

INDEPENDENT AUDITORS' REPORT

To
The Members of JWIL-SSIL-JV

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **JWIL-SSIL-JV**, which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement for the year then ended as per the Indian Accounting Standards (Ind AS) 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 so required in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Joint Venture ("the Enterprise") as at 31 March 2019, and its losses and its cash flows for the year ended on that date.

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 Joint Venture ("the Enterprise") so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes 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.

Management's Responsibility for the Financial Statements

Management is responsible preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Joint Venture ("the Enterprise") in accordance with the Indian Accounting Standards (Ind AS). This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Joint Venture ("the Enterprise") and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account, the accounting and auditing standards.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Joint Venture's ("the Enterprise") preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

For N.C. Aggarwal & Co.

Chartered Accountants

Firm Registration No. 003273N



G. K. Aggarwal

(Partner)

M. No. 086622

Date: 17th May, 2019

Place: New Delhi



JWIL-SSIL-JV
Balance Sheet as at March 31, 2019

(Amount in ₹)

Particulars	Note No	As at March 31, 2019	As at March 31, 2018
ASSETS			
(1) Non-current assets			
(2) Current assets			
(a) Financial Assets			
(i) Trade receivables	1	1,34,78,190	1,45,08,296
(ii) Cash and cash equivalents	2	81,396	3,80,047
(iii) Bank balances other than (ii) above	3	3,00,000	3,00,000
(iv) Other financial assets	4	1,24,659	1,02,691
(b) Current tax assets (Net)	5	69,93,631	61,53,117
(c) Other current assets	6	1,12,06,871	69,25,548
Total Assets		3,21,84,747	2,83,69,699
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital			
(b) Other Equity		(4,65,39,974)	(4,62,94,958)
Liabilities			
(1) Non-current liabilities			
(2) Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	7	7,86,27,800	7,44,75,936
(ii) Other financial liabilities	8	77,679	46,179
(b) Other current liabilities	9	19,242	1,42,542
Total Equity and Liabilities		3,21,84,747	2,83,69,699
Significant accounting policies and notes to financial statements	15		

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

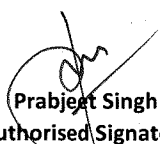


G.K. Aggarwal
Partner
M.No. 086622
Place : New Delhi
Dated : 17th May 2019



For and on behalf of JV Partners of JWIL-SSIL-JV


Vinod Gupta
Authorised Signatory


Prabjeet Singh
Authorised Signatory

JWIL-SSIL-JV

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	10	7,50,33,044	1,54,58,843
II Other income	11	27,461	5,28,586
III Total Income (I+II)		7,50,60,505	1,59,87,429
IV Expenses			
Cost of materials consumed	12	-	-
Finance costs	13	3,149	14,453
Other expenses	14	7,53,02,372	3,21,24,697
Total expenses (IV)		7,53,05,521	3,21,39,150
V Profit/(loss) before exceptional items and tax (III- IV)		(2,45,016)	(1,61,51,721)
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		(2,45,016)	(1,61,51,721)
VIII Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
Total Tax Expense (VIII)		-	-
IX Profit (Loss) for the year (VII-VIII)		(2,45,016)	(1,61,51,721)
X Other Comprehensive Income			
Items that will not be reclassified to profit and loss			
(i) Re-measurement gains (losses) on defined benefit plans		-	-
(ii) Income tax effect on above		-	-
Total Other Comprehensive Income		-	-
XI Total Comprehensive Income for the year (IX+X)(Comprising profit (loss) and other comprehensive income for the year)		(2,45,016)	(1,61,51,721)
Significant accounting policies and notes to financial statements	15		

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

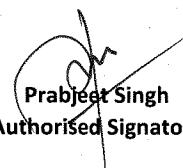


G.K. Aggarwal
 Partner
 M.No. 086622
 Place : New Delhi
 Dated : 17th May 2019



For and on behalf of JV Partners of JWIL-SSIL-JV


Vinod Gupta
 Authorised Signatory


Prabjeet Singh
 Authorised Signatory

JWIL-SSIL-JV
Statement of cash flows for the year ended March 31, 2019

(Amount in ₹)

PARTICULARS	Year ended March 31, 2019		Year ended March 31, 2018	
A. CASH INFLOW (OUTFLOW) FROM THE OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS		(2,45,016)		(1,61,51,721)
Adjustments for :				
Add/(Less)				
Excess Provision Written Back			(5,07,128)	
Interest Income	(27,461)	(27,461)	(21,458)	(5,28,586)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(2,72,477)		(1,66,80,307)
Adjustments for :				
Current investments				
(Increase)/Decrease in Trade Receivable	10,30,106		2,70,92,120	
(Increase)/Decrease in Loans and advances and other assets	(42,81,323)		1,55,19,244	
(Increase)/Decrease in Trade and Other Payables	40,60,064	8,08,847	(2,60,28,980)	1,65,82,384
CASH GENERATED FROM OPERATIONS BEFORE EXCEPTIONAL ITEMS		5,36,370		(97,923)
Tax Paid		(8,40,514)		(3,53,119)
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES		(3,04,144)		(4,51,042)
B. CASH INFLOW/(OUTFLOW) FROM INVESTMENT ACTIVITIES				
Interest Received	5,493			
NET CASH INFLOW/(OUTFLOW)FROM INVESTING ACTIVITIES		5,493		-
C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES				
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES				
NET CHANGES IN CASH AND CASH EQUIVALENTS		(2,98,651)		(4,51,042)
Cash and cash equivalents at beginning of the year		3,80,047		8,31,089
Cash and cash equivalents at end of the year		81,396		3,80,047
		(2,98,651)		(4,51,042)

NOTE:

- 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.

In Terms of our report of even date attached.

As per our report of even date attached

For N.C. Aggarwal & Co.

Chartered Accountants

Firm Registration No. 003273N

G.K.Aggarwal

Partner

M.No. 086622

Place : New Delhi

 Dated : 17th May 2019


For and on behalf of JV Partners of JWIL-SSIL-JV

Vinod Gupta
 Authorised Signatory

Prabjeet Singh
 Authorised Signatory

JWIL-SSIL-JV**Statement of Changes in Equity for the year ended March 31, 2019**

Other Equity

(Amount in ₹)

Particulars	Reserves and Surplus	Items of Other Comprehensive Income	Total
	Retained Earnings	Other items of other comprehensive income	
Balance as at April 1, 2017	(3,01,43,237)	-	(3,01,43,237)
Total Comprehensive Income for the year 2017-18	(1,61,51,721)		(1,61,51,721)
Balance as at March 31, 2018	(4,62,94,958)	-	(4,62,94,958)
Total Comprehensive Income for the year 2018-19	(2,45,016)		(2,45,016)
Balance as at March 31, 2019	(4,65,39,974)	-	(4,65,39,974)

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

For and on behalf of JV Partners of JWIL-SSIL-JV


G.K. Aggarwal

Partner

M.No. 086622

Place : New Delhi

Dated : 17th May 2019




Vinod Gupta

Authorised Signatory


Prabjeet Singh

Authorised Signatory

JWIL-SSIL-JV

Notes to Financial Statements

1. Trade receivables (Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured		
Unsecured Considered good	1,34,78,190	1,45,08,296
Total Trade Receivables	1,34,78,190	1,45,08,296

2. Cash and cash equivalents (Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Banks		
On current accounts	81,396	3,69,135
Cash on hand	-	10,912
Total Cash and Cash equivalents	81,396	3,80,047

3. Other bank balances (Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed Deposits with remaining maturity of less than 12 months and other than considered in cash and cash equivalents*	3,00,000	3,00,000
Total Other Bank balances	3,00,000	3,00,000

*Pledged with banks/government departments etc.

4. Other current financial assets (Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest accrued but not due on fixed deposit	1,24,659	1,02,691
Total other current financial assets	1,24,659	1,02,691

5. Current tax assets (net) (Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance taxation (net)	69,93,631	61,53,117
Total Current Tax Assets	69,93,631	61,53,117

6. Other current assets (Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
Other receivables *	1,12,06,871	69,25,548
Total Other Current Assets	1,12,06,871	69,25,548

* Includes Sales tax, Cenvat credit etc.

7. Trade payables (Amount in ₹)

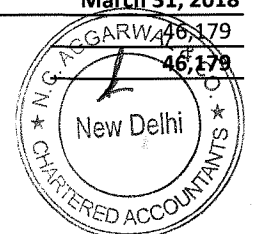
Particulars	As at March 31, 2019	As at March 31, 2018
Trade payables (including acceptances) #	7,86,27,800	7,44,75,936
Total Trade payables	7,86,27,800	7,44,75,936

There are no Micro and Small Enterprises, to whom the JV 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 JV.

8. Other current financial liabilities (Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
Other outstanding financial liabilities #	77,679	46,179
Total other current financial liabilities	77,679	46,179

Includes provision for expenses etc.



JWIL-SSIL-JV
Notes to Financial Statements

9. Other current liabilities

(Amount in ₹)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Statutory Dues	19,242	1,42,542
Total other current liabilities	19,242	1,42,542

10. Revenue from operations

(Amount in ₹)

Particulars	Year Ended	Year ended
	March 31, 2019	March 31, 2018
Sale of Services		
Erection and Commissioning Revenue	7,50,33,044	1,54,58,843
Total Revenue from operations	7,50,33,044	1,54,58,843

11. Other income

(Amount in ₹)

Particulars	Year Ended	Year ended
	March 31, 2019	March 31, 2018
Interest Income	27,461	21,458
Excess provision written back	-	5,07,128
Total other income	27,461	5,28,586

12. Cost of materials consumed

(Amount in ₹)

Particulars	Year Ended	Year ended
	March 31, 2019	March 31, 2018
Material consumed	-	-
Total cost of materials consumed	-	-

13. Finance Cost

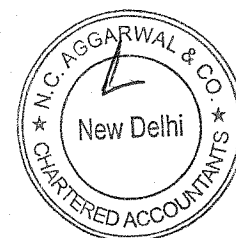
(Amount in ₹)

Particulars	Year Ended	Year ended
	March 31, 2019	March 31, 2018
Interest Expense		
- Other Interest	-	8,594
Bank and Finance charges	3,149	5,859
Total Finance Cost	3,149	14,453

14. Other expenses

(Amount in ₹)

Particulars	Year Ended	Year ended
	March 31, 2019	March 31, 2018
Manufacturing expenses		
Sub Contract Expenses	7,52,20,073	1,40,56,602
Administrative, Selling and other expenses		
Rates and Taxes	-	43
Legal and Professional Fees	32,300	33,490
Auditors' Remuneration	50,000	35,000
Miscellaneous Expenses	(1)	1,79,99,562
Total other expenses	7,53,02,372	3,21,24,697



JWIL SSIL (JV)

Statement of Significant Accounting Policies & Notes to Financial Statements

Note No- 15

1. Corporate and General Information

JWIL-SSIL (JV) (hereinafter referred to as "Enterprise") established on 28th February, 2012 in Joint venture as an Association of Person with the main object to carry the business for execution and implementation for designing providing, laying, testing and commissioning of water supply distribution system in Mau village of Chitrakoot district of Uttar Pradesh. The profit sharing ratio of the JV Partners is as follows:

Name of the Member	% of Profit/ Loss
JWIL Infra Limited	60%
Sai Sudhir Infrastructures Limited	40%

2. Basis of preparation

The annual financial statements have been prepared complying with all Indian Accounting Standards notified under Section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standard) Rules, 2015] and other relevant provisions of the Act.

The Enterprise has consistently applied the accounting policies used in the preparation for all periods presented.

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

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

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.

The standalone financial statements are presented in Indian Rupees (₹), which is the enterprise's functional and presentation currency and all amounts are rounded to the nearest rupees, except as stated otherwise.

3.2 Use of estimates

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

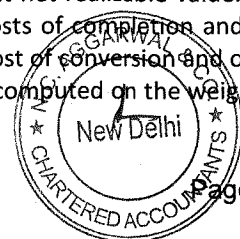
3.3 Cash and cash equivalents

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 Enterprise's cash management. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

3.4 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.



JWIL SSIL (JV)

Statement of Significant Accounting Policies & Notes to Financial Statements

Note No- 15

3.5 Financial instruments – initial recognition, subsequent measurement and impairment

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

a. Financial Assets

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

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 enterprise has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

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.

Measurement

At initial recognition, the Enterprise 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.

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.

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.

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 enterprise 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 enterprise 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 enterprise has not retained control of the financial asset. Where the enterprise retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

JWIL SSIL (JV)

Statement of Significant Accounting Policies & Notes to Financial Statements

Note No- 15

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

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 enterprise 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.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the enterprise or the counterparty.

3.6 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



JWIL SSIL (JV)

Statement of Significant Accounting Policies & Notes to Financial Statements Note No- 15

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.

3.7 Revenue recognition and other operating income

The Enterprise 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.

Revenue from construction contracts

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

Other Income

Interest

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

3.8 Provisions and contingencies

Provisions

Provisions are recognised when the Enterprise 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.

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 enterprise 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.

3.9 Current versus non-current classification

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

The enterprise 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



JWIL SSIL (JV)

Statement of Significant Accounting Policies & Notes to Financial Statements

Note No- 15

- 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.

3.10 Recent Ind AS Pronouncement

The enterprise has applied the following standards and amendments for the first time for the period commencing from April 1, 2018. The adoption of these standards did not have any material impact on the current period or any impact on comparative period and is not likely to affect future periods.

- a) The new standard Ind AS 115, "Revenue from contracts with customers" is mandatory for financial year commencing on April 1, 2018 and early adoption was not permitted. The standard permits either a full retrospective or a modified retrospective approach for the adoption. Ind AS 115, Revenue from contracts with customers deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. The standard replaces Ind AS 18 Revenue and Ind AS 11 Construction contracts and related appendices. Refer Note 3.7 for impact of adoption and accounting policy change due to adoption of new standard.
- b) Amendment to Ind AS 112, "Disclosure of interest in other entities", the amendment clarify that disclosure requirements for interests in other entities also apply to interests that are classified (or included in a disposal group that is classified) as held for sale or as discontinued operations in accordance with Ind AS 105, Non-current assets held for sale and discontinued operations. The enterprise adopted the amendment retrospectively on transactions that are initially recognised on or after April 1, 2018. There is no impact on the financial statements for the amendment.



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Statement of Significant Accounting Policies & Notes to Financial Statements

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Standards issued but not yet effective

Title of standard	Ind AS 116, Leases
Nature of change	<p>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.</p> <p>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.</p> <p>The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease. Under Ind AS 116, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.</p>
Impact	<p>The enterprise is in the process of assessing the detailed potential impact of Ind AS 116, Leases on its financial statements and related disclosures. Operating leases are for hiring of equipment's and properties.</p> <p>The enterprise will be able to reasonably estimate the impact of Ind AS 116 on the financial statement after completion of above stated assessment.</p>
Date of adoption	The enterprise intends to adopt the standard using the modified retrospective transition approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of April 1, 2019 and that comparatives will not be restated.

4. Critical accounting estimates, assumptions and judgements

In the process of applying the Enterprise'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) Contingencies

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

(b) 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.

5. Financial risk management

5.1 Financial risk factors

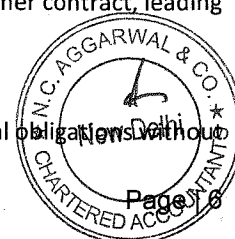
The Enterprise's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to manage finances for the Enterprise's operations. The Enterprise has loan and other receivables, trade and other receivables, that arise directly from its operations.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

i) 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.

ii) Liquidity risk.

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



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Statement of Significant Accounting Policies & Notes to Financial Statements

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

Credit risk

The Enterprise is exposed to credit risk from its operating activities (primarily trade receivables).

- Trade Receivables

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

The ageing of trade receivable is as below:

(Amount in ₹)

Particulars	Neither due nor impaired	Past Due			Total
		upto 6 months	6 to 12 months	Above 12 months	
Trade Receivables					
As at March 31, 2019					
- Unsecured	-	1,34,78,190	-	-	1,34,78,190
- Total	-	1,34,78,190	-	-	1,34,78,190
As at March 31, 2018					
- Unsecured	13,42,397	43,17,322	88,48,577	-	1,45,08,296
- Total	13,42,397	43,17,322	88,48,577	-	1,45,08,296

Liquidity risk

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

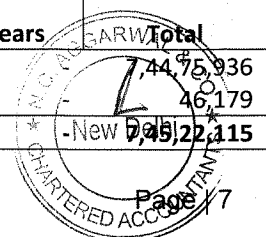
The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

(Amount in ₹)

Particulars	As of March 31, 2019					Total
	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 years	
Trade and other payables	7,86,27,800	-	7,86,27,800	-	-	7,86,27,800
Other liabilities	77,679	-	77,679	-	-	77,679
Total	7,87,05,479	-	7,87,05,479	-	-	7,87,05,479

(Amount in ₹)

Particulars	As of March 31, 2018					Total
	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 years	
Trade and other payables	7,44,75,936	-	7,44,75,936	-	-	7,44,75,936
Other liabilities	46,179	-	46,179	-	-	46,179
Total	7,45,22,115	-	7,45,22,115	-	-	7,45,22,115



JWIL SSIL (JV)

Statement of Significant Accounting Policies & Notes to Financial Statements

Note No- 15

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 Enterprise's financial instruments that are recognised in the financial statements.

(Amount in ₹)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets designated at amortised cost				
Fixec Deposits with Banks	3,00,000	3,00,000	3,00,000	3,00,000
Cash and bank balances	81,396	81,396	3,80,047	3,80,047
Trade and other receivables	1,34,78,190	1,34,78,190	1,45,08,296	1,45,08,296
Other Financial Assets	1,24,659	1,24,659	1,02,691	1,02,691
	1,39,84,245	1,39,84,245	1,52,91,034	1,52,91,034
Financial liabilities designated at amortised cost				
Trade & other payables	7,86,27,800	7,86,27,800	7,44,75,936	7,44,75,936
Other financial liabilities	77,679	77,679	46,179	46,179
	7,87,05,479	7,87,05,479	7,45,22,115	7,45,22,115

Fair Valuation techniques

The Enterprise 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.

Fair Value hierarchy

The following table provides the fair value measurement hierarchy of Enterprise'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 Enterprise specific estimates. If all significant inputs required to fair value an instrument are observable
- 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.

7. Segment information

Information about primary segment

The Enterprise is engaged in one primary business segment for water supply infrastructure and makes available water to users in Mau village of Chitrakoot district of Uttar Pradesh.

Information about Geographical Segment – Secondary

The Enterprise's operations are located in India. Hence, there is no geographical segment.



JWIL SSIL (JV)

Statement of Significant Accounting Policies & Notes to Financial Statements

Note No- 15

8. Other disclosures

Auditors Remuneration

(Amount in ₹)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
1. Statutory Auditors		
i. Audit Fee	35,000	35,000
ii. Tax Audit Fee	15,000	-
Total	50,000	35,000

9. Contingent Liability

(Amount in ₹)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Bank Guarantee	3,00,000	3,00,000
Total	3,00,000	3,00,000

10. Related party transactions

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

Related party name and relationship

i. Holding Enterprise

JWIL Infra Limited (Joint venture partner)

JITF Urban Infrastructure Services Limited (Joint venture partner through JWIL Infra Limited)

ii. Fellow Subsidiary Companies

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

JWIL SSIL (JV)**Statement of Significant Accounting Policies & Notes to Financial Statements****Note No- 15**

Joint venture where investment is held by parent company

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

Related party Transactions

(Amount in ₹)

Particulars	Joint Venturer	
	Current Year	Previous Year
Supply JWIL Infra Limited	61,86,400	-
Erection and commissioning expense JWIL Infra Limited	6,90,33,661	1,36,25,290
Reimbursement of Statutory Payments JWIL Infra Limited	41,25,809	17,50,521

Related Party Balances


(Amount in ₹)

Particulars	Joint Venturer	
	Current Year	Previous Year
Amount Payable JWIL Infra Limited	7,85,95,400	7,44,59,736

11. Notes 1 to 15 are annexed and form integral part of Financial Statements.

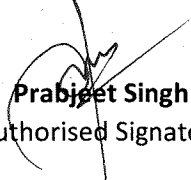
As per our report of even date attached
For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

For and on behalf of JV Partners of JWIL-SSIL-JV


G.K. Aggarwal
Partner
M.No. 086622
Place : New Delhi
Dated : 17th May 2019




Vinod Gupta
Authorised Signatory


Prabjeet Singh
Authorised Signatory