AS 11 Construction contracts and related appendices.

The Company is in the process of assessing the detailed potential impact of Ind AS 115, Revenue from Contracts with Customer on its financial statements and related disclosures. Presently, the Company is not able to reasonably estimate the impact that application of Ind AS 115 is expected to have on its financial statements.

Appendix B to Ind AS 21 Foreign currency transactions and advance consideration
In March 2018, the Ministry of Corporate Affairs (MCA) has notified Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which would be applicable for accounting periods beginning on or after 1 April 2018. The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

Presently the Company is not able to reasonably estimate the impact of the application of the appendix B on the financial statements.

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4. Critical accounting estimates, assumptions and judgements

In the process of applying the Company's accounting policies, management has made the following estimates,assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

(a) Property, plant and equipment

External adviser or internal technical team assess the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable.

On transition to IND AS, the Company has adopted optional exemption under Ind AS 101 for fair valuation of property, plant and equipment, impact of fair valuation is provided in Note no 16, subsequent to fair valuation depreciation has been charged on fair valued amount less estimated salvage value. Therefore, the estimates and assumptions made to determine their carrying value and related depreciation are critical to the Company's financial position and performance.

(b) Intangibles

Internal technical or user team assess the remaining useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

(c) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

(d) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(e) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

(f) *Insurance claims*

Insurance claims are recognised when the Company have reasonable certainty of recovery. Subsequently any change in recoverability is provided for.

5.0 Financial risk management

5.1 Financial risk factors

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks:

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i) Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices risk applicable to the company is interest rate risk i.e Financial instruments affected by market risk include loans and borrowings, deposits, investments. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as of March 31, 2018 and March 31, 2017.

ii) Credit risk
Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

iii) Liquidity risk.
Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

Risk management is carried out by the treasury department under policies approved by the board of directors. The treasury team identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, and investment of excess liquidity.
Market Risk

Interest rate risk is shown separately in separate table i.e interest rate sensitivity. There is no commodity or foreign exchange fluctuation risk to the company.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, interest rates.

(a) Interest rate risk and sensitivity

With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings and loans on which interest rate swaps are taken.

(Amount in ₹)

Particulars	Increase/Decrease in basis points	Effect on profit before tax
For the year ended March 31, 2018		
INR Borrowings	+50	(898,713)
	-50	898,713
For the year ended March 31, 2017		
INR Borrowings	+50	(1,138,288)
	-50	1,138,288

(b) Commodity price risk and sensitivity

The Company is not exposed to the movement in price of key raw materials.

Credit risk
The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, mutual funds and financial institutions and other financial instruments.

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- Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The ageing of unsecured trade receivable is as below:

(Amount in ₹)

Particulars	Neither due nor impaired	Past due but			Total
		upto 6 months	6 to 12 months	Above 12 months	
As at March 31, 2018					
Trade Receivable	6,053,765	13,228,719	2,084,212	350,740	21,717,436
As at March 31, 2017					
Trade Receivable	3,685,726	17,138,802	3,042,378	302,599	24,169,505

- Financial instruments and cash deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

Liquidity risk

The Company's objective is to; at all times maintain optimum levels of liquidity to meet its cash and collateral requirements.. In case of temporary short fall in liquidity to repay the bank borrowing/operational short fall , the company uses mix of capital infusion and borrowing from its holding company. However, the company envisage that such short fall is temporary and the company would generate sufficient cash flows as per approved projections.

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

(Amount in ₹)

Particular	Carrying Amount	On Demand	Less Than 6 Months	6 to 12 Months	>1 Years	Total
As at March 31, 2018						
Interest Bearing Borrowing	445,262,112	-	19,166,000	19,166,000	406,930,112	445,262,112
Other Liabilities	8,496,240	48,600	5,830,329	-	2,617,311	8,496,240
Trade And Other Payables	7,590,101	-	7,590,101	-	-	7,590,101
Total	**461,348,453**	**48,600**	**32,586,430**	**19,166,000**	**409,547,423**	**461,348,453**

Particular	Carrying Amount	On Demand	Less Than 6 Months	6 to 12 Months	>1 Years	Total
As at March 31, 2017						
Interest Bearing Borrowing	307,943,640	33,500,000	19,166,000	19,166,000	236,111,640	307,943,640
Other Liabilities	33,823,391	17,485,597	14,546,883	-	1,790,911	33,823,391
Trade And Other Payables	11,679,494	-	11,679,494	-	-	11,679,494
Total	**353,446,525**	**50,985,597**	**45,392,377**	**19,166,000**	**237,902,551**	**353,446,525**

The Company is required to maintain ratios (including total debt to EBITDA / net worth, EBITDA to gross interest, debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels.

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Interest rate and currency of borrowings

The below table demonstrate the borrowing of fixed and floating rate of interest

(Amount in ₹)

Particulars	Total Borrowing	Floating rate borrowing	Fixed rate borrowing	Weighted Average rate
INR	445,262,112	191,636,000	253,626,112	
Total as on March 31, 2018	**445,262,112**	**191,636,000**	**253,626,112**	**11.71%**
INR	307,943,640	239,551,000	68,392,640	
Total as on March 31, 2017	**307,943,640**	**239,551,000**	**68,392,640**	**12.48%**

Competition and price risk

The project of Municipal solid waste is supported from state government. At present there is no risk of competition. The company envisages upgrading its expertise to meet the need of customer.

Capital risk management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued capital, compulsorily convertible debentures, share premium and all other equity reserves.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. Net debt is calculated as loans and borrowings less cash and cash equivalents.

The Gearing ratio for FY 2017-18 and 2016-17 is an under.

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Loans And Borrowings	445,262,112	307,943,640
Less: Cash And Cash Equivalents	16,827,708	15,742,192
Net Debt	**428,434,404**	**292,201,448**
Equity	(161,739,544)	(44,381,422)
Total Capital	**266,694,860**	**247,820,026**
Gearing Ratio	**160.65%**	**117.91%**

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6. Fair value of financial assets and liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

(Amount in ₹)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets designated at amortised cost				
Cash and bank balances	16,827,708	16,827,708	15,742,192	15,742,192
Trade and other receivables	21,717,436	21,717,436	24,169,505	24,169,505
Other financial assets	796,755	796,755	810,255	810,255
Total	**39,341,899**	**39,341,899**	**40,721,952**	**40,721,952**
Financial liabilities designated at amortised cost				
Borrowings- fixed rate	253,626,112	253,626,112	68,392,640	68,392,640
Borrowings- floating rate	191,636,000	191,636,000	239,551,000	239,551,000
Trade and other payables	7,590,101	7,590,101	11,679,494	11,679,494
Other financial liabilities	8,496,240	8,496,240	33,823,391	33,823,391
Total	**461,348,453**	**461,348,453**	**353,446,525**	**353,446,525**

Fair Valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
The following methods and assumptions were used to estimate the fair values:

1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
2) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.
3) IND AS 101 allow Company to fair value property, plant and machinery on transition to IND AS, the Company has fair valued property, plant and equipment, and the fair valuation is based on replacement cost approach.

Fair Value hierarchy

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

- Quoted prices / published NVA (unadjusted) in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value(NAV) is published mutual fund operators at the balance sheet date.

- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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Fair value hierarchy

During the Financial Year 2016-17 and comparative 2015-16 there is no financial assets and liability where fair value is required to be done as per IND AS.

Liabilities for which fair value is disclosed

(Amount in ₹)

Particulars	As at March 31, 2018		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings- fixed rate		253,626,112	
Other financial liabilities		8,496,240	
Particulars	**As at March 31, 2017**		
	Level 1	**Level 2**	**Level 3**
Financial liabilities			
Borrowings- fixed rate		68,392,640	
Other financial liabilities		33,823,391	

a) **Liabilities for which fair value is disclosed**

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial liabilities			
Other borrowings- fixed rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market, Future payouts
Other financial liabilities	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows

7. Segment information

Information about primary segment

The Company is engaged primarily into Municipal solid waste project. The Company's primary segment as identified by management is Municipal solid waste product. The company operates into one primary segment.
Segments have been identified taking into account nature of product and differential risk and returns of the segment.

Information about Geographical Segment – Secondary

The Company's operations are located in India and company's product is also sold in India. Therefore, there is no geographical segment.

8. Retirement benefit obligations

i. **Expense recognised for Defined Contribution plan**

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Company's contribution to provident fund	396,797	912,871
Company's contribution to ESI	-	-
Company's contribution to superannuation fund	-	-
Total	**396,797**	**912,871**

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ii. Movement in Defined Benefit Obligation

(Amount in ₹)

Particulars	Gratuity (funded)	leave encashment (unfunded)
Present value of obligation - April 1, 2017	-	-
Current service cost	96,084	252,411
Interest cost	-	-
Benefits paid	-	-
Acquisitions / Transfer in/ Transfer out	93,805	-
Remeasurements - actuarial loss/ (gain)	201,095	-
Present value of obligation - March 31, 2018	390,984	252,411
Present value of obligation - April 1, 2016	-	-
Current service cost	-	-
Interest cost	-	-
Benefits paid	-	-
Acquisitions / Transfer in/ Transfer out	-	-
Remeasurements - actuarial loss/ (gain)	-	-
Present value of obligation - March 31, 2017	-	-

iii. Movement in Plan Assets – Gratuity

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Fair value of plan assets at beginning of year	-	-
Expected return on plan assets	6,299	-
Acquisitions / Transfer in/ Transfer out	93,805	
Employer contributions	10,000	-
Benefits paid	-	-
Actuarial gain / (loss)	(762)	-
Fair value of plan assets at end of year	109,342	-
Present value of obligation	390,984	-
Net funded status of plan	(281,642)	-
Actual return on plan assets	5,538	-

iv. Recognised in profit or loss

(Amount in ₹)

Particulars	Gratuity	Compensated absence
Current Service cost	96,084	252,411
Interest cost	-	-
Expected return on plan assets	(6,299)	-
Remeasurement - Actuarial loss/(gain)	-	-
Past service cost	-	-
For the year ended March 31, 2018	89,785	252,411
Current Service cost	-	-
Interest cost	-	-
Expected return on plan assets	-	-
Remeasurement - Actuarial loss/(gain)	-	-
Past service cost	-	-
For the year ended March 31, 2017	-	-
Actual return on plan assets	5,538	

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v. **Recognised in Other Comprehensive Income**

(Amount in ₹)

Particulars	Gratuity
Remeasurement - Actuarial loss/(gain)	201,856
For the year ended March 31, 2018	201,856
Remeasurement - Actuarial loss/(gain)	-
For the year ended March 31, 2017	-

vi. **The principal actuarial assumptions used for estimating the Group's defined benefit obligations are set out below:**

Weighted average actuarial assumptions	As at March 31, 2018	As at March 31, 2017
Attrition rate		
Discount Rate	7.75 % per annum	-
Expected Rate of increase in Compensation levels	6.50 % per annum	-
Expected Rate of Return on Plan Assets	7.75% per annum	-
Mortality rate	IALM 2006-08 Ultimate	-
Expected Average remaining working lives of employees (years)	23.7 years	-

vii. **Estimate of expected Benefit Payments (in absolute terms i.e. Undiscounted)**

(Amount in ₹)

Particulars	Gratuity
01 Apr 2018 to 31 Mar 2019	67,638
01 Apr 2019 to 31 Mar 2020	31,521
01 Apr 2020 to 31 Mar 2021	35,344
01 Apr 2021 to 31 Mar 2022	12,667
01 Apr 2021 to 31 Mar 2023	20,892
01 Apr 2023 onwards	313,064

viii. **Statement of Employee benefit provision**

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Gratuity	281,641	-
Compensated absences	252,411	-
Total	**534,052**	-

ix. **Current and non-current provision for Gratuity and leave encashment**

For the year ended March 31, 2018 (Amount in ₹)

Particulars	Gratuity	Leave Encashment
Current provision	4,538	9,669
Non-current provision	277,103	242,742
Total Provision	**281,641**	**252,411**

For the year ended March 31, 2017 (Amount in ₹)

Particulars	Gratuity	Leave Encashment
Current provision	-	-
Non-current provision	-	
Total Provision	-	

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x. **Employee benefit expenses**

(Amount in ₹)

Employee benefit expenses	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and Wages	6,219,609	14,506,105
Costs-defined contribution plan	396,797	912,871
Welfare expenses	449,287	898,012
Total	**7,065,693**	**16,316,988**

(Figures in no.)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Average no of people employed	11	-

Note

OCI presentation of defined benefit plan

-Gratuity is in the nature of defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under OCI as Items that will not be reclassified to profit or loss and also the income tax effect on the same.

-Leave encashment cost is in the nature of short term employee benefits.

9. Other disclosures

Auditors Remuneration

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
1. Statutory Auditors		
i. Audit Fee	35,760	34,560
ii. Tax Audit Fee	-	13,800
Total	**35,760**	**48,360**

10. Related party transactions

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are:

Related party name and relationship

1. **Key Managerial personnel**

S. No.	Name	Particulars
1	Mr. Umesh Chopra	Director
2	Mr. Nitesh Kumar Tripathi (Till 28.07.2017)	Director
3	Mr. Verinder Singh Luthra (w.e.f. 07.03.2018)	Whole-Time Director
4	Mr. Neelesh Gupta	Director
5	Mr. Alok Kumar	Director

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2. **Parent, Ultimate Parent, Fellow subsidiaries, direct subsidiaries and fellow step down subsidiaries.**

S. No.	Name of the Entity	Relationship
1	JITF Infralogistics Limited	Ultimate Parent Company
2	JITF Urban Infrastructure Services Limited	Parent Company
3	JITF Urban Infrastructure Limited	Holding Company
4	JITF Water Infrastructure Limited	Fellow Holding
5	Jindal Rail Infrastructure Limited	Fellow Holding
6	JITF Water Infra (Naya Raipur) Limited	Fellow Step down Subsidiary
7	JITF ESIPL CETP (Sitarganj) Limited	Fellow Step down Subsidiary
8	JITF Industrial Infrastructure Development Company Limited	Fellow Step down Subsidiary
9	JITF Urban Waste Management (Jalandhar) Limited	Fellow Subsidiary
10	JITF Urban Waste Management (Ferozepur) Limited	Fellow Subsidiary
11	Jindal Urban Waste Management (Visakhapatnam) Limited	Fellow Subsidiary
12	Jindal Urban Waste Management (Tirupati) Limited	Fellow Subsidiary
13	Jindal Urban Waste Management (Guntur) Limited	Fellow Subsidiary
14	Timarpur-Okhla Waste Management Company Private Limited	Fellow Subsidiary
15	Jindal Urban Waste Management (Jaipur) Limited	Fellow Subsidiary
16	Jindal Urban Waste Management (Jodhpur) Limited	Fellow Subsidiary
17	Jindal Urban Waste Management (Ahmedabad) Limited	Fellow Subsidiary

3. **Joint ventures/ associates of direct and indirect subsidiaries**

S. No.	Name of the Entity	Relationship
1	JWIL-SSIL (JV)	Joint Venture of fellow holding
2	SMC-JWIL(JV)	Joint Venture of fellow holding
3	JWIL-Ranhill (JV)	Joint Venture of fellow holding
4	TAPI-JWIL (JV)	Joint Venture of fellow holding
5	Eldeco SIDCUL Industrial Park Limited	Associate/Joint Venture of fellow holding
6	Ladurner SRL	Associate/Joint Venture of holding company

4. **Trust under control**

S. No.	Name of the Entity	Relationship
1	JITF Urban Infrastructure Limited Employees Group Gratuity Assurance Scheme	Post employment benefit plan
2	JITF Urban Waste Management (Bathinda) Limited Employees Group Gratuity Cash Accumulation Scheme	Post employment benefit plan

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Related Party Transactions

(Amount in ₹)

S.NO.	Particulars	Holding Company		Fellow Subsidiary Company		Entities falling under same promoter group	
		FY 2017-18	FY 2016-17	FY 2017-18	FY 2016-17	FY 2017-18	FY 2016-17
A	**Transactions**						
	Sale of Capital Items						
	Timarpur-Okhla Waste Management Company Private Limited	-	-	1,176,271	-	-	-
	Purchase of Capital Items						
	Timarpur-Okhla Waste Management Company Private Limited	-	-	105,730	-	-	-
	Advance received back/Loan converted during the year						
	JITF Urban Infrastructure Limited	-	99,900,000	-	-	-	-
	Compulsorily Convertible Debentures issued during the year						
	JITF Urban Infrastructure Limited	-	228,134,000	-	-	-	-
	Expenses incurred by others and reimbursed by company						
	JITF Urban Infrastructure Limited	17,602,255	17,011,902	-	-	-	-
	Interest expense						
	JITF Urban Infrastructure Limited	10,148,302	17,311,700	-	-	-	-
	Interest on fair valuation of financial instrument						
	JITF Urban Infrastructure Limited	826,400	826,400	-	-	-	-
	Loan repaid during the year						
	JITF Urban Infrastructure Limited	24,000,000	316,600,000	-	-	-	-
	Loan taken during the year						
	JITF Urban Infrastructure Limited	200,100,000	156,900,000	-	-	-	-
B	**Outstanding balances**						
	Equity Share Capital by Holding						
	JITF Urban Infrastructure Limited	518,900	518,900	-	-	-	-
	Optional Convertible Preference Share by Holding						
	JITF Urban Infrastructure Limited	103,300,000	103,300,000	-	-	-	-
	CCDs Liabilities						
	JITF Urban Infrastructure Limited	330,003,000	330,003,000	-	-	-	-
	Loan payable						
	JITF Urban Infrastructure Limited	218,733,472	33,500,000	-	-	-	-
	Payables						
	JITF Urban Infrastructure Limited	48,600	17,011,902	-	-	-	-
	JITF Urban Infrastructure Limited (OCPS)	2,617,311	1,790,911	-	-	-	-
	JITF Urban Infrastructure Limited (Interest)	-	146,195	-	-	-	-
	Jindal ITF Limited	-	-	-	-	327,500	327,500

11. Earnings per share

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

(Number of shares)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Issued equity shares	**57,656**	**57,656**
Equity shares compulsorily issuable on conversion of CCD	12,124,476	12,124,476
Weighted average shares outstanding - Basic and Diluted - A	**12,182,132**	**12,182,132**

N.C. AGGARWAL & CO. ★ New Delhi ★ CHARTERED ACCOUNTANTS

JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED
Statement of Significant Accounting Policies & Notes to Financial Statements
Note No-25

Net profit / (loss) available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit / (loss) after tax - B	**(117,156,266)**	**(147,000,363)**
Basic Earnings per share (B/A) (₹)	-9.62	-12.07
Diluted Earnings per share (B/A) (₹)	-9.62	-12.07

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

12. The company does not have profit in current year. Therefore, premium on redemption of Optionally Convertible Preference shares as per Section 55 of the Companies Act, 2013 could not be made. The Premium on redemption of Preference shares would be provided for in Profit and Loss account in the year of profit.

13. No deferred tax asset is created in view of the virtual certainty supported by convincing evidence as to the sufficient future taxable profit.

14. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

15. Notes 1 to 25 are annexed to and form an integral part of financial statements.

As per our report of even date attached
For **N.C. Aggarwal & Co.**
Chartered Accountants
Firm Registration No. 003273N

N.C. AGGARWAL & CO. New Delhi CHARTERED ACCOUNTANTS

Rishu Bansal
Partner
M.No. 520759
Place : New Delhi
Dated : 18th May 2018

For and on behalf of the Board of Directors of
JITF Urban Waste Management (Bathinda) Limited

Umesh Chopra
Director
DIN - 05277483

Verinder Singh Luthra
Whole Time Director
DIN - 08079850