

## INDEPENDENT AUDITORS' REPORT

To  
The Members of JITF WATER INFRASTRUCTURE LIMITED

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

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

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

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

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



### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> 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 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Point no. 12 of Notes to financial statements;




**P.C. GOYAL & CO.**  
**CHARTERED ACCOUNTANTS**

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

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

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

  
**(M.P. Jain)**  
Partner  
M. No. 082407  
Dated: 24<sup>th</sup> May, 2018  
Place: New Delhi



**ANNEXURE-1 TO INDEPENDENT AUDITORS' REPORT**

(Annexure referred to in our report of even date to the members of **JITF WATER INFRASTRUCTURE LIMITED** on the accounts for the year ended 31<sup>st</sup> 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 have any immovable property in the name of the Company.

2. As explained to us, the management during the year has physically verified inventories. In our opinion, the frequency of verification is reasonable. However, the same needs to be improved to cover all items for traded goods and consumables keeping in view the size of the company. 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 granted unsecured loans to the company covered in the register maintained under section 189 of the Companies Act 2013.

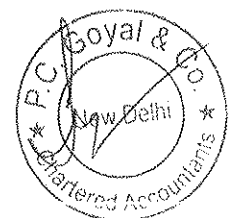
(a) As the aforesaid loan including interest accrued thereon is repayable on demand and therefore, the question of irregularity of payment does not arise.

(b) The aforesaid loan is repayable on demand and therefore, the question of overdue amount does not arise.

However, the company has not given any loan to firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of granting loans and making investments. The Company has not provided any guarantee and security in terms of Section 185 and 186 of the Companies Act, 2013.

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 31<sup>st</sup> March, 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues in respect of sales-tax, wealth tax, service tax, duty of customs, duty of excise and value added tax wherever applicable to the company which have not been deposited with the appropriate authorities on account of any dispute. The due in respect of Service tax and vat that have not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending is given below:

<b>Name of Dues and Name of the Statute</b>	<b>Year to which the amount relates</b>	<b>Forum where matter is pending</b>	<b>Amount in Rs.</b>
Service Tax Service Tax Act, 1994	FY 2007-08 to FY 2009-10	Customs, Excise & Service Tax Appellate Tribunal (Delhi)	19,14,60,782
Service Tax Service Tax Act, 1994	FY 2010-11	Customs, Excise & Service Tax Appellate Tribunal (Delhi)	2,30,06,080
Service Tax Service Tax Act, 1994	FY 2010 to 2011-12	Customs, Excise & Service Tax Appellate Tribunal (Delhi)	1,09,22,122
Central Sales Tax The Central Sales Tax Act,1956	FY 2012-13	The Deputy Commissioner (Appeals)Raipur,Chattisgarh	8,65,725

8. In our opinion, on the basis of books and records examined by us and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks. The company does not have any dues to financial institutions, government or debenture holders.
9. The Company has not raised any money by way of initial public offer or further public offer or debt instruments. In our opinion, and according to the information and explanation given to us, the term loans have been applied for the purposes for which they were raised, other than temporary deployment pending allocation.
10. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company or by its officers or employees during the year.



**P.C. GOYAL & CO.**  
**CHARTERED ACCOUNTANTS**

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11. In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. The company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Act, and where applicable the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private allotment of shares or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.
15. The Company has not entered into any non-cash transactions with the directors or persons connected with him as covered under Section 192 of the Companies Act, 2013. Accordingly, provisions of clause 3 (xv) of the Order are not applicable to the Company.
16. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934. Accordingly, provisions of clause 3 (xvi) of the Order are not applicable to the Company.

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



**(M.P. Jain)**

Partner

M. No. 082407

Dated: 24<sup>th</sup> May, 2018

Place: New Delhi



**ANNEXURE-2 TO INDEPENDENT AUDITORS' REPORT**

**Annexure referred to in our report of even date to the members of JITF WATER INFRASTRUCTURE LIMITED on the accounts for the year ended 31<sup>st</sup> 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 WATER INFRASTRUCTURE LIMITED ("the Company") as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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



**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

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

**For P.C. Goyal & Co.,**

Chartered Accountants

Firm Registration No. 002368N



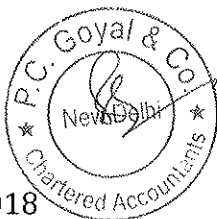
**(M.P. Jain)**

Partner

M. No. 082407

Dated: 24<sup>th</sup> May, 2018

Place: New Delhi





**JITF Water Infrastructure Limited**  
**Balance Sheet as at March 31, 2018**  
**CIN No: U41000UP2006PLC069631**

(Amount in ₹)

Particulars	Note No	As at	
		March 31, 2018	March 31, 2017
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	1	1,38,62,103	1,48,30,662
(b) Intangible assets	2	7,21,155	8,34,020
(c) Financial Assets			
(i) Investments	3	11,64,41,040	11,64,41,040
(ii) Other financial assets	4	2,03,39,055	6,53,62,013
(d) Deferred tax assets (net)	5	43,04,79,497	23,55,06,327
<b>(2) Current assets</b>			
(a) Inventories	6	21,26,299	29,92,33,752
(b) Financial Assets			
(i) Trade receivables	7	1,32,05,96,074	1,66,49,71,647
(ii) Cash and cash equivalents	8	7,45,48,519	4,13,40,212
(iii) Bank balances other than (ii) above	9	28,07,90,513	34,28,83,628
(iv) Loans	10	2,15,10,554	2,10,20,523
(v) Other financial assets	11	33,41,87,685	5,41,87,773
(c) Current tax assets (Net)	12	16,09,11,388	15,37,54,113
(d) Other current assets	13	38,11,75,179	40,39,65,049
<b>Total Assets</b>		<b>3,15,76,89,061</b>	<b>3,41,43,30,759</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	14	29,91,40,120	29,91,40,120
(b) Other Equity		86,03,02,248	35,91,10,919
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	63,60,18,802	1,10,74,99,003
(ii) Other financial liabilities	16	14,83,24,430	15,54,29,790
(b) Provisions	17	90,29,338	96,10,834
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	32,44,42,884	18,84,00,523
(ii) Trade payables	19	47,45,60,782	72,94,14,040
(iii) Other financial liabilities	20	9,56,35,932	9,37,93,677
(b) Other current liabilities	21	30,74,99,295	47,00,07,563
(c) Provisions	22	27,35,230	19,24,290
<b>Total Equity and Liabilities</b>		<b>3,15,76,89,061</b>	<b>3,41,43,30,759</b>

Significant accounting policies and notes to standalone financial statements

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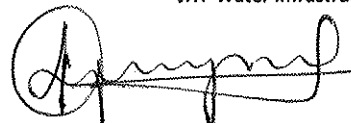
As per our report of even date attached

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

M.P. Jain  
Partner  
M.No. 082407  
Place : New Delhi  
Dated : 24th May 2018



For and on behalf of the Board of Directors of  
JITF Water Infrastructure Limited



Rajeev Goyal  
Director  
DIN No: 07003755

  
Anuj Kumar  
CFO

  
Rakesh Kumar Grover  
Managing Director  
DIN No: 01431428

  
Kanika Sharma  
Company Secretary  
A50968

# JITF Water Infrastructure 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	23	2,38,91,06,577	3,24,43,49,200
II Other income	24	3,07,65,031	5,95,95,389
III Total Income (I+II)		<u>2,41,98,71,608</u>	<u>3,30,39,44,589</u>
IV Expenses			
Cost of materials consumed	25	78,51,58,409	1,49,51,54,941
Purchases of Stock in Trade	26	31,61,45,427	14,22,11,744
Construction Expense	27	91,99,18,660	74,32,04,646
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	28	19,30,64,402	39,87,82,404
Employee benefits expense	29	24,87,57,183	26,49,28,394
Finance costs	30	21,78,46,867	17,00,95,777
Depreciation and amortization expense	31	31,56,863	31,58,684
Other expenses	32	48,64,07,660	15,69,25,649
Total expenses (IV)		<u>3,17,04,55,471</u>	<u>3,37,44,62,239</u>
V Profit/(loss) before exceptional items and tax (III- IV)		<u>(75,05,83,863)</u>	<u>(7,05,17,650)</u>
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		<u>(75,05,83,863)</u>	<u>(7,05,17,650)</u>
VIII Tax expense:			
(1) Current tax		47,79,239	-
(2) Deferred tax		(19,53,21,280)	(52,77,463)
Total Tax Expense (VIII)		<u>(19,05,42,041)</u>	<u>(52,77,463)</u>
IX Profit (Loss) for the year (VII-VIII)		<u>(56,00,41,822)</u>	<u>(6,52,40,187)</u>
X Other Comprehensive Income			
Items that will not be reclassified to profit and loss			
(i) Re-measurement gains (losses) on defined benefit plans		12,51,295	6,84,350
(ii) Income tax effect on above		(3,48,110)	(2,26,268)
Total Other Comprehensive Income		<u>9,03,185</u>	<u>4,58,082</u>
XI Total Comprehensive Income for the year (IX+X) (Comprising profit (loss) and other comprehensive income for the year)		<u>(55,91,38,637)</u>	<u>(6,47,82,105)</u>
XII Earnings per equity share			
(1) Basic (₹)		(18.72)	(2.18)
(2) Diluted (₹)		(18.72)	(2.18)

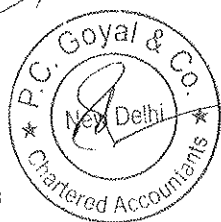
Significant accounting policies and notes to standalone financial statements

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As per our report of even date attached

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

M.P. Jain  
Partner  
M.No. 082407  
Place : New Delhi  
Dated : 24th May 2018



For and on behalf of the Board of Directors of  
JITF Water Infrastructure Limited

Rajeev Goyal  
Director  
DIN No: 07003755

Anuj Kumar  
CFO

Rakesh Kumar Grover  
Managing Director  
DIN No: 01431428

Kanika Sharma  
Company Secretary  
A50968

# JITF Water Infrastructure 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	
<b>A. CASH INFLOW (OUTFLOW) FROM THE OPERATING ACTIVITIES</b>				
<b>NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS</b>		(75,05,83,863)		(7,05,17,650)
Adjustments for :				
Add/(Less)				
Depreciation	31,56,863		31,58,684	
Provision for Doubtful Debts	26,09,50,000			
Interest Expenses	17,22,34,561		12,16,15,132	
Profit on sale of Property, Plant and Equipment	-		(3,82,460)	
Profit on Sale of Investments	-		(5,05,149)	
Interest Income	(1,33,41,921)	42,29,99,503	(2,90,32,487)	9,48,53,720
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		(32,75,84,360)		2,43,36,070
Adjustments for :				
Inventories	29,71,07,453		29,26,13,053	
Trade Receivables	8,34,25,573		(5,66,47,109)	
Loans and advances and other assets	(14,66,11,975)		2,27,54,980	
Trade and Other Payables	(42,11,43,892)	(18,72,22,841)	(83,12,66,256)	(57,25,45,332)
<b>CASH GENERATED FROM OPERATIONS</b>		(51,48,07,201)		(54,82,09,262)
Tax Paid		(1,19,36,514)		(4,23,90,722)
<b>NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES</b>		(52,67,43,715)		(59,05,99,984)
<b>B. CASH INFLOW/(OUTFLOW) FROM INVESTMENT ACTIVITIES</b>				
(Increase)/Decrease in Current Investment	-		5,05,149	
(Increase)/Decrease in Investment in Subsidiaries	-		(3,63,10,700)	
Purchase of Property Plant and equipment	(20,75,439)		(38,56,630)	
Interest Received	93,69,895		1,93,30,614	
Dividend Received				
<b>NET CASH INFLOW/(OUTFLOW)FROM INVESTING ACTIVITIES</b>		72,94,456		(2,03,31,567)
<b>C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>				
Interest paid	(17,22,34,561)		(12,16,15,132)	
Increase/(Decrease) in Short Term Borrowings	13,60,42,362		(4,55,87,785)	
Increase/(Decrease) in Long Term Borrowings	58,88,49,765		76,10,86,886	
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>		55,26,57,566		59,38,83,969
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>		3,32,08,307		(1,70,47,582)
Cash and cash equivalents at beginning of the year		4,13,40,212		5,83,87,792
Cash and cash equivalents at end of the year		7,45,48,519		4,13,40,212
		3,32,08,307		(1,70,47,582)

**NOTE:**

- Increase/(decrease) in long term and short term borrowings are shown net of repayments.
- Figures in bracket indicates cash out flow.
- The above cash flow statement has been prepared under the indirect method set out in IND AS - 7 'Statement of Cash Flows'
- Advances and loans given to subsidiaries have been reported on net basis.
- The accompanying notes forms an integral part of these standalone financial statements.

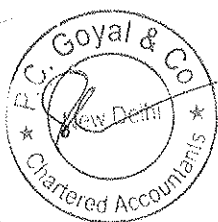
As per our report of even date attached

For **P. C. Goyal & Co**

Chartered Accountants

Firm Registration No. 002368N

*M.P. Jain*  
**M.P. Jain**  
 Partner  
 M.No. 082407  
 Place : New Delhi  
 Dated : 24th May 2018



For and on behalf of the Board of Directors of  
**JITF Water Infrastructure Limited**

*Rajeev Goyal*  
**Rajeev Goyal**  
 Director

DIN No: 07003755

*Anuj Kumar*  
**Anuj Kumar**  
 CFO

*Rakesh Kumar Grover*  
**Rakesh Kumar Grover**  
 Managing Director

DIN No: 01431428

**Kanika Sharma**  
 Company Secretary  
 A50968

**JITF Water Infrastructure Limited**  
**Statement of Changes in Equity for the year ended 31st March 2018**

**A. Equity Share Capital**

	Balance as at April 1, 2016	Changes in Equity share capital during the year	Balance as at March 31, 2017	Changes in Equity share capital during the year	Balance as at March 31, 2018
	29,91,40,120	-	29,91,40,120	-	29,91,40,120

(Amount in ₹)

**B. Other Equity**

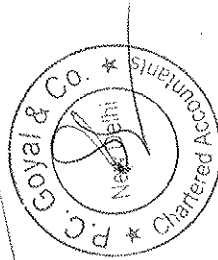
Particulars	Equity Component of compound financial instrument	Reserves and Surplus		Items of Other Comprehensive Income	Total
		Securities Premium Reserve	Retained Earnings		
Balance as at April 1, 2016	-	59,72,80,240	(17,45,42,079)	11,54,863	42,38,93,024
Total Comprehensive Income for the year 2016-17	-	-	(6,52,40,187)	-	(6,52,40,187)
Re-measurement of the defined benefit Plans for the year	-	-	-	4,58,082	4,58,082
Balance as at March 31, 2017	-	59,72,80,240	(23,97,82,266)	16,12,945	35,91,10,919
Equity Component of 0% Optionally Fully Convertible Debentures *	1,06,03,29,966	-	(56,00,41,822)	-	1,06,03,29,966
Total comprehensive income for the year 2017-18	-	-	-	-	(56,00,41,822)
Re-measurement of the defined benefit Plans for the year	-	-	-	9,03,185	9,03,185
Balance as on 31st March 2018	1,06,03,29,966	59,72,80,240	(79,98,24,088)	25,16,130	86,03,02,248

(Amount in ₹)

\* 16096573 0% Optionally Fully Convertible Debentures have been issued on 31st March 2018 for Rs. 1,60,96,57,300/- (face value Rs. 100 each) for 10 years with a lock in period of 2 years and an option to convert in 10 shares of Rs. 10 each after 2 years but not later than 9 years

As per our report of even date attached

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



M.P. Jain  
 Partner

M.No. 082407

Place : New Delhi

Dated : 24th May, 2018

For and on behalf of the Board of Directors of  
 JITF Water Infrastructure Limited

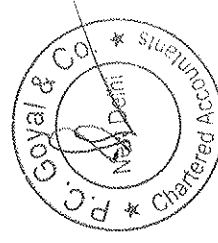
*Rajeev Goyal*  
 Rajeev Goyal  
 Director  
 DIN No: 07003755

*Rajesh Kumar Grover*  
 Rajesh Kumar Grover  
 Managing Director  
 DIN No: 01431428

*Kanika Sharma*  
 Kanika Sharma  
 Company Secretary  
 A50968

**JITF Water Infrastructure Limited**  
**Notes to Standalone Financial Statements**

1. Property, Plant and Equipment										(Amount in ₹)
Particulars	Temporary Structure	Plant and Equipment	Office Equipments	Furniture and Fixtures	Vehicles	Computer	Total			
<b>Gross Block</b>										
As at April 1, 2016	20,823	73,36,177	26,45,620	12,25,231	27,84,147	52,63,995	1,92,75,993			
Additions	-	19,66,103	4,75,255	3,53,751	-	11,19,826	39,14,935			
Disposal/Adjustments	-	-	8,000	-	9,15,883	-	9,23,883			
<b>As at April 1, 2017</b>	20,823	93,02,280	31,12,875	15,78,982	18,68,264	63,83,821	2,22,67,045			
Additions	-	6,51,174	8,42,664	1,19,191	-	4,82,930	20,95,959			
Disposal/Adjustments	-	1,53,734	-57,758	50,716	-	37,450	1,84,142			
<b>As at March 31, 2018</b>	20,823	97,99,720	40,13,297	16,47,457	18,68,264	68,29,301	2,41,78,862			
<b>Accumulated Depreciation</b>										
As at April 1, 2016	-	7,23,002	9,48,141	3,81,434	7,37,968	21,29,633	49,20,178			
Charge for the year	20,823	3,73,914	5,22,565	2,50,747	3,68,986	13,06,965	28,44,000			
Disposal/Adjustments	-	-	1,400	-	3,26,395	-	3,27,795			
<b>As at April 1, 2017</b>	20,823	10,96,916	14,69,306	6,32,181	7,80,559	34,36,598	74,36,383			
Charge for the year	-	4,85,293	6,35,198	2,14,961	2,60,186	13,55,747	29,51,385			
Disposal/Adjustments	-	-	24,195	22,835	-	23,979	71,009			
<b>As at March 31, 2018</b>	20,823	15,82,209	20,80,309	8,24,307	10,40,745	47,68,366	1,03,16,759			
<b>Net carrying amount</b>										
As at March 31, 2017	-	82,05,364	16,43,569	9,46,801	10,87,705	29,47,223	1,48,30,662			
<b>As at March 31, 2018</b>	-	82,17,511	19,32,988	8,23,150	8,27,519	20,60,935	1,38,62,103			



**JITF Water Infrastructure Limited**  
**Notes to Standalone Financial Statements**

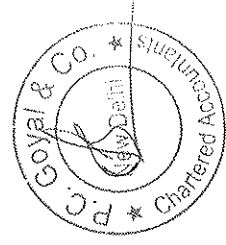
2. Intangible Assets		(Amount in ₹)
Particulars	Software	
<b>Gross Block</b>		
As at April 1, 2016	14,19,389	
Additions	9,20,250	
Disposal/Adjustments	-	
<b>As at April 1, 2017</b>	<b>23,39,639</b>	
Additions	92,610	
Disposal/Adjustments	-	
<b>As at March 31, 2018</b>	<b>24,32,249</b>	
<b>Accumulated Depreciation</b>		
As at April 1, 2016	11,90,929	
Charge for the year	3,14,690	
Disposal/Adjustments	-	
<b>As at April 1, 2017</b>	<b>15,05,619</b>	
Charge for the year	2,05,475	
Disposal/Adjustments	-	
<b>As at March 31, 2018</b>	<b>17,11,094</b>	
<b>Net carrying amount</b>		
As at March 31, 2017	8,34,020	
As at March 31, 2018	7,21,155	



**JITF Water Infrastructure Limited**  
**Notes to Standalone Financial Statements**

**Note-3 - Non Current Investments**

Sr. No	Detail of Investments	As at 31st March 2018			As at 31st March 17		
		Nos.	Face Value (₹)	Amount (₹)	Nos.	Face Value (₹)	Amount (₹)
A (a)	<u>Non-Current Investments</u> <u>Investment in Equity</u> Equity shares of subsidiary company Unquoted, Fully Paid up  - JITF ESIPL CETP (Sitarganj) Limited  - JITF Water Infra (Naya Raipur) Limited  - JITF Industrial Infrastructure Development Company Limited.	5,38,968	10	1,56,59,040	5,38,968	10	1,56,59,040
		50,000	10	5,00,000	50,000	10	5,00,000
		50,000	10	5,00,000	50,000	10	5,00,000
		-	-	-	9,97,820	100	9,97,82,000
(b)	<u>4% Cumulative Redeemable Preference Shares</u> - JITF ESIPL CETP (Sitarganj) Limited	-	-	-	-	-	
(c)	<u>Equity Component of 4 % Cumulative Redeemable Preference shares</u> - JITF ESIPL CETP (Sitarganj) Limited	-	-	2,58,14,879	-	-	
B	<u>Investment in debt</u> <u>Debt Component of 4 % Cumulative Redeemable Preference shares</u> - JITF ESIPL CETP (Sitarganj) Limited	-	-	7,39,67,121	-	-	
		<b>Aggregate value of Unquoted investments (A+B)</b>		<b>11,64,41,040</b>	<b>11,64,41,040</b>		



**JITF Water Infrastructure Limited**  
**Notes to Standalone Financial Statements**

4. Other non-current financial assets		(Amount in ₹)	
Particulars	As at March 31, 2018	As at March 31, 2017	
Interest Receivable on debt portion of 4% Cumulative Redeemable Preference Shares			
- JITF ESIPL CETP (Sitarganj) Limited	27,12,147	4,06,82,052	
Security deposit	54,84,553	17,30,777	
Bank Deposits with remaining maturity of more than 12 months *	1,21,42,355	2,29,49,184	
<b>Total Other non current financial assets</b>	<b>2,03,39,055</b>	<b>6,53,62,013</b>	
* Pledged with bank as margin against bank guarantee			
5. Deferred Tax Asset (Net)		(Amount in ₹)	
Particulars	As at March 31, 2018	As at March 31, 2017	
<b>(A) Deferred Tax Assets</b>			
Carried forward Losses	35,54,65,604	23,29,96,707	
Disallowances under Income Tax Act 1961	7,58,69,193	37,45,694	
<b>(B) Deferred Tax Liability</b>			
Difference between book and tax base related to fixed assets	8,55,300	12,36,074	
<b>Total Deferred tax assets (net)</b>	<b>43,04,79,497</b>	<b>23,55,06,327</b>	
6. Inventories		(Amount in ₹)	
Particulars	As at March 31, 2018	As at March 31, 2017	
Work-in-progress	-	19,30,64,401	
Stores and spares	21,26,299	10,61,69,351	
<b>Total Inventories</b>	<b>21,26,299</b>	<b>29,92,33,752</b>	
7. Trade receivables		(Amount in ₹)	
Particulars	As at March 31, 2018	As at March 31, 2017	
<b>Unsecured</b>			
Considered Good	1,32,05,96,074	1,66,49,71,647	
Considered Doubtful	26,09,50,000	-	
Less: Provision for doubtful debts	(26,09,50,000)	-	
<b>Total Trade Receivables</b>	<b>1,32,05,96,074</b>	<b>1,66,49,71,647</b>	
8. Cash and cash equivalents		(Amount in ₹)	
Particulars	As at March 31, 2018	As at March 31, 2017	
<b>Balances with Banks</b>			
On current accounts	5,19,40,248	4,12,37,131	
Fixed Deposits with original maturity of less than three months	2,25,45,260	-	
Cash on hand	63,011	1,03,081	
<b>Total Cash and Cash equivalent:</b>	<b>7,45,48,519</b>	<b>4,13,40,212</b>	
9. Other bank balances		(Amount in ₹)	
Particulars	As at March 31, 2018	As at March 31, 2017	
Fixed Deposits with remaining maturity of more than 3 months but less than 12 months and other than considered in cash and cash equivalents *	2,77,90,513	8,98,83,628	
Current Account - Margin Money #	25,30,00,000	25,30,00,000	
<b>Total Other Bank balances</b>	<b>28,07,90,513</b>	<b>34,28,83,628</b>	

\*Pledged with bank as margin against bank guarantee  
# against contractual obligation





**JITF Water Infrastructure Limited**  
**Notes to Standalone Financial Statements**

10. Current loans		(Amount in ₹)	
Particulars	As at March 31, 2018	As at March 31, 2017	
a) Loans to related party			
- Unsecured, considered good	2,12,47,499	2,10,20,523	
b) Other loans			
Loans to Employees			
- Unsecured, considered good	2,63,055	-	
<b>Total Loans</b>	<b>2,15,10,554</b>	<b>2,10,20,523</b>	

11. Other current financial assets		(Amount in ₹)	
Particulars	As at March 31, 2018	As at March 31, 2017	
Insurance claim	-	1,28,150	
Receivable from related party*	-	2,44,33,822	
Unbilled Revenue	30,47,00,000	-	
Interest accrued but not due on fixed deposit	3,74,000	5,12,116	
Other receivables #	2,91,13,685	2,91,13,685	
<b>Total other financial assets</b>	<b>33,41,87,685</b>	<b>5,41,87,773</b>	

\* Refer Note No 13 of notes to accounts

# BG Recoverable

12. Current tax assets (net)		(Amount in ₹)	
Particulars	As at March 31, 2018	As at March 31, 2017	
Advance taxation (net)	16,09,11,388	15,37,54,113	
<b>Total Current Tax Assets</b>	<b>16,09,11,388</b>	<b>15,37,54,113</b>	

13. Other current assets		(Amount in ₹)	
Particulars	As at March 31, 2018	As at March 31, 2017	
Advances to vendors	20,10,71,671	25,86,38,301	
Advance to Employees	21,72,648	1,68,11,090	
Other receivables	17,79,30,860	12,85,15,658	
<b>Total Other Current Assets</b>	<b>38,11,75,179</b>	<b>40,39,65,049</b>	

14. Equity Share Capital		(Amount in ₹)	
Particulars	As at March 31, 2018	As at March 31, 2017	
<b>Authorised</b>			
(i) 30,000,000 Equity Shares of ₹ 10/- each	30,00,00,000	30,00,00,000	
	<b>30,00,00,000</b>	<b>30,00,00,000</b>	
<b>Issued</b>			
29,914,012 Equity Shares of ₹ 10/- each fully paid up	29,91,40,120	29,91,40,120	
	<b>29,91,40,120</b>	<b>29,91,40,120</b>	
<b>Subscribed and fully paid-up</b>			
29,914,012 Equity Shares of ₹ 10/-each fully paid up	29,91,40,120	29,91,40,120	
<b>Total Equity Share Capital</b>	<b>29,91,40,120</b>	<b>29,91,40,120</b>	
<b>(a) Reconciliation of the number of shares:</b>			
<b>Equity shares</b>			
Shares outstanding as at the beginning of the year	2,99,14,012	2,99,14,012	
Shares outstanding as at the end of the year	<b>2,99,14,012</b>	<b>2,99,14,012</b>	

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

Name of Shareholders	No. of shares	% of holding as at 31.03.2018	No. of shares	% of holding as at 31.03.2017
JITF Urban Infrastructure Services Limited*	29914012	100	29914012	100
<b>Total</b>	<b>29914012</b>	<b>100</b>	<b>29914012</b>	<b>100</b>

\* Including 700 Shares held by nominees of JITF Urban Infrastructure Services Limited

**(c) Terms/Rights attached to 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.

**(d) Nature and purpose of reserves**

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



**JITF Water Infrastructure Limited**  
**Notes to Standalone Financial Statements**

**15. Non Current borrowings** (Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Unsecured</b>		
Loan from related parties	8,66,91,468	1,10,74,99,003
Debt component of 0% Optionally Fully Convertible Debentures *	54,93,27,334	-
<b>Total Non Current Borrowings</b>	<b>63,60,18,802</b>	<b>1,10,74,99,003</b>

\* as per the terms in note to SOCIE

**16. Other non-current financial liabilities** (Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Retention Money - Vendors	14,81,53,664	15,54,29,790
Interest payable on debt component of 0% Optionally Fully Convertible Debentures	1,70,766	-
<b>Total other non-current financial liabilities</b>	<b>14,83,24,430</b>	<b>15,54,29,790</b>

**17. Provisions** (Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Provision for Employee benefits</b>		
- Leave Encashment	90,29,338	96,10,834
<b>Total Non Current Provisions</b>	<b>90,29,338</b>	<b>96,10,834</b>

**18. Current borrowings** (Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
<b>a) Secured</b>		
<b>From banks</b>		
Working capital Loans from Banks	22,60,76,620	18,84,00,523
Short Term Loan (Bill Discounting)	9,83,66,264	-
<b>Total current borrowings</b>	<b>32,44,42,884</b>	<b>18,84,00,523</b>

\* Working capital facilities are secured by first pari-passu charge by way of hypothecation of the Company's entire stocks of Raw Materials, Semi Finished Goods present and future, Book Debts, Bills, Receivables both present and future and project receivables contract. Working capital facility is also secured by personal guarantee of Mrs Sminu Jindal and Corporate guarantee of JUISL in Axis Bank and SBI Bnk. Facility with EXIM Bank and IDBI Bank are secured by corporate guarantee of Jindal ITF Limited and personal guarantee of Sh Indresh Batra Ji and Mrs Sminu Jindal. Facility with ICICI Bank is secured by personal guarantee of Mrs Sminu Jindal.

**19. Trade payables** (Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Due to other than Micro and Small enterprises	47,38,97,981	72,94,14,040
Micro and small enterprises #	6,62,801	-
<b>Total Trade payables</b>	<b>47,45,60,782</b>	<b>72,94,14,040</b>

# Principal amount outstanding as at the year end. There is no overdue amount of principal and interest due to Micro and small enterprises. During the year, no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

**20. Other current financial liabilities** (Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Other outstanding financial liabilities	8,19,90,537	8,20,01,088
Dues to Employees	1,36,45,395	1,17,92,589
<b>Total other current financial liabilities</b>	<b>9,56,35,932</b>	<b>9,37,93,677</b>

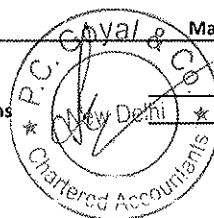
**21. Other current liabilities** (Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Advance from customer	26,06,12,239	45,62,49,569
Statutory Dues	4,68,87,056	1,37,57,994
<b>Total other current liabilities</b>	<b>30,74,99,295</b>	<b>47,00,07,563</b>

**22. Current provisions** (Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Provision for Employee benefits</b>		
- Leave Encashment	27,35,230	19,24,290
<b>Total current provisions</b>	<b>27,35,230</b>	<b>19,24,290</b>

Total current provisions



**JITF Water Infrastructure Limited**  
**Notes to Standalone Financial Statements**

<b>23. Gross revenue from operations</b>			(Amount in ₹)
Particulars	Year ended March 31, 2018	Year ended March 31, 2017	
a) Sale of products	27,41,67,811	22,12,57,380	
b) Contract Revenue	2,11,49,38,766	3,02,30,91,820	
<b>Total Revenue from operations</b>	<b>2,38,91,06,577</b>	<b>3,24,43,49,200</b>	
<b>24. Other income</b>			(Amount in ₹)
Particulars	Year ended March 31, 2018	Year ended March 31, 2017	
Interest Income on fixed Deposits	60,46,258	94,11,763	
Interest Income on Inter company loan	23,63,307	52,66,509	
Interest income on income tax refund	31,85,521	30,42,590	
Profit on sale of current investments	-	5,05,149	
Interest Income on debt component of 4% Cumulative Redeemable Preference Shares	17,46,835	1,13,11,360	
Bad Debts Recovered	87,46,661	-	
Profit on sale of Fixed Assets	-	3,82,460	
Other Non Operating Income	13,15,404	30,265	
Excess Provision written Back	35,97,375	2,92,76,692	
Sundry Balances Written Back	37,63,670	3,68,601	
<b>Total other income</b>	<b>3,07,65,031</b>	<b>5,95,95,389</b>	
<b>25. Cost of materials consumed</b>			(Amount in ₹)
Particulars	Year ended March 31, 2018	Year ended March 31, 2017	
Material consumed	78,51,58,409	1,49,51,54,941	
<b>Total cost of materials consumed</b>	<b>78,51,58,409</b>	<b>1,49,51,54,941</b>	
<b>26. Purchase of Stock in Trade</b>			(Amount in ₹)
Particulars	Year ended March 31, 2018	Year ended March 31, 2017	
Purchase of Stock in Trade	31,61,45,427	14,22,11,744	
<b>Total Purchase of Stock in Trade</b>	<b>31,61,45,427</b>	<b>14,22,11,744</b>	
<b>27. Construction Expense</b>			(Amount in ₹)
Particulars	Year ended March 31, 2018	Year ended March 31, 2017	
Sub Contract Expense	79,93,83,673	58,18,43,401	
Construction Expense	12,05,34,987	16,13,61,245	
<b>Total Construction Expense</b>	<b>91,99,18,660</b>	<b>74,32,04,646</b>	
<b>28. Changes in inventories of finished goods, stock-in-trade and work-in-progress</b>			(Amount in ₹)
Particulars	Year ended March 31, 2018	Year ended March 31, 2017	
<b>Opening Stock</b>			
-Work in Progress	19,30,64,402	59,18,46,806	
	<b>19,30,64,402</b>	<b>59,18,46,806</b>	
<b>Closing Stock</b>			
-Work in Progress	-	19,30,64,402	
	<b>-</b>	<b>19,30,64,402</b>	
<b>Net (Increase)/Decrease in Stock</b>	<b>19,30,64,402</b>	<b>39,87,82,404</b>	



**JITF Water Infrastructure Limited**  
**Notes to Standalone Financial Statements**

**29. Employee benefit expenses**

(Amount in ₹)

Particulars	Year ended March	Year ended March
	31, 2018	31, 2017
Salary and Wages	22,78,18,439	23,93,09,063
Contribution to Provident and other funds	1,38,29,863	1,50,92,653
Workmen and Staff welfare expenses	71,08,881	1,05,26,678
<b>Total Employee benefit expenses</b>	<b>24,87,57,183</b>	<b>26,49,28,394</b>

**30. Finance Cost**

(Amount in ₹)

Particulars	Year ended March	Year ended March
	31, 2018	31, 2017
a) Interest Expense		
- on Term loans	-	3,58,479
- on Bank Borrowings	2,76,79,177	2,89,10,422
- on debt component of 0% Optionally Fully Convertible Debentures	1,70,766	
- Other Interest	14,45,55,384	9,23,46,231
b) Bank and Finance charges	4,54,41,540	4,84,80,645
<b>Total Finance Cost</b>	<b>21,78,46,867</b>	<b>17,00,95,777</b>

**31. Depreciation and amortisation**

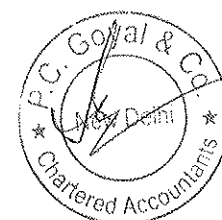
(Amount in ₹)

Particulars	Year ended March	Year ended March
	31, 2018	31, 2017
Depreciation	29,51,388	28,43,994
Amortisation	2,05,475	3,14,690
<b>Total Depreciation and amortisation</b>	<b>31,56,863</b>	<b>31,58,684</b>

**32. Other expenses**

(Amount in ₹)

Particulars	Year ended March	Year ended March
	31, 2018	31, 2017
Repairs to Buildings	2,57,068	15,14,887
Repairs to Plant and Machinery	5,55,640	1,72,901
Rent	64,38,284	55,39,569
Rates and Taxes	6,15,753	6,86,101
Insurance	33,57,450	1,16,48,004
Repair and Maintenance-Others	33,01,376	28,46,176
Travelling and Conveyance	3,53,38,475	3,76,79,656
Vehicle Upkeep and Maintenance	6,57,199	11,44,450
Postage and Telephones	36,58,091	44,67,730
Legal and Professional Fees	3,71,54,550	2,13,71,838
Directors' Meeting Fees	1,20,834	1,40,280
Charity and Donation	1,63,100	2,00,000
Auditors' Remuneration	2,90,525	4,49,875
Advertisement	31,274	3,000
Other Selling Expenses	16,23,899	16,36,340
Bad Debts written off	6,31,45,212	1,35,88,587
Provision for Doubtful Debts	26,09,50,000	-
Loss on Sale/Discard of Fixed Assets	99	-
Net foreign currency (gain)/loss - operating expenses	1,427	14,21,849
Sundry Balances Written Off	4,08,70,523	58,992
Miscellaneous Expenses	2,78,76,881	5,23,55,414
<b>Total other expenses</b>	<b>48,64,07,660</b>	<b>15,69,25,649</b>



# JITF Water Infrastructure Limited

## Significant Accounting Policies and Notes to Financial Statements

### Note: 33

#### 1. Corporate and General Information

JITF Water Infrastructure Limited ("JWIL" or "the Company") is domiciled and incorporated in India on 27<sup>th</sup> October 2006. The registered office of JWIL is situated at A-1, UPSIDC Industrial Area, Nandgaon Road, Kosikalan, District Mathura, 281403 (U.P.) India.

The Company has been incorporated with the main object to carry on the business in water infrastructure in and outside India.

#### 2. Basis of preparation

The annual financial statements 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 financial statements provide comparative information in respect to the previous year.

The Significant accounting policies used in preparing the financial statements are set out in Note no.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 on-going 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.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,

##### 3.2 Property, Plant and equipment

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. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

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
- Temporary Structure	3
- Plant & Machinery	5 -25
- Office Equipment	3 -15
- Furniture & fixtures	5
- Computers	3 -8
- Vehicles	10

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.



# JITF Water Infrastructure Limited

## Significant Accounting Policies and Notes to Financial Statements

### Note: 33

#### 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 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 consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

#### 3.5 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.

#### 3.6 Employee benefits

a) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.

b) Leave encashment being a short term benefit is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.

c) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

d) The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in Statement of Profit and loss.

The Company operates a defined benefit plan for gratuity, which requires contributions to be made to a separately administered fund. The fund is managed by a trust. The trust has taken policies from an insurance company.

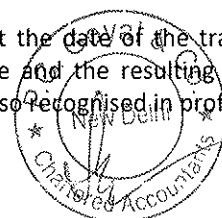
#### 3.7 Foreign currency reinstatement and translation

##### (a) Functional and presentation currency

These 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.



# JITF Water Infrastructure Limited

## Significant Accounting Policies and Notes to Financial Statements

### Note: 33

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 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.

#### 3.8 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.

##### Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any. 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.

A provision for impairment, if any, is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. 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.

##### Investment in equity shares

Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss is recognized through Profit or Loss if such investments in equity securities are held for trading purposes. The fair value gains or losses of all other equity securities are recognized in Other Comprehensive 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.

Financial liabilities are classified in two categories; subsequent measurement of financial assets is depended on initial categorisation. These categories and their classification are as below:

##### i. Financial liabilities at fair value through profit or loss



# JITF Water Infrastructure Limited

## Significant Accounting Policies and Notes to Financial Statements

### Note: 33

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.

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.

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

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*

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.

#### **3.9 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.

#### **3.10 Borrowing costs**

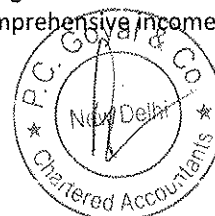
Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist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

#### **3.11 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.





# JITF Water Infrastructure Limited

## Significant Accounting Policies and Notes to Financial Statements

### Note: 33

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 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.

#### 3.12 Revenue recognition and other operating income

##### *Sale of goods*

Revenue 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 outgoing sales tax and are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. Revenue is inclusive of excise duty and excise duty is presented separately to present revenue net of excise duty.

##### *Revenue from construction contracts*

Revenue from construction services are recognised on percentage completion method on invoicing of services and transfer of goods. Percentage of completion is determined as a proportion of cost incurred to date to the total estimated contract cost. Estimated loss on project activity to be undertaken in future years is provided for.

##### *Other Operating Income*

Incentives on exports and other Government incentives related to operations are recognised in books after due consideration of certainty of utilization/receipt of such incentives.

##### *Other Income*

##### **Interest**

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

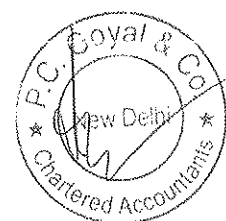
##### **Dividend**

Dividend income is recognised when the right to receive dividend is established.

#### 3.13 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.



# JITF Water Infrastructure Limited

## Significant Accounting Policies and Notes to Financial Statements

### Note: 33

#### 3.14 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.

##### i) Gratuity and leave encashment provision

Refer Note no 3.6 for provision relating to gratuity and leave encashment.

##### 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.

#### 3.15 Exceptional items

Exceptional items refer to items of income or expense within the Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

#### 3.16 Investment in Subsidiaries

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investments in subsidiaries are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

#### 3.17 Investment in Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Companies investment in joint ventures is carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

#### 3.18 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.



# JITF Water Infrastructure Limited

## Significant Accounting Policies and Notes to Financial Statements

### Note: 33

#### 3.19 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.

#### 3.20 Recent Ind AS Pronouncements

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.

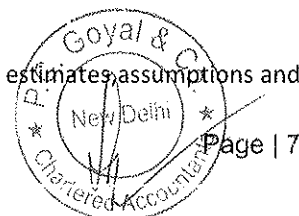
##### Appendix B to Ind AS 21 Foreign currency transactions and advance consideration

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.

#### 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:



# JITF Water Infrastructure Limited

## Significant Accounting Policies and Notes to Financial Statements

### Note: 33

#### *(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 exception for fair valuation of property, plant and equipment. Subsequent to fair valuation depreciation has been charged on fair valued amount less estimated salvage value. Property, plant and equipment also represent a significant proportion of the asset base of the Company. 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. Financial risk management**

### **5.1 Financial risk factors**

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, and financial guarantee contracts. 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:

#### **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 comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. 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.



**JITF Water Infrastructure Limited**  
**Significant Accounting Policies and Notes to Financial Statements**  
**Note: 33**

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**

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, including the effects of changes in foreign currency exchange rates and interest rates.

**(a) Foreign exchange risk and sensitivity**

The Company transacts business in Indian Rupee. The Company has no foreign currency trade payables and receivables and is therefore, company is not exposed to foreign exchange risk.

Summary of exchange difference accounted in Statement of Profit and Loss:

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Net foreign exchange gain/ (Loss) shown as operating expenses	(1,427)	(1,421,849)
<b>Total</b>	<b>(1,427)</b>	<b>(1,421,849)</b>

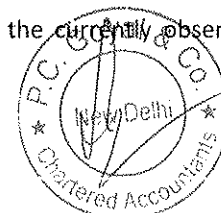
**(b) Interest rate risk and sensitivity**

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates, any changes in the interest rates environment may impact future cost of borrowing.

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

Interest rate sensitivity	(Amount in ₹)	
	Increase/Decrease in basis points	Effect on profit before tax
<b>For the year ended March 31, 2018</b>		
INR borrowings	+50	-1,563,840
	-50	1,563,840
<b>For the year ended March 31, 2017</b>		
INR borrowings	+50	-6,479,498
	-50	6,479,498

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.



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**(c) Commodity price risk and sensitivity**

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Company enter into contracts for procurement of material, most of the transactions are short term fixed price contract and a very few transactions are long term fixed price contracts.

**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.

- Trade Receivables

The Company extends credit to customers in normal course of business. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are mainly Government. The Company has also taken advances and security deposits from its customers to mitigate the credit risk to an extent.

The ageing of trade receivable is as below:

Particulars	Neither due nor impaired	Past Due			Total
		upto 6 months	6 to 12 months	Above 12 months	
(Amount in ₹)					
<b>Trade Receivables</b>					
<b>As at March 31, 2018</b>					
- Unsecured	38,59,86,244	17,10,66,560	16,80,65,360	59,54,77,910	1,32,05,96,074
- Considered Doubtful	-	-	-	26,09,50,000	26,09,50,000
Less: Provision for doubtful debts	-	-	-	-26,09,50,000	-26,09,50,000
<b>- Total</b>	<b>38,59,86,244</b>	<b>17,10,66,560</b>	<b>16,80,65,360</b>	<b>59,54,77,910</b>	<b>1,32,05,96,074</b>
<b>As at March 31, 2017</b>					
- Unsecured	41,46,61,203	93,94,68,784	7,54,71,475	23,53,70,186	1,66,49,71,647
- Considered Doubtful	-	-	-	-	-
Less: Provision for doubtful debts	-	-	-	-	-
<b>- Total</b>	<b>41,46,61,203</b>	<b>93,94,68,784</b>	<b>7,54,71,475</b>	<b>23,53,70,186</b>	<b>1,66,49,71,647</b>

- 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 maintain at all times 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.



**JITF Water Infrastructure Limited**  
**Significant Accounting Policies and Notes to Financial Statements**  
**Note: 33**

(Amount in ₹)

Particulars	As of March 31, 2018					Total
	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 years	
Interest bearing borrowings	96,04,61,686	-	9,83,66,264	22,60,76,620	63,60,18,802	96,04,61,686
Other liabilities	24,39,60,362	-	9,56,35,932	-	14,83,24,430	24,39,60,362
Trade and other payables	47,45,60,782	-	47,45,60,782	-	-	47,45,60,782
<b>Total</b>	<b>1,67,89,82,830</b>	<b>-</b>	<b>66,85,62,978</b>	<b>22,60,76,620</b>	<b>78,43,43,232</b>	<b>1,67,89,82,830</b>

(Amount in ₹)

Particulars	As of March 31, 2017					Total
	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 years	
Interest bearing borrowings	1,295,899,526	-	-	188,400,523	1,107,499,003	1,295,899,526
Other liabilities	249,223,467	-	93,793,677	-	155,429,790	249,223,467
Trade and other payables	729,414,040	-	729,414,040	-	-	729,414,040
<b>Total</b>	<b>2,274,537,033</b>	<b>-</b>	<b>823,207,716</b>	<b>188,400,523</b>	<b>1,262,928,793</b>	<b>2,274,537,033</b>

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. In the event of failure to meet any of these ratios these loans become callable at the option of lenders, except where exemption is provided by lender.

**Unused line of credit**

(Amount in ₹)

Particulars	As of March 31, 2018	As of March 31, 2017
Secured	33,923,380	71,599,477
Unsecured	-	-
<b>Total</b>	<b>33,923,380</b>	<b>71,599,477</b>

**Interest rate & currency of borrowings**

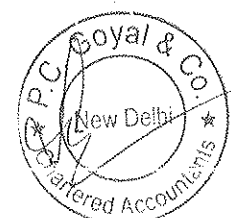
The below table demonstrate the borrowing of fixed and floating rate of interest

(Amount in ₹)

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Weighted Average Rate
INR	96,04,61,686	312,768,088	647,693,598	10.13%
<b>Total as at March 31, 2018</b>	<b>96,04,61,686</b>	<b>312,768,088</b>	<b>647,693,598</b>	
INR	1,29,58,99,526	1,295,899,526	-	12.27%
<b>Total as at March 31, 2017</b>	<b>1,29,58,99,526</b>	<b>1,295,899,526</b>	<b>-</b>	

**Competition and price risk**

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.



# JITF Water Infrastructure Limited

## Significant Accounting Policies and Notes to Financial Statements

### Note: 33

#### 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, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

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 FY 2016-17 is as under:

(Amount in ₹)

Particulars	As of March 31, 2018	As of March 31, 2017
Loans and borrowings	96,04,61,686	1,29,58,99,526
Less: cash and cash equivalents	7,45,48,519	4,13,40,212
Net debt	88,59,13,167	1,25,45,59,314
Equity	1,15,94,42,368	65,82,51,039
Total capital	2,04,53,55,535	1,91,28,10,353
Gearing ratio	43%	66%

The Company Plan to reduce its gearing ratio.

#### 6. Fair value of financial assets and liabilities

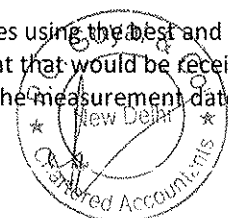
Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

(Amount in ₹)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>Financial assets designated at amortised cost</b>				
Fixed deposits with banks	6,24,78,128	6,24,78,128	11,28,32,812	11,28,32,812
Cash and bank balances	30,50,03,259	30,50,03,259	29,43,40,212	29,43,40,212
Trade and other receivables	1,32,05,96,074	1,32,05,96,074	1,66,49,71,647	1,66,49,71,647
Loan	2,12,47,499	2,12,47,499	2,10,20,523	2,10,20,523
Other financial assets	34,26,47,440	34,26,47,440	9,66,00,602	9,66,00,602
	<b>2,05,19,72,401</b>	<b>2,05,19,72,401</b>	<b>2,18,97,65,796</b>	<b>2,18,97,65,796</b>
<b>Financial liabilities designated at amortised cost</b>				
Borrowings- fixed rate	647,693,598	647,693,598	-	-
Borrowings- floating rate	312,768,088	312,768,088	1,295,899,526	1,295,899,526
Trade & other payables	47,45,60,782	47,45,60,782	72,94,14,040	72,94,14,040
Other financial liabilities	24,39,60,362	24,39,60,362	24,92,23,467	24,92,23,467
	<b>1,67,89,82,830</b>	<b>1,67,89,82,830</b>	<b>2,27,45,37,033</b>	<b>2,27,45,37,033</b>

#### 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.





# JITF Water Infrastructure Limited

## Significant Accounting Policies and Notes to Financial Statements

### Note: 33

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 is not material different from 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) The fair value of fixed interest bearing loans, borrowings and deposits is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- 4) 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.

#### 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:

#### Assets/Liabilities measured at fair value through profit and loss account

(Amount in ₹)

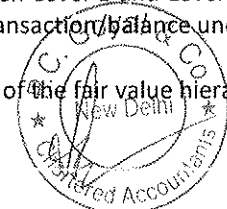
Particulars	As at March 31, 2018		
	Level 1	Level 2	Level 3
<b>Financial liabilities</b>			
Borrowings- fixed rate		647,693,598	
Other financial liabilities		24,39,60,362	

(Amount in ₹)

Particulars	As at March 31, 2017		
	Level 1	Level 2	Level 3
<b>Financial liabilities</b>			
Borrowings- fixed rate		-	
Other financial liabilities		24,92,23,467	

During the year ended March 31, 2018 and March 31, 2017, there were no transfers between Level 1 and Level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction/balance under level 3.

Following table describes the valuation techniques used and key inputs to valuation for level 2 of the fair value hierarchy as of



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March 31, 2018 and March 31, 2017, respectively:

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

Particulars	Fair value hierarchy	Valuation technique	Inputs used
<b>Financial liabilities</b>			
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 the business of water infrastructure in and outside India. The Company's primary segment as identified by management is carrying out of the water infrastructure projects in and outside India and operates into one segment only.

**Information about Geographical Segment – Secondary**

The Company's operations are located in India and outside India. The following table provides an analysis of the Company's sales by geography in which the customer is located.

(Amount in ₹)

Particulars	2017-18			2016-17		
	Within India	Outside India	Total	Within India	Outside India	Total
<b>Gross Revenue from Operations</b>	2,169,727,632	219,378,945	2,389,106,577	3,003,480,541	240,868,659	3,244,349,200
Less: Excise Duty	-	-	-	-	-	-
<b>Net Revenue from Operations</b>	2,169,727,632	219,378,945	2,389,106,577	3,003,480,541	240,868,659	3,244,349,200
<b>Non current Assets</b>	13,647,769	935,489	14,583,258	14,648,420	1,016,261	15,664,682

Note: Non-current assets include PPE, Intangible Assets, CWIP and Capital advances.

**8. Income tax expense**

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Current tax	(47,79,239)	-
Deferred Tax		
-Relating to origination & reversal of temporary differences	15,79,75,616	52,77,463
-Relating to Change in tax rate	3,73,45,664	-
<b>Total Tax (expense)/income</b>	<b>19,05,42,041</b>	<b>52,77,463</b>

**Effective Tax Reconciliation:**

A reconciliation of the theoretical income tax expense / (benefit) applicable to the profit / (loss) before income tax at the statutory tax rate in India to the income tax expense / (benefit) at the Company's effective tax rate is as follows:



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(Amount in ₹)

S.No	Description	Year ended March 31, 2018	Year ended March 31, 2017
	Net Loss(Income) before taxes	(75,05,83,863)	7,05,17,650
	Enacted tax rates	27.820%	33.063%
	Computed tax Income (expense)	20,88,12,431	2,33,15,251
	<b>Increase/(reduction) in taxes on account of:</b>		
1	Income Exempt from tax	4,85,969	37,39,875
2	Deferred Tax of previous years	1,77,39,652	(14,10,855)
3	Other non-deductible expenses	56,28,892	(2,03,66,808)
4	Effect of change in tax rate	(3,73,45,664)	-
	<b>Income tax expense reported</b>	<b>19,53,21,280</b>	<b>52,77,463</b>

**9. Deferred income tax**

The analysis of deferred tax assets is as follows.

Major component of deferred tax provided for in statement of Profit and Loss Account

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Book base and tax base of Fixed Assets	3,80,774	(3,35,264)
(Disallowance)/Allowance(net) under Income Tax	7,21,23,499	(3,84,370)
Brought forward losses set off	12,28,17,007	59,97,097
<b>Total</b>	<b>19,53,21,280</b>	<b>52,77,463</b>

(Amount in ₹)

Description	Year ended March 31, 2018	Year ended March 31, 2017
<b>Component of OCI</b>		
Deferred Tax (Gain)/Loss on defined benefit	3,48,110	2,26,267

**10. Retirement benefit obligations**

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

(Amount in ₹)

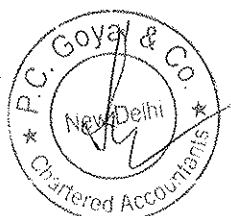
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Company's contribution to provident fund	10,389,786	11,460,864
Company's contribution to ESI	126,850	373,921
Company's contribution to superannuation fund	-	-
<b>Total</b>	<b>10,516,636</b>	<b>11,834,785</b>

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as of March 31, 2018 and March 31, 2017, being the respective measurement dates:

**2. Movement in defined benefit obligation**

(Amount in ₹)

Particulars	Gratuity (funded)	leave encashment (unfunded)
Present value of obligation - April 1, 2017	9,850,363	11,535,125
Current service cost	3,424,285	-
Interest cost	763,403	893,972



**JITF Water Infrastructure Limited**  
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Benefits paid	(171,833)	(2,870,114)
Acquisitions / Transfer in/ Transfer out	(106,615)	-
Remeasurements - actuarial loss/ (gain)	(1,344,494)	2,205,585
Present value of obligation - March 31, 2018	12,415,109	11,764,568
Present value of obligation - April 1, 2016	7,542,613	12,013,312
Current service cost	3,327,652	4,416,492
Interest cost	565,696	900,998
Benefits paid	(957,438)	(7,157,015)
Remeasurements - actuarial loss/ (gain)	(628,160)	1,361,338
Present value of obligation - March 31, 2017	9,850,363	11,535,125

**3. Movement in Plan Assets – Gratuity**

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Fair value of plan assets at beginning of year	12,574,665	10,723,856
Expected return on plan assets	874,461	804,289
Employer contributions	2,067,987	1,947,768
Benefits paid	(171,833)	(957,438)
Acquisitions / Transfer in/ Transfer out	(73,526)	-
Actuarial gain / (loss)	(93,200)	56,190
Fair value of plan assets at end of year	15,178,554	12,574,665
Present value of obligation	12,415,109	9,850,363
Net funded status of plan	2,763,445	2,724,302
Actual return on plan assets	781,262	860,479

The components of the gratuity & leave encashment cost are as follows:

**4. Recognised in profit and loss**

(Amount in ₹)

Particulars	Gratuity	Compensated absence
Current Service cost	3,424,285	-
Interest cost	763,403	893,972
Expected return on plan assets	(874,461)	-
For the year ended March 31, 2018	3,313,227	893,972
Current Service cost	3,327,652	4,416,492
Interest cost	565,696	900,998
Expected return on plan assets	(804,289)	-
For the year ended March 31, 2017	3,089,059	5,317,490
Actual return on plan assets	781,262	-

**5. Recognised in other comprehensive income**

(Amount in ₹)

Particulars	Gratuity
Remeasurement - Actuarial loss/(gain)	(1,251,295)
For the year ended March 31, 2018	(1,251,295)
Remeasurement - Actuarial loss/(gain)	(684,350)
For the year ended March 31, 2017	(684,350)



**JITF Water Infrastructure Limited**  
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6. The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Weighted average actuarial assumptions	As of March 31, 2018	As of March 31, 2017
Attrition rate		
Discount Rate	7.75 % PA	7.50 % PA
Expected Rate of increase in Compensation levels	6.50 % PA	6.50 % PA
Expected Rate of Return on Plan Assets	7.75 % PA	7.50 % PA
Mortality rate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Expected Average remaining working lives of employees (years)	22.67	23.3

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. Same assumptions were considered for comparative period i.e. 2014-15 as considered in previous GAAP on transition to IND AS.

Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

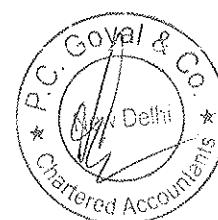
Particulars	(Amount in ₹)	
	Gratuity	
01 Apr 2018 to 31 Mar 2019	2,030,856	
01 Apr 2019 to 31 Mar 2020	946,419	
01 Apr 2020 to 31 Mar 2021	1,061,218	
01 Apr 2021 to 31 Mar 2022	380,331	
01 Apr 2022 to 31 Mar 2023	627,277	
01 Apr 2022 onwards	9,399,866	

**7. Statement of Employee benefit provision**

Particulars	(Amount in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Gratuity	-	-
Compensated absences	11,764,568	11,535,124
<b>Total</b>	<b>11,764,568</b>	<b>11,535,124</b>

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

Particulars	(Amount in ₹)	
	Gratuity	Leave Encashment
For the year ended March 31, 2017		
Current provision	-	1,924,290
Non current provision	-	9,610,834
<b>Total Provision</b>	<b>-</b>	<b>11,535,124</b>
For the year ended March 31, 2018		
Current provision	-	2,735,230
Non current provision	-	9,029,338
<b>Total Provision</b>	<b>-</b>	<b>11,764,568</b>



**JITF Water Infrastructure Limited**  
**Significant Accounting Policies and Notes to Financial Statements**  
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**9. Employee benefit expenses**

(Amount in ₹)

Employee benefit expenses	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and Wages	227,818,439	239,309,063
Costs-defined benefit plan	3,313,227	3,257,868
Costs-defined contribution plan	10,516,636	11,834,785
Welfare expenses	7,108,881	10,526,678
<b>Total</b>	<b>248,757,183</b>	<b>264,928,394</b>

( Figures in no.)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Average no of people employed	205	215

**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.

**Presentation in Statement of Profit & Loss and Balance Sheet**

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss.

IND AS 19 do not require segregation of provision in current and non-current, however net defined liability ( Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

When there is surplus in defined benefit plan, company is required to measure the net defined benefit asset at the lower of; the surplus in the defined benefit plan and the assets ceiling, determined using the discount rate specified, i.e. market yield at the end of the reporting period on government bonds, this is applicable for domestic companies, foreign company can use corporate bonds rate.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.

**11. Other disclosures**

**a) Auditors Remuneration**

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>1. Statutory Auditors</b>		
i. Audit Fee	290,525	357,875
ii. Tax Audit Fee	-	92,000
<b>Total</b>	<b>290,525</b>	<b>449,875</b>

**b) Details of loans given, investment made and Guarantees given, covered U/S 186(4) of the Companies Act 2013.**

Loans given and investments made u/s 186 (4) are given under respective heads.



**JITF Water Infrastructure Limited**  
**Significant Accounting Policies and Notes to Financial Statements**  
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**12. Contingent liabilities**

Particulars	(Amount in ₹)	
	Year ended March 31, 2018	Year ended March 31, 2017
Guarantees issued by the Company's bankers on behalf of the Company	1,936,063,193	2,189,767,018
Letter of Credit Outstanding	185,884,953	153,671,031
Disputed Demand for Sales tax and Service Tax	226,253,984	231,039,442
<b>Total</b>	<b>2,348,202,130</b>	<b>2,574,477,491</b>

It is not possible to predict the outcome of the pending litigations with accuracy, the Company believes, based on legal opinions received, that it has meritorious defences to the claims. The management believe the pending actions will not require outflow of resources embodying economic benefits and will not have a material adverse effect upon the results of the operations, cash flows or financial condition of the Company.

**13. 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 exists 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	Ms. Sminu Jindal	Director
2	Mr. Rakesh Kumar Grover	Managing Director
3	Mr. Rajeev Goyal	Director
4	Mr. Dhananjaya Pati Tripathi	Independent Director
5	Mr. Verinder Singh Thind (till 03.08.2017)	Independent Director
6	Mr. Anuj Kumar	CFO
7	Ms. Kanika Sharma	CS

**2. Ultimate Parent, Parent, Holding, fellow subsidiaries and fellow step down subsidiaries**

S. No.	Name of the Entity	Relationship
1	JITF Infralogistics Limited	Ultimate Parent
3	JITF Urban Infrastructure Services Limited	Parent Company
4	JITF Urban Infrastructure Limited	Fellow Subsidiary
5	Jindal Rail Infrastructure Limited	Fellow Subsidiary
6	JITF Water Infra ( Naya Raipur) Limited	Subsidiary
7	JITF ESIPL CETP (Sitarganj) Limited	Subsidiary
8	JITF Industrial Infrastructure Development Company Limited	Subsidiary
9	JITF Urban Waste Management (Ferozepur) Limited	Fellow Step Down Subsidiary
10	JITF Urban Waste Management (Jalandhar) Limited	Fellow Step Down Subsidiary
11	JITF Urban Waste Management (Bathinda) Limited	Fellow Step Down Subsidiary
12	Jindal Urban Waste Management (Vishakhapatnam) Limited	Fellow Step Down Subsidiary
13	Jindal Urban Waste Management (Tirupati) Limited	Fellow Step Down Subsidiary
14	Jindal Urban Waste Management (Guntur) Limited	Fellow Step Down Subsidiary

**JITF Water Infrastructure Limited**  
**Significant Accounting Policies and Notes to Financial Statements**  
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15	Timarpur- Okhla Waste Management Company Private Limited	Fellow Step Down Subsidiary
16	Jindal Urban Waste Management (Jaipur) Limited	Fellow Step Down Subsidiary
17	Jindal Urban Waste Management (Jodhpur) Limited	Fellow Step Down Subsidiary
18	Jindal Urban Waste Management (Ahmedabad) Limited	Fellow Step Down Subsidiary

**3. Joint Venture/ associates**

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

**4. Trust under control**

S. No.	Name of the Entity	Relationship
1	Jindal Water Infrastructure Limited Employees Group Gratuity Assurance Scheme	Post employment benefit plan

**Entities falling under same promoter group**

1	Jindal Saw Limited
2	Jindal ITF Limited
3	Jindal Quality Tubular Limited
4	Jindal Saw Gulf LLC
5	Jindal Intellicom limited
6	JITF Commodity Tradex Ltd (Formerly known as Coal Logistics Limited)

**Related Party Transactions**

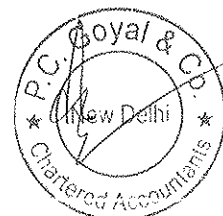
Particulars	(Amount in ₹)					
	Holding Company		Direct Subsidiary/Fellow Subsidiary/ Joint Ventures		Entities falling under same promoter Group	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Share application money received JITF Urban Infrastructure Services Limited	-	-	-	-	-	-
Investment as share capital JITF ESIPL CETP (Sitarganj) Limited	-	-	(99,782,000)	36,310,700	-	-
Investment as Equity Component of 4 % Cumulative Redeemable Preference shares JITF ESIPL CETP (Sitarganj) Limited	-	-	25,814,879	-	-	-
Investment as Debt Component of 4 % Cumulative Redeemable Preference shares JITF ESIPL CETP (Sitarganj) Limited	-	-	73,967,121	-	-	-
Unsecured Loan Given / Repaid JITF Urban Infrastructure Services Limited	303,750,000	719,500,000	-	-	-	-
JITF Coal Logistics Ltd	-	-	-	-	700,000,000	-
Unsecured Loan Received From JITF Urban Infrastructure Services Limited	762,500,000	1,420,500,000	-	-	-	-
JITF Coal Logistics Ltd	-	-	-	-	700,000,000	-
Unsecured Loan Converted JITF Urban Infrastructure Services Limited	1,609,657,380	-	-	-	-	-





**JITF Water Infrastructure Limited**  
**Significant Accounting Policies and Notes to Financial Statements**  
**Note: 33**

<b>Liability Component of 0% optionally fully convertible debentures</b>						
JITF Urban Infrastructure Services Limited	549,327,334	-	-	-	-	-
<b>Equity Component of 0% optionally fully convertible debentures</b>						
JITF Urban Infrastructure Services Limited	1,060,329,966	-	-	-	-	-
<b>Purchases of pipes</b>						
Jindal Saw Limited	-	-	-	-	246,158,592	1,067,848,946
Jindal Saw Gulf LLC	-	-	-	-	-	46,189,420
Jindal Saw Limited - Nepal	-	-	-	-	-	42,565,110
Jindal Fittings Ltd	-	-	-	-	9,020,141	1,395,775
<b>Sales</b>						
JWIL-SSIL JV	-	-	-	22,353,516	-	-
JITF ESIPL CETP (Sitarganj) Limited	-	-	-	298,365	-	-
<b>Income from Consultancy</b>						
Jindal Saw Limited	-	-	-	-	100,000,000	150,000,000
Jindal Quality Tubular Limited	-	-	-	-	-	25,000,000
<b>Erection and commissioning revenue</b>						
SMC-JWIL JV	-	-	51,021,894	-	-	-
JWIL TAPI JV	-	-	118,380,010	87,293,550	-	-
JWIL-SSIL JV	-	-	13,625,290	68,292,112	-	-
JWIL-RANHILL JV	-	-	16,917,591	64,595,284	-	-
<b>Sale of services</b>						
JITF ESIPL CETP (Sitarganj) Limited	-	-	1,605,170	-	-	-
<b>Sale of Assets</b>						
Jindal Urban Waste Management (Jaipur) Ltd.	-	-	113,033	-	-	-
<b>Purchase of services</b>						
JITF Infralogistics Limited	13,117,016	-	-	-	-	-
<b>Purchase of Goods</b>						
JITF Water Infra (Naya Raipur) Limited	-	-	475,759	-	-	-
<b>Purchase of assets</b>						
JITF Water Infra (Naya Raipur) Limited	-	-	7,390	-	-	-
<b>Expenses reimbursed/To be Reimbursed</b>						
Jindal Saw Limited	-	-	-	-	4,834,137	5,741,602
Jindal Intellicom limited	-	-	-	-	304,973	-
JITF Infralogistics Limited	2,618,540	9,376,278	-	-	-	-
Timarpur Okhla Waste Management Co. Limited	-	-	524,297	-	-	-
JITF Urban Waste Management (Jalandhar) Ltd.	-	-	708,004	-	-	-
JITF Water Infra (Naya Raipur) Limited	-	-	-	-	-	-
JITF ESIPL CETP (Sitarganj) Limited	-	-	4,407	-	-	-
Jindal Rail Infrastructure Limited	-	-	21,450	435,319	-	-
<b>Expenses Recovered/ To be Recovered</b>						
SMC-JWIL JV	-	-	1,736,371	1,856,141	-	-
JWIL-RANHILL JV	-	-	5,856,327	7,895,828	-	-
JWIL-SSIL JV	-	-	1,750,521	1,374,684	-	-
JITF Water Infra (Naya Raipur) Limited	-	-	527,890	12,262,591	-	-
<b>Interest on fair valuation of Instruments</b>						
JITF ESIPL CETP (Sitarganj) Limited	-	-	1,746,835	11,311,360	-	-
<b>Interest Income on unsecured Loan Given</b>						
JITF ESIPL CETP (Sitarganj) Limited	-	-	2,363,307	5,266,509	-	-
<b>Interest Expense on unsecured Loan Taken</b>						
JITF Urban Infrastructure Services Limited	135,350,197	83,542,014	-	-	-	-
JITF Coal Logistics Ltd	-	-	-	-	9,205,186	8,491,711



**JITF Water Infrastructure Limited**  
**Significant Accounting Policies and Notes to Financial Statements**  
**Note: 33**

**Related Party Balances**

(Amount in ₹)

Particulars	Holding Company		Direct Subsidiary/Fellow Subsidiary/ Joint Ventures		Entities falling under same promoter Group	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>Balances as on 31st March 2018</b>						
<b>Amount (payable) / Receivable</b>						
JITF ESIPL CETP (Sitarganj) Limited	-	-	1,785,709	298,365	-	-
JITF Water Infra (Naya raipur) Limited	-	-	181,406,525	204,239,522	-	-
Jindal ITF Limited	-	-	-	-	-	24,433,822
Jindal Intellicom limited	-	-	-	-	(291,318)	(567,621)
Jindal Saw Limited	-	-	-	-	(191,117,152)	(308,226,546)
Jindal Saw Limited - Nepal	-	-	-	-	(32,595,641)	(42,565,110)
Jindal Quality Tubular Limited	-	-	-	-	-	25,000,000
Jindal Fittings Limited	-	-	-	-	(208,816)	-
Jindal Fittings Limited - Nepal	-	-	-	-	(113,690)	-
SMC-JWIL JV	-	-	53,558,302	67,138,939	-	-
JWIL-SSIL JV	-	-	74,459,736	100,063,450	-	-
JWIL-RANHILL JV	-	-	56,356,314	128,959,360	-	-
TAPI- JWIL JV	-	-	105,638,233	51,037,105	-	-
JITF Infralogistics Limited	(3,028,151)	-	-	-	-	-
<b>Investment as share capital</b>						
JITF Water Infra (Naya raipur) Limited	-	-	500,000	500,000	-	-
JITF Industrial Infrastructure Development	-	-	500,000	500,000	-	-
JITF ESIPL CETP (Sitarganj) Limited (including	-	-	15,659,040	115,441,040	-	-
<b>Investment as Equity Component of 4 %</b>						
JITF ESIPL CETP (Sitarganj) Limited	-	-	25,814,879	-	-	-
<b>Investment as Debt Component of 4 % Cumulative</b>						
JITF ESIPL CETP (Sitarganj) Limited	-	-	73,967,121	-	-	-
<b>Unsecured Loan Given</b>						
JITF ESIPL CETP (Sitarganj) Ltd	-	-	21,247,499	21,020,523	-	-
<b>Unsecured Loan Taken</b>						
JITF Urban Infrastructure Services Limited	-	1,029,092,203	-	-	-	-
JITF Coal Logistics Ltd	-	-	-	-	86,691,468	78,406,801
<b>Liability Component of 0% optionally fully</b>						
JITF Urban Infrastructure Services Limited	549,327,334	-	-	-	-	-
<b>Equity Component of 0% optionally fully</b>						
JITF Urban Infrastructure Services Limited	1,060,329,966	-	-	-	-	-
<b>Interest receivable on fair valuation of Instruments</b>						
JITF ESIPL CETP (Sitarganj) Limited	-	-	2,712,147	40,682,052	-	-
<b>Share Capital including Share Premium</b>						
JITF Urban Infrastructure Services Limited	896,420,360	896,420,360	-	-	-	-

**Key Management Personnel (KMP)**

(Amount in ₹)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Short-Term employee benefits*	14,042,974	31,487,547
Post-Employment benefits		
- Defined contribution plan\$	312,186	780,946
<b>Total</b>	<b>14,355,160</b>	<b>32,268,493</b>



**JITF Water Infrastructure Limited**  
**Significant Accounting Policies and Notes to Financial Statements**  
**Note: 33**

**14. 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	29,914,012	29,914,012
Weighted average shares outstanding - Basic and Diluted - A	29,914,012	29,914,012

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

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit /(Loss) after tax - B	(560,041,822)	(65,240,187)
Basic Earnings per share (B/A)	(18.72)	(2.18)
Diluted Earnings per share (B/A)	(18.72)	(2.18)

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

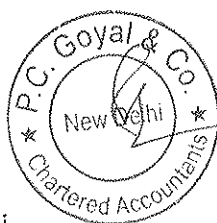
16. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

17. Notes 1 to 33 are annexed and form integral part of Financial Statements.

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



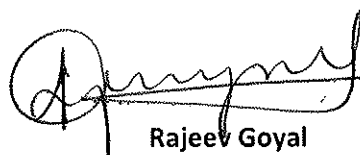
**M.P.Jain**  
 Partner  
 M.No. 082407  
 Place : New Delhi



Dated : 24<sup>th</sup> May, 2018



For and on behalf of the Board of Directors of  
**JITF Water Infrastructure Limited**



**Rajeev Goyal**  
 Director  
 DIN No: 07003755



**Rakesh Kumar Grover**  
 Managing Director  
 DIN No: 01431428



**Anur Kumar**  
 CFO



**Kanika Sharma**  
 Company Secretary  
 A50968