

**INDEPENDENT AUDITORS' REPORT**

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

**Report on the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the [Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rule thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

**Material Uncertainty Related to Going Concern**

We draw attention to note 26 (14) of notes to Financial statements of "**JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED**" which indicates that the Concessing Authority i.e. Municipal Corporation, Bathinda did not fulfill the conditions / obligations of the Concession Agreement and thus the company terminated the concession agreement and referred the matter for arbitration which is pending before the Arbitral Tribunal. In view of the same there is a material uncertainty that the company would be able to continue as a going concern.



**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Financial Statements**

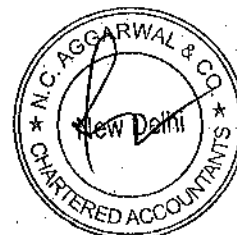
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**Auditors' Responsibility**

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



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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

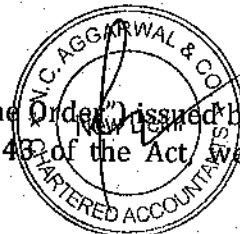
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the



**Annexure 'A'** a statement on the matters specified in the paragraph 3 and 4 of the Order, 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 including Other Comprehensive Income, 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 March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

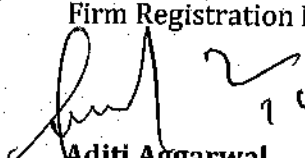
i. The Company does not have any pending litigations as on March 31, 2019;

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

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

(h) The managerial remuneration for the year ended 31st March, 2019 has been paid/ provided for by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

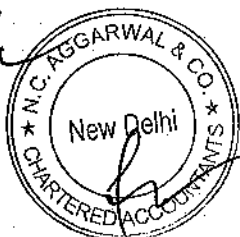
**For N.C. Aggarwal & Co.**  
Chartered Accountants  
Firm Registration No. 003273N

  
**Aditi Aggarwal**  
Partner

M.No. 521588

Place : New Delhi

Dated : 21st May, 2019



**ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT**

(Annexure referred to in our report of even date to the members of **JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED** on the accounts for the year ended March 31, 2019)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
  
(b) A major portion of the fixed assets has been physically verified by the Management in accordance with a phased programmed of verification once in two years adopted by the company. In our opinion, the frequency of the verification is reasonable having regard to the size of the company and the nature of its assets. To the best of our knowledge, no material discrepancies have been noticed on such verification.  
  
(c) The Company does not own any immovable property. Hence, para 1(c) of the order for reporting on title deed of immovable property held in name of the Company is not applicable.
2. As explained to us, the management during the year has physically verified inventories. In our opinion, the frequency of verification is reasonable. The discrepancies noticed during physical verification of inventories as compared to book records were not material and the same have been properly dealt with in the books of account.
3. According to the information and the explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the order are not applicable to the company and hence not commented upon.
4. The Company has not granted any loans or given any guarantee and security covered under Section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iv) of the order are not applicable to the company and hence not commented upon.
5. According to the information given to us, the Company has not accepted any deposits under the provisions of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the companies Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time. No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.
6. To the best of our knowledge and as explained, the maintenance of cost records as specified by the Central Government under sub-section (I) 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, duty of customs, goods & services tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as at 31st March, 2019 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 material dues in respect of income tax and goods and service tax which have not been deposited with the appropriate authorities on account of any dispute. To the best of our knowledge and as explained, the Company does not have any other statutory dues i.e. wealth tax, duty of customs as mentioned in para (vii) (b) of the Order.
8. In our opinion, on the basis of books and records examined by us and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks. The company does not have any dues payable to financial institutions or government or debenture holders.
  9. The Company has not raised any money by way of initial public offer or further public offer or debt instruments. In our opinion, and according to the information and explanation given to us, the term loans have been applied for the purposes for which they were raised, other than temporary deployment pending allocation.
  10. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company or by its officers or employees during the year.
  11. 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.



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

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

**For N.C. Aggarwal & Co.**

Chartered Accountants

Firm Registration No. 003273N

  
**Aditi Aggarwal**

Partner

M.No. 521588

Place : New Delhi

Dated : *21st May, 2019*



**ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT**

Annexure referred to in our report of even date to the members of **JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED** on the accounts for the year ended 31<sup>st</sup> March, 2019

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

We have audited the internal financial controls over financial reporting of **JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED** ("the Company") as of 31<sup>st</sup> March, 2019 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, 2019, based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

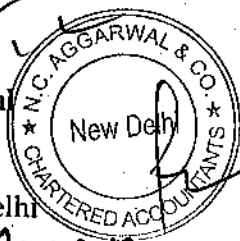
**For N.C. Aggarwal & Co.**  
Chartered Accountants  
Firm Registration No. 003273N

  
**Aditi Aggarwal**  
Partner

M.No. 521588

Place : New Delhi

Dated : 21<sup>st</sup> May, 2019



# JITF Urban Waste Management (Bathinda) Limited

BALANCE SHEET AS AT MARCH 31, 2019

CIN No.U90001UP2011PLC069571

(Amount in ₹)

Particulars	Note No	As at	As at
		March 31, 2019	March 31, 2018
<b>ASSETS</b>			
(1) Non-current assets			
(a) Property, Plant and Equipment	1	22,24,79,302	24,15,68,580
(b) Capital work-in-progress		3,98,336	3,98,336
(c) Intangible assets	2	7,65,157	10,95,986
(d) Financial Assets			
(i) Other financial assets	3	8,54,255	7,96,755
(e) Other non-current assets	4	2,00,000	
(2) Current assets			
(a) Inventories	5	2,76,34,665	1,37,13,782
(b) Financial Assets			
(i) Trade receivables	6	2,37,69,696	2,17,17,436
(ii) Cash and cash equivalents	7	1,20,99,281	1,68,27,708
(c) Current tax assets (Net)	8	12,13,159	31,39,367
(d) Other current assets	9	50,17,672	24,78,108
<b>TOTAL ASSETS</b>		<b>29,44,31,523</b>	<b>30,17,36,058</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	10	5,76,560	5,76,560
(b) Other Equity	11	(29,94,25,812)	(16,23,16,104)
<b>Liabilities</b>			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	50,43,07,052	40,69,30,112
(ii) Other financial liabilities	13	1,76,71,872	26,17,311
(b) Provisions	14	3,79,646	5,19,845
(2) Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	15		
- Micro Enterprises and Small Enterprises			
- Other than Micro and Small Enterprises		1,61,61,978	75,90,101
(ii) Other financial liabilities	16	4,74,52,635	4,42,10,929
(b) Other current liabilities	17	72,87,495	15,93,097
(c) Provisions	18	20,097	14,207
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>29,44,31,523</b>	<b>30,17,36,058</b>
Significant accounting policies and notes to financial statements	26		

As per our report of even date attached

For N.C. Aggarwal & Co.

Chartered Accountants

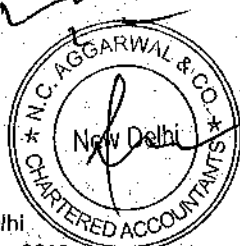
Firm Registration No. 00273N

Aditi Aggarwal  
Partner

M.No. 521588

Place : New Delhi

Dated : 21st May 2019



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

Umesh Chopra  
Director  
DIN - 05277433

Verinder Singh Luthra  
Whole Time Director  
DIN - 08079850

# JITF Urban Waste Management (Bathinda) Limited

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in ₹)

Particulars	Note No	Year Ended March 31, 2019	Year ended March 31, 2018
I Revenue from operations	19	73,98,505	4,98,34,617
II Other income	20	3,18,341	21,65,591
III Total Income (I+II)		<u>77,16,846</u>	<u>5,20,00,208</u>
IV Expenses			
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	21	(1,39,20,883)	(1,28,27,858)
Employee benefits expense	22	72,54,184	70,65,693
Finance costs	23	6,84,77,047	4,08,65,996
Depreciation and amortization expense	24	1,87,68,689	2,01,34,347
Other expenses	25	6,44,22,823	11,39,18,296
Total expenses (IV)		<u>14,50,01,860</u>	<u>16,91,56,474</u>
V Profit/(loss) before exceptional items and tax (III- IV)		<u>(13,72,85,014)</u>	<u>(11,71,56,266)</u>
VI Exceptional Items			
VII Profit/(loss) before tax (V-VI)		<u>(13,72,85,014)</u>	<u>(11,71,56,266)</u>
VIII Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
Total Tax Expense (VIII)		-	-
IX Profit (Loss) for the year (VII-VIII)		<u>(13,72,85,014)</u>	<u>(11,71,56,266)</u>
X Other Comprehensive Income			
Items that will not be reclassified to profit and loss			
(i) Re-measurement gains (losses) on defined benefit plans		1,75,306	(2,01,856)
(ii) Income tax effect on above		-	-
Total Other Comprehensive Income		<u>1,75,306</u>	<u>(2,01,856)</u>
XI Total Comprehensive Income for the year (IX+X)(Comprising profit (loss) and other comprehensive income for the year)		<u>(13,71,09,708)</u>	<u>(11,73,58,122)</u>
XII Earnings per equity share			
(1) Basic (Amount in ₹)		(4.15)	(3.54)
(2) Diluted (Amount in ₹)		(4.15)	(3.54)
Significant accounting policies and notes to financial statements	26		

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

Aditi Aggarwal  
Partner  
M.No. 521588  
Place : New Delhi  
Dated : 21st May 2019



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

Umesh Chopra  
Director  
DIN - 05277483

Verinder Singh Luthra  
Whole Time Director  
DIN - 08079850

**JITF Urban Waste Management (Bathinda) Limited**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019**

**A. Equity Share Capital**

(Amount in ₹)

Balance as at April 1, 2017	5,76,560
Changes in equity share capital during F.Y.2017-18	-
Balance as at March 31, 2018	5,76,560
Changes in equity share capital during F.Y.2018-19	-
Balance as at March 31, 2019	5,76,560

**B. Other Equity**

Particulars	Equity component of compound financial Instruments*	Zero Coupon Compulsorily Convertible Debentures**	Reserves and Surplus		Items of Other Comprehensive Income	Total
			Securities Premium	Retained Earnings	Re-measurement of the net defined benefit Plans	
Balance as at April 1, 2017	1,36,81,472	33,00,03,000	5,47,25,888	(44,34,95,860)	1,27,518	(4,49,57,982)
Total Comprehensive Income for the year 2017-18	-	-	-	(11,71,56,266)	-	(11,71,56,266)
Re-measurements of the net defined benefit Plans	-	-	-	-	(2,01,856)	(2,01,856)
Balance as at March 31, 2018	1,36,81,472	33,00,03,000	5,47,25,888	(56,06,52,126)	(74,338)	(16,23,16,104)
Total Comprehensive Income for the year 2018-19	-	-	-	(13,72,85,014)	-	(13,72,85,014)
Re-measurements of the net defined benefit Plans	-	-	-	-	1,75,306	1,75,306
Balance as at March 31, 2019	1,36,81,472	33,00,03,000	5,47,25,888	(69,79,37,140)	1,00,968	(29,94,25,812)

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

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

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

As per our report of even date attached

For N.C. Aggarwal & Co.

Chartered Accountants

Firm Registration No. 003273N

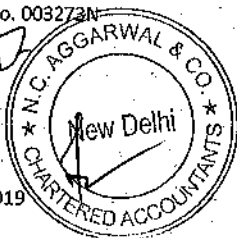
Aarti Aggarwal

Partner

M.No. 521588

Place : New Delhi

Dated : 21st May 2019



For and on behalf of the Board of Directors of

JITF Urban Waste Management (Bathinda) Limited

*(Signature)*  
 Umesh Chopra  
 Director  
 DIN - 05277483

*(Signature)*  
 Verinder Singh Luthra  
 Whole Time Director  
 DIN - 08079850

**JITF Urban Waste Management (Bathinda) Limited**  
**Statement of cash flows for the year ended March 31, 2019**

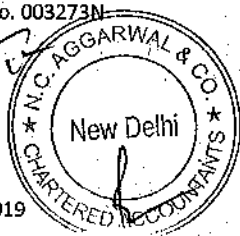
(Amount in ₹)

PARTICULARS	Year Ended March 31, 2019		Year ended March 31, 2018	
<b>A. CASH INFLOW (OUTFLOW) FROM THE OPERATING ACTIVITIES</b>				
<b>NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS</b>		(13,72,85,014)		(11,71,56,266)
Adjustments for :				
Add/(Less)				
Depreciation	1,87,68,689		2,01,34,347	
Interest Expenses	5,27,49,947		3,93,30,252	
Interest Income	(3,17,524)	7,12,01,112	-	5,94,64,599
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		(6,60,83,902)		(5,76,91,667)
Adjustments for :				
Inventories	(1,39,20,883)		(1,28,27,858)	
Trade Receivables	(20,52,260)		24,52,069	
Loans and advances and other assets	(25,97,064)		(7,65,542)	
Trade and Other Payables	3,26,03,539	1,40,33,332	(2,75,86,061)	(3,87,27,392)
<b>CASH GENERATED FROM OPERATIONS BEFORE EXCEPTIONAL ITEMS</b>		(5,20,50,570)		(9,64,19,059)
Tax Paid		19,26,208		(9,44,839)
<b>NET CASH INFLOW / ( OUTFLOW ) FROM OPERATING ACTIVITIES</b>		(5,01,24,362)		(9,73,63,898)
<b>B. CASH INFLOW/(OUTFLOW) FROM INVESTMENT ACTIVITIES</b>				
Sale/(Purchase) of Property, Plant & Equipment	4,51,418		6,07,389	
Interest Received	3,17,524			
<b>NET CASH INFLOW/(OUTFLOW)FROM INVESTING ACTIVITIES</b>		7,68,942		6,07,389
<b>C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>				
Interest paid	(5,27,49,947)		(3,94,76,447)	
Loan Repaid to Subsidiary			(3,35,00,000)	
Increase/(Decrease) in Long Term Borrowings	9,73,76,940		17,08,18,472	
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>		4,46,26,993		9,78,42,025
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>		(47,28,427)		10,85,516
Cash and cash equivalents at beginning of the year		1,68,27,708		1,57,42,192
Cash and cash equivalents at end of the year		1,20,99,281		1,68,27,708

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

As per our report of even date attached

For N.C. Aggarwal & Co.  
 Chartered Accountants  
 Firm Registration No. 003273N  
 Aditi Aggarwal  
 Partner  
 M.No. 521588  
 Place : New Delhi  
 Dated : 21st May 2019



For and on behalf of the Board of Directors of  
 JITF Urban Waste Management (Bathinda) Limited  
 Umesh Chopra  
 Director  
 DIN - 05277483

Verinder Singh Luthra  
 Whole Time Director  
 DIN - 08079850

# JITF Urban Waste Management (Bathinda) Limited

## Notes to Financial Statements

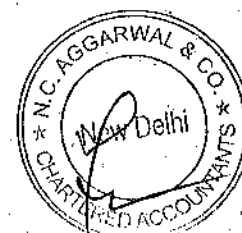
### 1. Property, Plant and Equipment

(Amount in ₹)

Particulars	Buildings	Plant and Equipment	Office Equipments	Furniture and Fixtures	Vehicles	Computer	Total
<b>Gross Block</b>							
As at April 1, 2017	13,77,39,584	13,39,91,949	10,31,800	41,339	3,32,62,252	9,41,804	30,70,08,728
Additions	-	1,05,730	10,000	-	-	-	1,15,730
Disposal/Adjustments	-	12,87,916	-	-	-	-	12,87,916
As at March 31, 2018	13,77,39,584	13,28,09,763	10,41,800	41,339	3,32,62,252	9,41,804	30,58,36,542
Additions	-	-	35,000	-	-	-	35,000
Disposal/Adjustments	-	10,56,380	20,000	-	-	-	10,76,380
As at March 31, 2019	13,77,39,584	13,17,53,383	10,56,800	41,339	3,32,62,252	9,41,804	30,47,95,162
<b>Accumulated Depreciation</b>							
As at April 1, 2017	77,76,406	2,12,36,400	6,90,674	37,869	1,44,36,293	5,75,087	4,47,52,729
Charge for the year	58,19,294	85,61,820	2,13,820	1,104	48,90,506	1,86,718	1,96,73,262
Disposal/Adjustments	-	1,66,455	(8,426)	-	-	-	1,58,029
As at March 31, 2018	1,35,95,700	2,96,31,765	9,12,920	38,973	1,93,26,799	7,61,805	6,42,67,962
Charge for the year	52,73,597	79,35,282	55,927	300	48,90,509	1,31,217	1,82,86,832
Disposal/Adjustments	-	2,33,408	5,526	-	-	-	2,38,934
As at March 31, 2019	1,88,69,297	3,73,33,639	9,63,321	39,273	2,42,17,308	8,93,022	8,23,15,860
<b>Net carrying amount</b>							
As at March 31, 2018	12,41,43,884	10,31,77,998	1,28,880	2,366	1,39,35,453	1,79,999	24,15,68,580
As at March 31, 2019	11,88,70,287	9,44,19,744	93,479	2,066	90,44,944	48,782	22,24,79,302

### 2. Intangible Assets

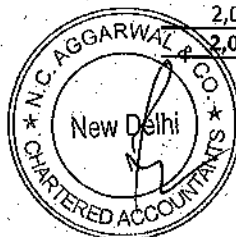
Particulars	Software
<b>Gross Block</b>	
As at April 1, 2017	24,17,562
Additions	-
Disposal/Adjustments	-
As at March 31, 2018	24,17,562
Additions	1,51,028
Disposal/Adjustments	-
As at March 31, 2019	25,68,590
<b>Accumulated Depreciation</b>	
As at April 1, 2017	8,68,923
Charge for the year	4,61,085
Disposal/Adjustments	8,432
As at March 31, 2018	13,21,576
Charge for the year	4,81,857
Disposal/Adjustments	-
As at March 31, 2019	18,03,433
<b>Net carrying amount</b>	
As at March 31, 2018	10,95,986
As at March 31, 2019	7,65,157



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

(Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>3. Other non-current financial assets</b>		
<b>Security Deposits</b>		
- Unsecured, considered good	8,54,255	7,96,755
<b>Total Other non current financial assets</b>	<b>8,54,255</b>	<b>7,96,755</b>
<b>4. Other non-current assets</b>		
Earnest Money Deposit	2,00,000	-
<b>Total Other non-current assets</b>	<b>2,00,000</b>	<b>-</b>
<b>5. Inventories</b>		
Work-in-progress	77,84,625	40,28,762
Finished goods	1,98,50,040	96,85,020
<b>Total Inventories</b>	<b>2,76,34,665</b>	<b>1,37,13,782</b>
<b>6. Trade receivables</b>		
a) Trade Receivables considered good - Secured	-	-
b) Trade Receivables considered good - Unsecured	2,37,69,696	2,17,17,436
c) Trade Receivables which have significant increase in Credit Risk	-	-
d) Trade Receivables - credit impaired	-	-
<b>Total Trade Receivables</b>	<b>2,37,69,696</b>	<b>2,17,17,436</b>
<b>7. Cash and cash equivalents</b>		
<b>Balances with Banks</b>		
On current accounts	1,20,99,281	1,68,27,708
<b>Total Cash and Cash equivalents</b>	<b>1,20,99,281</b>	<b>1,68,27,708</b>
<b>8. Current tax assets (net)</b>		
Advance taxation	12,13,159	31,39,367
<b>Total Current Tax Assets</b>	<b>12,13,159</b>	<b>31,39,367</b>
<b>9. Other current assets</b>		
Advances to vendors	17,02,856	6,22,361
Advance to Employees	9,351	16,52,969
Other receivables	33,05,465	2,02,778
<b>Total Other Current Assets</b>	<b>50,17,672</b>	<b>24,78,108</b>
<b>10. Equity Share Capital</b>		
<b>Authorised</b>		
1,00,000 Equity shares of Rs. 10/- each	10,00,000	10,00,000
2,50,000 Preference Shares of Rs. 100/- each	2,50,00,000	2,50,00,000
	<b>2,60,00,000</b>	<b>2,60,00,000</b>
<b>Issued</b>		
57,656 Equity shares of Rs. 10/- each fully paid up	5,76,560	5,76,560
	<b>5,76,560</b>	<b>5,76,560</b>
<b>Subscribed and fully paid-up</b>		
57,656 Equity shares of Rs. 10/- each fully paid up	5,76,560	5,76,560
	<b>5,76,560</b>	<b>5,76,560</b>
<b>4% Cumulative Optionally Convertible Preference Shares (COCPs)</b>		
2,06,600 Preference Shares of Rs.100/- each fully paid up	2,06,60,000	2,06,60,000
	<b>2,06,60,000</b>	<b>2,06,60,000</b>



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

(Amount in ₹)

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>(a) Reconciliation of the number of shares:</b>		
<b>Equity shares</b>		
Shares outstanding as at the beginning of the year	57,656	57,656
Shares outstanding as at the end of the year	<u>57,656</u>	<u>57,656</u>
<b>4% Cumulative Optionally Convertible Preference Shares (COCPs)*</b>		
Shares outstanding as at the beginning of the year	2,06,600	2,06,600
Shares outstanding as at the end of the year	<u>2,06,600</u>	<u>2,06,600</u>

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

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

**Equity Shares**

Name of Equity Shareholders	As at March 31, 2019		As March 31, 2018	
	No. of shares	% of holding	No. of shares	% of holding
JITF Urban Infrastructure Limited*	51890	90	51890	90
Ladurner Impianpi S.R.L Italia	5766	10	5766	10
<b>Total</b>	<b>57656</b>	<b>100</b>	<b>57656</b>	<b>100</b>

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

**Preference Shares**

Name of COCPs Shareholder	As at March 31, 2019		As March 31, 2018	
	No. of shares	% of holding	No. of shares	% of holding
JITF Urban Infrastructure Limited	206600	100	206600	100
<b>Total</b>	<b>206600</b>	<b>100</b>	<b>206600</b>	<b>100</b>

**(c) Terms/Rights attached to shares**

**Equity Shares**

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

**Preference Shares**

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

**11. Other equity**

**(i) Equity component of other financial instruments**

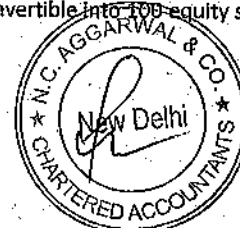
Equity component of other financial instruments*	1,36,81,472	1,36,81,472
<b>Total Equity component of other financial instruments</b>	<u><b>1,36,81,472</b></u>	<u><b>1,36,81,472</b></u>

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

**(ii) Compulsorily Convertible Debentures**

Balance as per last financial statements	33,00,03,000	33,00,03,000
<b>Total Compulsorily Convertible Debentures</b>	<u><b>33,00,03,000</b></u>	<u><b>33,00,03,000</b></u>

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





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

(Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>(iii) Retained earnings</b>		
Balance as per last financial statements	(56,06,52,126)	(44,34,95,860)
Add: Profit after tax transferred from Statement of profit and Loss	(13,72,85,014)	(11,71,56,266)
<b>Total retained earnings</b>	<b>(69,79,37,140)</b>	<b>(56,06,52,126)</b>
<b>(iv) Other Comprehensive Income (OCI) reserve</b>		
Balance as per last financial statements	(74,338)	1,27,518
Add: During the year	1,75,306	(2,01,856)
<b>Total Other Comprehensive Income (OCI) reserve</b>	<b>1,00,968</b>	<b>(74,338)</b>
<b>v) Securities Premium</b>		
Balance as per last financial statements	5,47,25,888	5,47,25,888
<b>Total Securities Premium</b>	<b>5,47,25,888</b>	<b>5,47,25,888</b>
<b>Total other equity</b>	<b>(29,94,25,812)</b>	<b>(16,23,16,104)</b>

**Nature and Purpose of Reserves**

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

Retained Earnings represent the undistributed profits of the Company.

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

**12. Non Current borrowings**

**a) Secured**

**(i) Term Loan from banks**

	12,45,55,000	15,33,04,000
<b>Secured Non Current borrowings</b>	<b>12,45,55,000</b>	<b>15,33,04,000</b>

(i) Term loan from Punjab National Bank of Rs.16,28,87,000/- (including Rs 3,83,32,000 shown in current maturity) as at 31st March 2019 & Rs.19,16,36,000/- (including Rs 3,83,32,000 shown in current maturity) as at 31st March 2018 carries interest @ 13.05% repayable in 28 quarterly equal installments from July, 2016. Loan is Secured by way of hypothecation of all movable fixed assets both, present or future and pledge of Compulsory Convertible Debentures having face value of Rs. 10.18/- crores held by JITF Urban Infrastructure Ltd. Loan is also secured by corporate guarantee of Jindal ITF Limited and JITF Urban Infrastructure Limited.

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

**b) Unsecured**

Liability Component of Compound Financial Instrument (COFPS)

Loans from related parties \*

	3,48,92,640	3,48,92,640
	34,48,59,412	21,87,33,472
<b>Unsecured Non Current borrowings</b>	<b>37,97,52,052</b>	<b>25,36,26,112</b>

**Total Non Current Borrowings**

	<b>50,43,07,052</b>	<b>40,69,30,112</b>
--	---------------------	---------------------

\* Refer Note no 26.9 for details of Loan from related party.

**13. Other non-current financial liabilities**

Provision for Unwinding Charges on fair valuation of financial Instrument

\*

**Total other non-current financial liabilities**

	1,76,71,872	26,17,311
	<b>1,76,71,872</b>	<b>26,17,311</b>

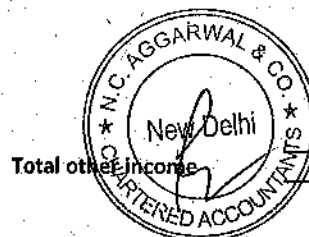
\* Refer Note no 26.9 for details of Unwinding Charges on fair valuation of financial Instrument



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

(Amount In ₹)

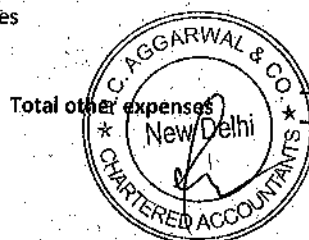
Particulars	As at March 31, 2019	As at March 31, 2018
<b>14. Provisions</b>		
<b>Provision for Employee benefits</b>		
- Gratuity	1,66,474	2,77,103
- Leave Encashment	2,13,172	2,42,742
<b>Total Long term Provisions</b>	<b>3,79,646</b>	<b>5,19,845</b>
<b>15. Trade payables</b>		
Micro Enterprises and Small Enterprises* Other than Micro and Small Enterprises	1,61,61,978	75,90,101
<b>Total Trade payables</b>	<b>1,61,61,978</b>	<b>75,90,101</b>
*There are no Micro and Small Enterprises, to whom the Company owes dues as at 31st March 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006 has been determined to the extent such Parties have been identified on the basis of information available with the Company.		
<b>16. Other current financial liabilities</b>		
Current Maturities of Long Term debts-Secured	3,83,32,000	3,83,32,000
Interest Accrued and due	27,20,596	23,83,989
Capital Creditors	64,182	5,63,149
Security Deposit	15,000	15,000
Payable to related parties *	6,37,200	48,600
Other outstanding financial liabilities	50,28,781	25,53,720
Dues to Employees	6,54,876	3,14,471
<b>Total other financial liabilities</b>	<b>4,74,52,635</b>	<b>4,42,10,929</b>
*Refer Note no 26.9 for details of Loan from related party.		
<b>17. Other current liabilities</b>		
Statutory Dues	72,87,495	15,93,097
<b>Total other current liabilities</b>	<b>72,87,495</b>	<b>15,93,097</b>
<b>18. Current provisions</b>		
<b>Provision for Employee benefits</b>		
- Gratuity	6,546	4,538
- Leave Encashment	13,551	9,669
<b>Total current provisions</b>	<b>20,097</b>	<b>14,207</b>
	<b>Year Ended March 31, 2019</b>	<b>Year ended March 31, 2018</b>
<b>19. Revenue from operations</b>		
<b>a) Sale of products</b>		
Finished goods	46,01,068	13,67,057
<b>Total Sale of products</b>	<b>46,01,068</b>	<b>13,67,057</b>
<b>b) Sale of Services</b>		
Tipping Fee	24,03,810	3,59,58,511
User Collection Revenue	3,93,627	1,25,09,049
<b>Total Sale of Services</b>	<b>27,97,437</b>	<b>4,84,67,560</b>
<b>Total Revenue from operations</b>	<b>73,98,505</b>	<b>4,98,34,617</b>
<b>20. Other Income</b>		
Interest Income	3,17,524	
Other Non Operating Income	300	21,65,591
Profit on sale of Fixed Assets	517	
<b>Total other Income</b>	<b>3,18,341</b>	<b>21,65,591</b>



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

(Amount in ₹)

Particulars	Year Ended March 31, 2019	Year ended March 31, 2018
<b>21. Changes in Inventories of finished goods, stock-in-trade and work-in-progress</b>		
Opening Stock		
-Finished Goods	96,85,020	8,85,924
-Work in Progress	40,28,762	-
	<u>1,37,13,782</u>	<u>8,85,924</u>
Closing Stock		
-Finished Goods	1,98,50,040	96,85,020
-Work in Progress	77,84,625	40,28,762
	<u>2,76,34,665</u>	<u>1,37,13,782</u>
<b>Total (Increase)/Decrease in Stock</b>	<u>(1,39,20,883)</u>	<u>(1,28,27,858)</u>
<b>22. Employee benefit expenses</b>		
Salary and Wages	59,36,562	62,19,609
Contribution to Provident and other funds	7,53,959	3,96,797
Workmen & Staff welfare expenses	5,63,663	4,49,287
<b>Total Employee benefit expenses</b>	<u>72,54,184</u>	<u>70,65,693</u>
<b>23. Finance Cost</b>		
a) Interest Expense		
- on Term loans	2,39,07,405	2,91,80,264
- Unwinding Charges on fair valuation of financial Instrument	1,50,54,561	8,26,400
- Other Interest	2,88,42,542	1,01,49,988
b) Bank and Finance charges	6,72,539	7,09,344
<b>Total Finance Cost</b>	<u>6,84,77,047</u>	<u>4,08,65,996</u>
<b>24. Depreciation and amortisation</b>		
Depreciation	1,82,86,832	1,96,73,262
Amortisation	4,81,857	4,61,085
<b>Total Depreciation and amortisation</b>	<u>1,87,68,689</u>	<u>2,01,34,347</u>
<b>25. Other expenses</b>		
Stores and Spares Consumed	18,91,614	27,23,370
Power and Fuel	28,78,195	1,14,79,319
Tipping Fee Paid	1,40,55,015	7,00,84,721
Weightment Charges	63,880	9,71,219
Transportation Cost	64,650	2,24,641
Hire Charges	7,47,944	64,35,260
Repairs to Plant and Machinery	64,55,592	46,06,914
Rent	10,12,672	1,35,332
Rates and Taxes	1,39,460	1,22,765
Insurance	7,08,581	4,48,529
Repair and Maintenance-Others	1,58,594	3,73,525
Travelling and Conveyance	15,52,475	9,70,004
Vehicle Upkeep and Maintenance	10,970	45,495
Postage and Telephones	2,04,593	3,48,049
Legal and Professional Fees	2,50,62,956	92,23,297
Security Expenses	33,88,376	19,94,120
Electricity Expenses	23,07,949	24,86,815
Auditors' Remuneration	35,400	35,760
Advertisement	5,000	14,400
Other Selling Expenses	28,750	2,34,858
Loss on Sale/Discard of Fixed Assets	1,597	1,203
Net foreign currency (gain)/loss - operating expenses		23,888
Provision agst GST Receivables	26,31,201	
Miscellaneous Expenses	10,17,359	9,34,812
<b>Total other expenses</b>	<u>6,44,22,823</u>	<u>11,39,18,296</u>



**JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No-26**

**1. Corporate and General Information**

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

The company is carrying out operation of collection, transportation, processing and disposal of solid waste in the form of RDF and Compost.

**2. Basis of preparation**

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

The Significant accounting policies used in preparing the financial statements are set out in Note no. 3 of the Notes to these Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 4 on critical accounting estimates, assumptions and judgements).

**3.0 Significant Accounting Policies**

**3.1 Basis of Measurement**

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

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

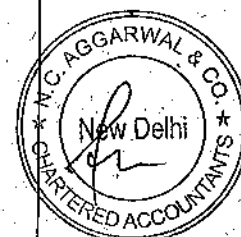
The financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency and all amounts are rounded to the nearest rupee thereof, except as stated otherwise.

**3.2 Property, Plant and equipment**

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
<b>Building</b>	
- Building	25
<b>Equipment &amp; Machinery</b>	
- Plant & Machinery	5-15
<b>Other Office Equipments</b>	
- Computer equipment	3-5
- Office equipment	3-8
- Furniture & fixture	5
- Vehicles	8-10



# JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No-26

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

#### 3.3 Intangible Assets

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

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

#### 3.4 Impairment of non-current assets

Non-current assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### 3.5 Cash and cash equivalents

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

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they are being considered as integral part of the Company's cash management. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### 3.6 Inventories

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

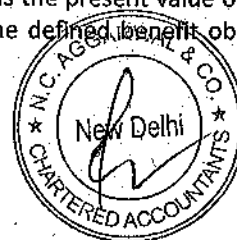
#### 3.7 Employee benefits

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. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Leave encashment 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 liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.



# JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No-26

The present value of the defined benefit obligation denominated in Indian Rupees (₹) is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

The Company operates defined benefit plans for gratuity, which requires contributions to be made to a separately administered fund. Funds are managed by trust. This trust has policy from an insurance company.

#### 3.8 Foreign currency reinstatement and translation

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

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

##### (b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the yearend exchange rates are recognised in statement of profit and loss.

Exchange gain and loss on debtors, creditors and other than financing activities are presented in the statement of profit and loss, as other income and as other expenses respectively. Foreign exchange gain and losses on financing activities to the extent that they are regarded as an adjustment to interest costs are presented in the statement of profit and loss as finance cost and balance gain and loss are presented in statement of profit and loss as other income and as other expenses respectively.

Non-monetary items that are measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value was determined.

#### 3.9 Financial instruments – initial recognition, subsequent measurement and impairment

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

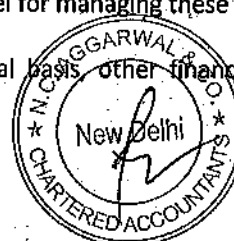
##### a) Financial Assets

Financial Assets are classified 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.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing these assets changes.

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.



# JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No-26

#### *Measurement*

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### **i. Trade receivables**

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

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. 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.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

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

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

#### *De-recognition of financial asset*

A financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

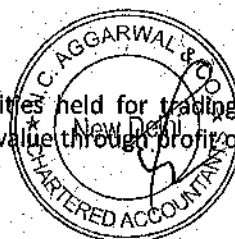
Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### **b) Financial Liabilities**

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

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities



# JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No-26

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

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:

##### *Borrowings*

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. 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. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the company has unconditional right to defer settlement of the liability for atleast twelve months after reporting period.

##### *Trade and other payables*

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

##### *De-recognition of financial liability*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs. A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

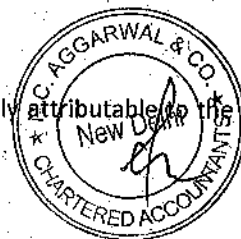
#### 3.10 Compound financial instruments

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

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

#### 3.11 Equity share capital

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





# JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No-26

#### 3.12 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

#### 3.13 Taxation

Income tax expenses or credit for the period comprised of tax payable on the current period's taxable income based on the applicable income tax rate, the changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, minimum alternative tax (MAT) and previous year tax adjustments.

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.

The current income tax charge or credit is calculated on the basis of the tax law enacted after considering allowances, exemptions and unused tax losses under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. 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.

The Company recognises Credit of MAT as an asset when there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss account and included in the deferred tax assets. The carrying amount of MAT is reviewed at each balance sheet date.

#### 3.14 Revenue recognition and other operating income

The Company has adopted the new standard Ind AS 115, "Revenue from contracts with customers" from April 1, 2018, applying the modified retrospective approach which provides that the cumulative impact of the adoption will be recognised in retained earnings as of April 1, 2018 and comparatives will not be restated. Ind AS 115 did not have material impact on the amount or timing of recognition of reported revenue except contract acquisition cost which has been recognised as per principles of Ind AS 115.

##### a) Sale of goods

Revenue from sale of goods is recognised when control of products, being sold has been transferred to the customer and when there are no longer any unfulfilled obligations to the customer.



# JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No-26

#### b) Sale of Service-job work

Revenue from job work charges are recognised based on stage of completion of the contract subject to job work. Stage of completion is determined using "Input methods" as a proportion of cost incurred to date to the total estimated contract cost. Estimated loss on job work to be undertaken in future years are provided for in the period in which the estimate results in a loss on job work.

#### c) Other Operating Income

Government Grants related to operations are recognised in books after due consideration of certainty of utilization/receipt of such incentives.

#### d) 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.

#### 3.15 Earnings per share

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

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

#### 3.16 Provisions and contingencies

##### a) 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. Provisions are not recognised for future operating losses.

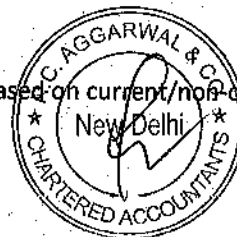
Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

##### b) 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.

#### 3.17 Current versus non-current classification

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



# JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No-26

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

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

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

#### 3.18 Recent Ind AS Pronouncement

Standards issued but not yet effective

##### Ind AS 116 – Leases

Ind AS 116 was notified by Ministry of Corporate Affairs on March 30, 2019 and it is applicable for annual reporting periods beginning on or after April 1, 2019.

Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased term) and a financial liability to pay rentals for virtually all leases contracts. An optional exemption exists for short-term and low-value assets. The company has operating lease, does not affect the profitability. The Company will be able to reasonably estimate the impact of Ind AS 116 on the financial statement after completion of above stated assessment.

#### 4. Critical accounting estimates, assumptions and judgements

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

##### (a) Property, plant and equipment

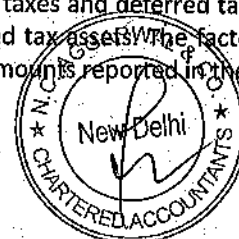
External adviser or internal technical team assess the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable.

##### (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.



# JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No-26

#### (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.

#### (g) Liquidated damages

Liquidated damages payable are estimated and recorded as per contractual terms; estimate may vary from actuals as levy by customer.

### 5.0 Financial risk management

#### 5.1 Financial risk factors

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's activities expose it to Liquidity risk:

##### i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. 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. 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, 2019 and March 31, 2018.

##### 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.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

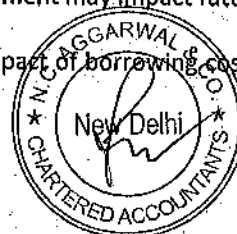
#### Market Risk

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. However, such effect is not material.

#### a) 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.



**JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No-26**

(Amount in ₹)

Interest rate sensitivity	Increase/Decrease in basis points	Effect on profit before tax For the Year ended 31 March 2019	Effect on profit before tax For the Year ended 31 March 2018
INR	+50	-24,73,618	-8,98,713
	-50	24,73,618	8,98,713
USD	+50	-	-
	-50	-	-

**Interest rate and currency of borrowings**

The below details do not necessarily represents foreign currency or interest rate exposure to the Income statement, since the Group has taken derivatives for offsetting the foreign currency and interest rate exposure.

(Amount in ₹)

Particulars	Total Borrowing	Floating rate borrowing	Fixed rate borrowing	Weighted Average rate
INR	54,26,39,052	50,77,46,412	3,48,92,640	
<b>Total as on March 31, 2019</b>	<b>54,26,39,052</b>	<b>50,77,46,412</b>	<b>3,48,92,640</b>	<b>11.51%</b>
INR	44,52,62,112	19,16,36,000	25,36,26,112	
<b>Total as on March 31, 2018</b>	<b>44,52,62,112</b>	<b>19,16,36,000</b>	<b>25,36,26,112</b>	<b>11.71%</b>

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

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

**Credit risk**

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

**Trade Receivables**

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken advances and security deposits from its customers & distributors, which mitigate the credit risk to an extent.

**Provision for expected credit losses**

The Company extends credit to customers as per the internal credit policy. Any deviation are approved by appropriate authorities; after due consideration of the customers credentials and financial capacity, trade practices and prevailing business and economic conditions. The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the customers etc. Loss allowances and impairment is recognised, where considered appropriate by the management.



**JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No-26**

The ageing of unsecured trade receivable is as below:

(Amount in ₹)

Particulars	Neither due nor impaired	Past due but			Total
		upto 6 months	6 to 12 months	Above 12 months	
<b>As at March 31, 2019</b>					
Trade Receivable	1,66,286	51,789	70,09,522	1,65,42,099	2,37,69,696
<b>As at March 31, 2018</b>					
Trade Receivable	60,53,765	1,32,28,719	20,84,212	3,50,740	2,17,17,436

- Financial instruments and cash deposits

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

**Liquidity risk**

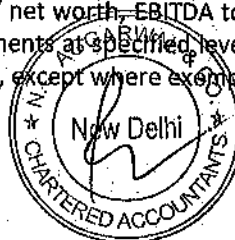
The Company's objective is to; at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

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

(Amount in ₹)

Particular	Carrying Amount	On Demand	Less Than 6 Months	6 to 12 Months	>1 Years	Total
<b>As at March 31, 2019</b>						
Interest Bearing Borrowing	54,26,39,052	-	1,91,66,000	1,91,66,000	50,43,07,052	54,26,39,052
Other Liabilities	2,67,92,507	6,37,200	84,83,435	-	1,76,71,872	2,67,92,507
Trade And Other Payables	1,61,61,978	-	1,61,61,978	-	-	1,61,61,978
<b>Total</b>	<b>58,55,93,537</b>	<b>6,37,200</b>	<b>4,38,11,413</b>	<b>1,91,66,000</b>	<b>52,19,78,924</b>	<b>58,55,93,537</b>
<b>As at March 31, 2018</b>						
Interest Bearing Borrowing	44,52,62,112	-	1,91,66,000	1,91,66,000	40,69,30,112	44,52,62,112
Other Liabilities	84,96,240	48,600	58,30,329	-	26,17,311	84,96,240
Trade And Other Payables	75,90,101	-	75,90,101	-	-	75,90,101
<b>Total</b>	<b>46,13,48,453</b>	<b>48,600</b>	<b>3,25,86,430</b>	<b>1,91,66,000</b>	<b>40,95,47,423</b>	<b>46,13,48,453</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.



**JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No-26**

**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.

**Capital risk management**

The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

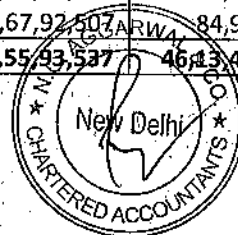
The Company monitors capital using gearing ratio, which is net debt divided by total capital which is given as under:-

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
Loans And Borrowings	54,26,39,052	44,52,62,112
Less: Cash And Cash Equivalents	1,20,99,281	1,68,27,708
Net Debt	53,05,39,771	42,84,34,404
Equity	(29,88,49,252)	(16,17,39,544)
Total Capital	23,16,90,519	26,66,94,860
Gearing Ratio	228.99%	160.65%

**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.

Particulars	(Amount In ₹)			
	As at March 31, 2019		As at March 31, 2018	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>Financial assets designated at amortised cost</b>				
Cash and bank balances	1,20,99,281	1,20,99,281	1,68,27,708	1,68,27,708
Trade and other receivables	2,37,69,696	2,37,69,696	2,17,17,436	2,17,17,436
Other financial assets	8,54,255	8,54,255	7,96,755	7,96,755
<b>Total</b>	<b>3,67,23,232</b>	<b>3,67,23,232</b>	<b>3,93,41,899</b>	<b>3,93,41,899</b>
<b>Financial liabilities designated at amortised cost</b>				
Borrowings- fixed rate	3,48,92,640	3,48,92,640	25,36,26,112	25,36,26,112
Borrowings- floating rate	50,77,46,412	50,77,46,412	19,16,36,000	19,16,36,000
Trade and other payables	1,61,61,978	1,61,61,978	75,90,101	75,90,101
Other financial liabilities	2,67,92,507	2,67,92,507	84,96,240	84,96,240
<b>Total</b>	<b>58,55,93,537</b>	<b>58,55,93,537</b>	<b>46,13,48,453</b>	<b>46,13,48,453</b>



# JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED

## Statement of Significant Accounting Policies & Notes to Financial Statements

### Note No-26

#### Fair Valuation techniques

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

The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings 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 values of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters basis contractual terms, period to maturity, and market parameters such as interest rates, foreign exchange rates, and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement, and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivative counterparties and believe them to be insignificant and not warranting a credit adjustment.
- 4) 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.
- 5) 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.

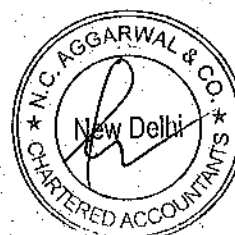
#### Fair Value hierarchy

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. Derivatives included interest rate swaps and foreign currency forwards.
- 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:





**JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No-26**

Liabilities for which fair value is disclosed

(Amount in ₹)

Particulars	As at March 31, 2019		
	Level 1	Level 2	Level 3
<b>Financial liabilities</b>			
Borrowings- fixed rate		3,48,92,640	
Other financial liabilities		2,67,92,507	
Particulars	As at March 31, 2018		
	Level 1	Level 2	Level 3
<b>Financial liabilities</b>			
Borrowings- fixed rate		25,36,26,112	
Other financial liabilities		84,96,240	

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. Retirement benefit obligations**

i. Expense recognised for Defined Contribution plan

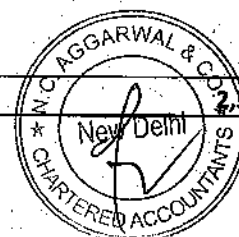
(Amount in ₹)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Company's contribution to provident fund	1,68,522	2,57,848
Company's contribution to ESI	2,93,368	10,960
Company's contribution to superannuation fund	2,92,069	1,27,989
<b>Total</b>	<b>7,53,959</b>	<b>3,96,797</b>

ii. Movement in Defined Benefit Obligation

(Amount in ₹)

Particulars	Gratuity (funded)	leave encashment (unfunded)
<b>Present value of obligation - April 1, 2018</b>	<b>3,90,984</b>	<b>2,52,411</b>
Interest cost	18,649	13,698
Current service cost	56,510	61,691
Benefits paid	-	(1,44,576)
Acquisitions / Transfer in/ Transfer out	-	-
Past Service Cost	-	-
Remeasurements - actuarial loss/ (gain)	(1,78,680)	43,499
<b>Present value of obligation - March 31, 2019</b>	<b>2,87,463</b>	<b>2,26,723</b>
<b>Present value of obligation - April 1, 2017</b>	<b>-</b>	<b>-</b>
Interest cost	-	-
Current service cost	96,084	2,52,411
Benefits paid	-	-
Acquisitions / Transfer in/ Transfer out	93,805	-
Past Service Cost	-	-
Remeasurements - actuarial loss/ (gain)	2,01,095	-
<b>Present value of obligation - March 31, 2018</b>	<b>3,90,984</b>	<b>2,52,411</b>



**JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No-26**

iii. Movement in Plan Assets – Gratuity

(Amount in ₹)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Fair value of plan assets at beginning of year	1,09,344	-
Expected return on plan assets	8,474	6,299
Transfer in	-	93,805
Transfer out	-	-
Employer contributions	-	10,000
Benefits paid	-	-
Actuarial gain / (loss)	(3,374)	(760)
<b>Fair value of plan assets at end of year</b>	<b>1,14,444</b>	<b>1,09,344</b>
Present value of obligation	2,87,463	3,90,984
Net funded status of plan	(1,73,019)	(2,81,640)
Actual return on plan assets	5,100	5,539

iv. Recognised in statement of profit and loss

(Amount in ₹)

Particulars	Gratuity	Leave Encashment
Interest cost	18,649	13,698
Current Service cost	56,510	61,691
Past service cost	-	-
Expected return on plan assets	(8,474)	-
<b>Year ended March 31, 2019</b>	<b>66,685</b>	<b>75,389</b>
Interest cost	-	-
Current Service cost	96,084	2,52,411
Past service cost	-	-
Expected return on plan assets	(6,299)	-
<b>Year ended March 31, 2018</b>	<b>89,785</b>	<b>2,52,411</b>
Actual return on plan assets	5,100	-

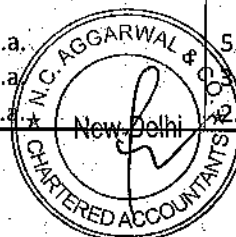
v. Recognised in Other Comprehensive Income

(Amount in ₹)

Particulars	Gratuity
Remeasurement - Actuarial loss/(gain)	(1,75,306)
Year ended March 31, 2019	(1,75,306)
Remeasurement - Actuarial loss/(gain)	2,01,855
Year ended March 31, 2018	2,01,855

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

Weighted average actuarial assumptions	As at March 31, 2019	As at March 31, 2018
Discount rate	7.75 % per annum	7.75 % per annum
Salary Growth Rate	6.50 % per annum	6.50 % per annum
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Expected rate of return	-	-
Withdrawal rate (Per Annum)	5.00% p.a.	5.00% p.a. (18 to 30 Years)
Withdrawal rate (Per Annum)	5.00% p.a.	5.00% p.a. (30 to 44 Years)
Withdrawal rate (Per Annum)	5.00% p.a.	5.00% p.a. (44 to 60 Years)



**JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No-26**

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

(Amount in ₹)	
Particulars	Gratuity
01 Apr 2019 to 31 Mar 2020	52,559
01 Apr 2020 to 31 Mar 2021	28,696
01 Apr 2021 to 31 Mar 2022	14,809
01 Apr 2022 to 31 Mar 2023	19,105
01 Apr 2023 to 31 Mar 2024	14,988
01 Apr 2024 Onwards	1,96,889

viii. Statement of Employee benefit provision

(Amount in ₹)		
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Gratuity	1,73,019	2,81,640
Leave Encashment	2,26,723	2,52,411
<b>Total</b>	<b>3,99,742</b>	<b>5,34,051</b>

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

Year ended March 31, 2019 (Amount in ₹)			
Particulars	Gratuity	Leave Encashment	
Current provision	6,545	13,551	
Non current provision	1,66,474	2,13,172	
<b>Total Provision</b>	<b>1,73,019</b>	<b>2,26,723</b>	

Year ended March 31, 2018 (Amount in ₹)			
Particulars	Gratuity	Leave Encashment	
Current provision	4,538	9,669	
Non current provision	2,77,102	2,42,742	
<b>Total Provision</b>	<b>2,81,640</b>	<b>2,52,411</b>	

x. Employee benefit expenses

(Amount in ₹)		
Employee benefit expenses	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and Wages	59,36,562	62,19,609
Costs-defined contribution plan	7,53,959	3,96,797
Welfare expenses	5,63,663	4,49,287
<b>Total</b>	<b>72,54,184</b>	<b>70,65,693</b>

(Figures in no.)

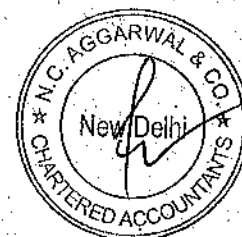
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Average no of people employed	8	11

**Note**

**OCI presentation of defined benefit plan**

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

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



**JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No-26**

**8. Other disclosures**

**Auditors Remuneration**

(Amount in ₹)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>1. Statutory Auditors</b>		
Audit Fee	35,400	35,760
<b>Total</b>	<b>35,400</b>	<b>35,760</b>

**9. 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:

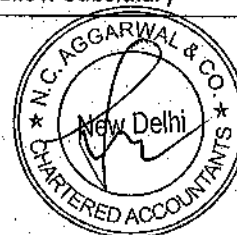
Related party name and relationship

**1. Key Managerial personnel**

S. No.	Name	Particulars
1	Mr. Umesh Chopra	Director
2	Mr. Verinder Singh Luthra	Whole-Time Director
3	Mr. Neelesh Gupta	Director
4	Mr. Alok Kumar	Director

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

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



**JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No-26**

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

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

**4. Trust under control**

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

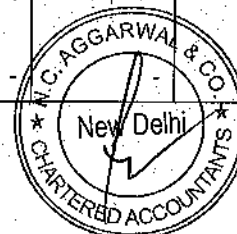
**5. Entities falling under same promoter group:**

S. No.	Name of the Entity
1	Jindal ITF Limited

**Related Party Transactions**

(Amount in ₹)

S.NO.	Particulars	Parent / Holding /Fellow Holding Companies		Subsidiary / Fellow Subsidiary Companies		Entities falling under same promoter group	
		FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
<b>A</b>	<b>Transactions</b>						
	<b>Sale of Capital Items</b>						
	Timarpur-Okhla Waste Management Company Limited	-	-	9,68,500	11,76,271	-	-
	<b>Purchase of Capital Items</b>						
	Timarpur-Okhla Waste Management Company Limited	-	-	-	1,05,730	-	-
	<b>Expenses incurred by others and reimbursed by company</b>						
	JITF Urban Infrastructure Limited	7,89,279	1,76,02,255	-	-	-	-
	<b>Expenses incurred/recovered by the Company</b>						
	JITF Urban Waste Management (Ferozpur) Limited	-	-	1,471	-	-	-
	JITF Urban Waste Management (Bathinda) Limited	-	-	25,515	-	-	-
	Jindal Urban Waste Management (Tirupati) Limited	-	-	37,680	-	-	-
	<b>Interest expense</b>						
	JITF Urban Infrastructure Limited	2,87,51,045	1,01,48,302	-	-	-	-



**JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No-26**

S.NO.	Particulars	Parent / Holding /Fellow Holding Companies		Subsidiary / Fellow Subsidiary Companies		Entities falling under same promoter group	
		FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
	Interest on fair valuation of financial Instrument						
	JITF Urban Infrastructure Limited	1,50,54,561	8,26,400	-	-	-	-
	Loan repaid during the year						
	JITF Urban Infrastructure Limited	95,00,000	2,40,00,000	-	-	-	-
	Loan taken during the year						
	JITF Urban Infrastructure Limited	10,97,50,000	20,01,00,000	-	-	-	-
<b>B</b>	Rent expense						
	Rent Income						
	Outstanding balances						
	Equity Share Capital by Holding						
	JITF Urban Infrastructure Limited	5,18,900	5,18,900	-	-	-	-
	Optional Convertible Preference Share by Holding						
	JITF Urban Infrastructure Limited	10,33,00,000	10,33,00,000	-	-	-	-
	CCDs Liabilities						
	JITF Urban Infrastructure Limited	33,00,03,000	33,00,03,000	-	-	-	-
	Loan payable						
	JITF Urban Infrastructure Limited	34,48,59,412	21,87,33,472	-	-	-	-
	Payables						
	JITF Urban Infrastructure Limited	6,37,200	48,600	-	-	-	-
	JITF Urban Infrastructure Limited (OCPS)	1,76,71,872	26,17,311	-	-	-	-
	Jindal ITF Limited	-	-	-	-	-	3,27,500

**Remuneration to Key Management Personnel**

(Amount in ₹)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Short-Term employee benefits*	12,05,294	6,25,755
Post-Employment benefits		
- Defined contribution plan\$	58,320	30,903
- Defined benefit plan#	-	-
<b>Total</b>	<b>12,63,614</b>	<b>6,56,658</b>

\* Including bonus, sitting fees and value of perquisites

\$ Including PF and any other benefit

# As the liability for gratuity and leave encashment are provided on actuarial basis for the company as a whole, amounts accrued pertaining to key managerial personnel are not included in above.



**JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No-26**

10. Based on the intimation received from supplier regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the required disclosure is given below \* :

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	Principal amount due outstanding	-	-
2	Interest due on (1) above and unpaid	-	-
3	Interest paid to the supplier	-	-
4	Payments made to the supplier beyond the appointed day during the year.	-	-
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid	-	-
7	Amount of further interest remaining due and payable in succeeding year	-	-

\* To the extent information available with the company.

**11. Segment Reporting**

**Information about primary segment**

The Company is engaged primarily into Municipal solid waste project. The Company's primary segment as identified by management is Municipal solid waste product. The company operates into one primary segment.

Segments have been identified taking into account nature of product and differential risk and returns of the segment.

**Information about Geographical Segment – Secondary**

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

**12. Earnings per share**

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

Particulars	(Number of shares)	
	Year ended March 31, 2019	Year ended March 31, 2018
Issued equity shares	57,656	57,656
Equity shares compulsorily issuable on conversion of CCD	3,30,00,300	3,30,00,300
<b>Weighted average shares outstanding - Basic and Diluted - A</b>	<b>3,30,57,956</b>	<b>3,30,57,956</b>

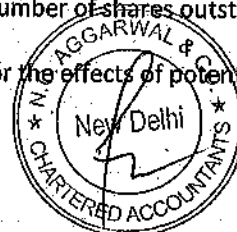
Net profit / (loss) available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>Profit / (loss) after tax - B</b>	<b>(13,72,85,014)</b>	<b>(11,71,56,266)</b>
Basic Earnings per share (B/A) (₹)	-4.15	-3.54
Diluted Earnings per share (B/A) (₹)	-4.15	-3.54

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

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

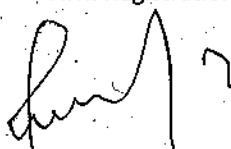



**JITF URBAN WASTE MANAGEMENT (BATHINDA) LIMITED**  
**Statement of Significant Accounting Policies & Notes to Financial Statements**  
**Note No-26**


13. The company does not have profit in current year. Therefore, premium on redemption of Optionally Convertible Preference shares as per Section 55 of the Companies Act, 2013 could not be made. The Premium on redemption of Preference shares would be provided for in Profit and Loss account in the year of profit.
14. The Concessing Authority i.e. Municipal Corporation, Bathinda did not fulfill the conditions / obligations of the Concession Agreement and thus the company terminated the concession agreement and referred the matter for arbitration which is pending before the Arbitral Tribunal. In view of the same there is a material uncertainty that the company would be able to continue as a going concern.
15. No deferred tax asset is created in view of the virtual certainty supported by convincing evidence as to the sufficient future taxable profit.
16. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.
17. Notes 1 to 16 are annexed to and form an integral part of financial statements.

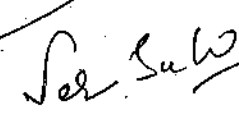
As per our report of even date attached  
For **N.C. Aggarwal & Co.**  
Chartered Accountants  
Firm Registration No: 003273N

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

  
**Aditi Aggarwal**  
Partner  
M.No. 521588  
Place : New Delhi  
Dated : 21st May 2019



  
**Umesh Chopra**  
Director  
DIN - 05277483

  
**Verinder Singh Luthra**  
Whole Time Director  
DIN - 08079850