

Natvarlal Vepari & Co.

CHARTERED ACCOUNTANTS

903-904, 9th Floor, Raheja Chambers, 213, Nariman Point, Mumbai-400 021. Tel : 67527100 Fax : 6752 7101 E-Mail : nvc@nvc.in

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Patna Water Supply Distribution Network Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of Patna Water Supply Distribution Network Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with 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 March 31, 2022, the Loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of matter

We invite attention to Note No 29 relating to the receipt of the award, related revenue recognition and the impairment relating to the exposure towards the project. We have relied on the assertion of the management on the award finally fructifying in favor of management. Our opinion is not qualified on this account.

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 Board's report including the Directors Report, but does not include the Financial Statements and our Independent Auditors' Report thereon. Our opinion on the Financial Statements does not cover the Other Information and

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we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the Other Information identified above 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.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

Responsibilities of Management and those Charged with Governance for the Financial Statements

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

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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

1. 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.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. 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, make 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.

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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the attached Annexure "A" a statement on the matters specified in paragraphs 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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion the aforesaid Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as at March 31, 2022 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 our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. Since the Company has not paid any managerial remuneration the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 21 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses;

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- iii. There is no amounts which is required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv.
 - (a) The management has represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("intermediaries") with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries
 - (b) The management has represented that, to the best of its knowledge and belief no funds have been received by the company from any person or entity including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
 - (c) Based on such audit procedures considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv(a)) and (iv(b)) above contain any material misstatement.
- v. The Company has not declared any dividend during the year and hence compliance with section 123 of the Companies Act, 2013 is not applicable.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No- 106971W
Digitally signed by NUZHAT MOHD
KHAN
Date: 2022.06.21 15:54:29 +05'30'
Nuzhat Khan
Partner
M. No. – 124960
Mumbai, Dated: June 21, 2022
UDIN: 22124960ALIOQE4549

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ANNEXURE A

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Patna Water Supply Distribution Network Private Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The company does not have intangible assets.
(b) *During the year, Property, Plant and Equipment has not been physically verified by the management.*
The Company is not having accessibility to the property, plant and equipment since they, are in the custody of the Client with whom the Company is under arbitration. Further, there is no confirmation available from the Client that they are having the custody of the property, plant and equipment belonging to the Company.
(c) There is no immovable property in the Property, Plant and Equipment Schedule and therefore clause 3(i)(c) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) *Inventories have not been physically verified by the management, since the Company is not having access to the Inventories since all the materials and consumables as at March 31, 2022, are in the custody of the Client with whom the Company is under arbitration. Further, there is no confirmation available from the Client that they are having the custody of the Companies Material.*
(b) The Company does not have sanctioned working capital limits in excess of five crore rupees, and hence sub-clause 3(ii)(b) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- iii. (a) The Company has not made any investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence Clause 3(iii)(a), 3(iii)(b) 3(iii)(c), 3(iii)(d), 3(iii)(e) & 3(iii)(f) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

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- iv. In our opinion and according to the information and explanations given to us, the company has not given any loans, or made any investments, or given any guarantees and security to which section 185 or section 186 of the Companies Act, 2013 applies.
- v. The Company has not accepted any deposit from the public pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of the said sections.
- vi. As informed to us, the maintenance of the cost records under the sub-section (1) of section 148 of the Companies Act, 2013 has not been prescribed by The Central Government and hence sub-clause 3(vi) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- vii. (a) The Company is having significant delays in depositing undisputed statutory dues including Provident fund, Employees State Insurance, Income Tax, Custom Duty, Cess, Goods & Services Tax and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2022 for a period of more than six months from the date of becoming payable except tax deducted at source of Rs. 7,800 and Service tax of Rs. 13,913 which are outstanding for more than six months from due date.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has no borrowings and hence sub-clause 3(ix)(a) of The Companies (Auditor's Report) Order, 2020 is not applicable to the Company

(b) The Company has not been declared wilful defaulter by any bank or financial institution or any other lender.

(c) The Company has not availed of any term loan and hence sub-clause 3(ix)(c) of The Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

(d) According to the information and explanations given to us, and the audit procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds were raised by the Company during the year and hence sub-clause 3(ix)(d) of The Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

(e) The Company does not have any subsidiaries, joint ventures or associates and hence clause 3(ix)(e) & 3(ix)(f) of the Companies (Auditor's Report) Order, 2020 are

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not applicable to the Company.

- x. (a) The company has not raised any money by way of initial public offer / further public offer (including debt instruments) during the year and hence clause 3(x)(a) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

(b) According to the information and explanations given to us and based on the audit procedures performed we report that the Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year under review.
- xi. (a) According to the information and explanations given to us and to the best of our knowledge and belief no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government and hence clause 3(xi)(b) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.

(c) According to the information and explanations given to us and to the best of our knowledge and belief and as represented to us by the management no whistle-blower complaints have been received by the Company during the year.
- xii. The Company is not a Nidhi Company. Hence clause 3(xii) of Companies (Auditors Report) Order 2020 is not applicable to the Company.
- xiii. Provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company. All transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Board of Directors are concerned. The details of related party transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standard.
- xiv. (a) The Company is not required to have an internal audit system as per Section 138 of the Companies Act, 2013 and accordingly the Company does not have an internal audit system.

(b) Since the company is not required to have an internal audit system sub clause 3(xiv)(b) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions during the year with its directors or persons connected with its directors and hence clause 3(xv) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- xvi. (a) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934 and hence sub-clause 3(xvi)(a), 3(xvi)(b), and 3(xvi)(c) of the Companies (Auditors Report) Order, 2020 is not applicable to the company.

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(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable

- xvii. On an examination of the Statement of Profit and Loss account, we are of the opinion that the Company has not incurred cash losses during the financial year but has incurred cash losses in the immediate previous financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly clause (3)(xviii) Companies (Auditors Report) Order 2020 is not applicable to the Company
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that there exists material uncertainties in the management assumptions relating to the company's capability of meeting the financial liabilities existing as at the Balance sheet date as and when they fall due within next 12 months which casts significant doubts on the management ability to meet the liabilities as and when they fall due. The Ability of the Company to pay the amounts due within 12 months is dependent upon the receipt of the award proceeds as detailed in Note 29 which is presently under litigation.
- xx. The Company is not required to spend towards Corporate Social Responsibility (CSR) for the year under audit and hence sub-clauses (3)(xx)(a) and 3(xx)(b) of The Companies (Auditors Report) Order 2020 is not applicable to the Company.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No- 106971W
Digitally signed by NUZHAT
MOHD KHAN
Date: 2022.06.21 15:55:18 +05'30'
Nuzhat Khan
Partner
M. No. – 124960
Mumbai, Dated: June 21, 2022
UDIN: 22124960ALIOQE4549

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Annexure - B to the Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Patna Water Supply Distribution Network Private Limited of even date)

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

We have audited the internal financial controls with reference to Financial Statements of Patna Water Supply Distribution Network Private Limited ("the Company") as of March 31, 2022, in conjunction with our audit of the Financial Statement 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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements 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 Institute of Chartered Accountants of India. 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 with reference to Financial Statements 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 with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, 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.

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to Financial Statements 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 with reference to Financial Statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to Financial Statements.

Because of the inherent limitations of financial controls with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements 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 with reference to Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Natvarlal Vepari & Co.

Chartered Accountants

Firm Registration No- 106971W

Digitally signed by NUZHAT MOHD KHAN

Date: 2022.06.21 15:56:16 +05'30'

Nuzhat Khan

Partner

M. No. – 124960

Mumbai, Dated: June 21, 2022

UDIN: 22124960ALIOQE4549

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	2	988,056	1,156,077
(b) Financial assets			
(i) Trade receivable	3	-	-
(ii) Loans		-	-
(c) Other non-current assets	4	56,809,580	56,809,580
TOTAL NON-CURRENT ASSETS		57,797,636	57,965,658
CURRENT ASSETS			
(a) Inventories	5	24,177,901	24,177,901
(b) Financial assets			
(i) Trade receivables	3	240,476,459	240,476,459
(ii) Cash and cash equivalents	6	11,354	11,354
(iii) Loans & Advances		-	-
(c) Other current assets	4	19,592	19,592
TOTAL CURRENT ASSETS		264,685,305	264,685,306
TOTAL ASSETS		322,482,942	322,650,964
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	7	100,000	100,000
(b) Other equity	8	(366,511,536)	(366,367,259)
TOTAL EQUITY		(366,411,536)	(366,267,259)
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Other financial liabilities	9	5,806	5,806
(b) Deferred tax liabilities (net)	10	97,353	121,098
TOTAL NON-CURRENT LIABILITIES		103,159	126,904
CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Trade payables	11	30,316,924	30,375,924
(ii) Other financial liabilities	12	652,444,099	652,385,099
(b) Other current liabilities	13	6,030,295	6,030,295
TOTAL CURRENT LIABILITIES		688,791,319	688,791,319
TOTAL EQUITY AND LIABILITIES		322,482,942	322,650,964

Statement of significant accounting policies and explanatory notes forms an integral part of the financial statements

As per our report of even date

As per our attached report of even date

For Natvarlal Vepari & CO.

Chartered Accountants

FRN No. 106971W

NUZHAT MOHD KHAN
Digitally signed by
NUZHAT MOHD KHAN
Date: 2022.06.21
16:06:15 +05'30'

Nuzhat Khan

Partner

M No 124960

Place: Mumbai

Dated:

For and on behalf of the Board of Directors

ABHISHEK
DAS
MUNDHRA
Digitally signed by ABHISHEK DAS
MUNDHRA
DN: cn=ABHISHEK DAS, o=ABHISHEK DAS, ou=ABHISHEK DAS, email=abhishek.das@abhishekdas.com, c=IN
Date: 2022.06.21 11:38:04 +05'30'

Abhishek Mundra
(Director)
DIN:- 00105836

NIKI
AVINASH
SHINGADE
Digitally signed by NIKI AVINASH SHINGADE
Date: 2022.06.21
12:24:51 +05'30'

Niki Shingade
(Director)
DIN:- 08065080

PATNA WATER SUPPLY DISTRIBUTION NETWORK PVT. LTD.

CIN : U45400MH2012PTC231297

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Amount in Rs.)

Particulars	Note No.	April 2021 - March 2022	April 2020 - March 2021
I Revenue:			
Other Operating Revenue		-	-
II Other Income		-	-
III Total Income (I +II)		-	-
IV Expenses:			
Cost of material consumed	14	-	-
Finance Costs	15	-	-
Depreciation & amortization	16	168,021	167,889
Other expenses	17	-	114,659
Total Expenses		168,021	282,548
V Profit/(Loss) before exceptional items and tax		(168,021)	(282,548)
VI Exceptional items Income / (Expense)		-	-
VII Profit / (Loss) before tax		(168,021)	(282,548)
VIII Tax expenses			
Current Tax		-	-
Deferred Tax Liability / (asset)	18	(23,745)	(12,473)
Income Tax (Excess)/Short Provision		-	-
Total tax expenses		(23,745)	(12,473)
IX PROFIT FOR THE YEAR (VII-VIII)		(144,276)	(270,075)
X Other Comprehensive Income:		-	-
XI Total Comprehensive Income / (Loss) For The Period (IX +X)		(144,276)	(270,075)
XII Earnings per equity share			
Basic & Diluted	19	(14.43)	(27.01)

As per our attached report of even date

For Natvarlal Vepari & CO.

Chartered Accountants

FRN No. 106971W

NUZHAT MOHD KHAN
Digitally signed by
NUZHAT MOHD KHAN
Date: 2022.06.21
16:07:22 +05'30'

Nuzhat Khan

Partner

M No 124960

Place: Mumbai

Dated:

For and on behalf of the Board of Directors

ABHISHEK DAS
MUNDHRA
Digitally signed by ABHISHEK DAS MUNDHRA
DN: cn=ABHISHEK DAS MUNDHRA, o=Patna Water Supply Distribution Network Pvt. Ltd., email=abhishek.das@pnwsl.com, c=IN
Date: 2022.06.21 11:39:39 +05'30'

Abhishek Mundra
(Director)
DIN:- 00105836

NIKI AVINASH SHINGADE
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Date: 2022.06.21
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Niki Shingade
(Director)
DIN:- 08065080

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2022

Particulars	Apr 2021 - Mar 2022	Apr 2020 - Mar 2021
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	(168,021)	(282,548)
Adjustments for :		
Depreciation	168,021	167,889
Interest Expenses	-	-
Sundry Balances Write off	-	2,880
Operating Profit Before Working Capital Changes	-	(111,779)
Trade and Other Receivables	-	-
Inventories	-	-
Trade Payables and Provision	-	25,000
CASH GENERATED FROM THE OPERATIONS	-	(86,779)
Direct Taxes Paid	-	-
Net Cash from Operating Activities	-	(86,779)
B CASH FLOW FROM INVESTMENT ACTIVITIES		
Net Cash from Investment Activities	-	-
C CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Advances to Holding Company	-	52,062
Net Cash from Financing Activities	-	52,062
NET INCREASE IN CASH AND CASH EQUIVALENTS	-	(34,717)
Balance as at 31 Mar 2020	11,354	46,071
Balance as at 31 Mar 2021	11,354	11,354
NET INCREASE IN CASH AND CASH EQUIVALENTS	-	(34,717)

Note: Figure in brackets denote outflows

Statement of significant accounting policies and explanatory notes forms an integral part of the financial staten

As per our attached report of even date

For Natvarlal Vepari & CO.

Chartered Accountants

FRN No. 106971W

NUZHAT
MOHD KHAN

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NUZHAT MOHD KHAN
Date: 2022.06.21
16:07:56 +05'30'

Nuzhat Khan

Partner

M No 124960

Place: Mumbai

Dated:

ABHISHEK
DAS
MUNDHRA

Digitally signed by ABHISHEK DAS
MUNDHRA
DN: cn=ABHISHEK DAS, postalCode=110017, st=DELHI,
serialNumber=3370023300990404265d
a055ba5b6d45702a7826b4c78b0a9d4d
5a294ba,
email=abhishekdas@delhi.com,
c=IN, o=ABHISHEK DAS MUNDHRA,
ou=ABHISHEK DAS MUNDHRA,
cn=ABHISHEK DAS MUNDHRA,
Date: 2022.06.21 11:40:08 +05'30'

Abhishek Mundra
(Director)
DIN:- 00105836

NIKI
AVINASH
SHINGADE

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by NIKI AVINASH
SHINGADE
Date: 2022.06.21
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Niki Shingade
(Director)
DIN:- 08065080

PATNA WATER SUPPLY DISTRIBUTION NETWORK PVT. LTD.
CIN : U45400MH2012PTC231297
Notes to financial statements for the year ended March 31, 2022

Statement of Changes in Equity for the period ended March 31, 2022

(Amount in Rs.)						
Particulars	March 31, 2022			March 31, 2021		
	No of Shares	Face value	Amount	No of Shares	Face value	Amount
Opening balance	10,000	10	100,000	10000	10	100,000
Changes during the current year	-	-	-	-	-	-
Balance at the end	10,000	10	100,000	10,000	10	100,000

B Other Equity

Particulars	Retained Earnings
Balance as at April 01, 2020	(366,097,184)
Profit for the year	(270,075)
Balance as at 31 March 2021	(366,367,259)
Profit for the year	(144,277)
Balance as at 31 March 2022	(366,511,536)

As per our attached report of even date

For Natvarlal Vepari & CO.

Chartered Accountants

FRN No. 106971W

NUZHAT MOHD KHAN
Digitally signed by
Date: 2022.06.21
16:13:19 +05'30'

Nuzhat Khan

Partner

M No 124960

Place: Mumbai

For and on behalf of the Board of Directors

ABHISHEK
DAS
MUNDHRA
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DN: cn=Abhishek Das Mundhra, o=Patna Water Supply Distribution Network Pvt. Ltd., ou=Directors, email=abhishek.das@pnwssdn.com, c=IN, date=2022.06.21 11:40:38 +05'30'

Abhishek Mundra

(Director)

DIN:- 00105836

NIKI AVINASH
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Date: 2022.06.21
12:25:39 +05'30'

Niki Shingade

(Director)

DIN:- 08065080

1.1 CORPORATE INFORMATION

Patna Water Supply Distribution Network Pvt Ltd ('PWSDNPL') SPV was incorporated under the Companies Act, 1956, on May 21, 2012, to execute the project of 'Design, Construction, Installation, Commissioning, Management, Operation and Maintenance, of Intake, RWPH, 220 MLD Water treatment Plant and water Supply Distribution network' in Bihar under JNNURM Scheme on Design, Build, and Operate (DBO) Basis.

1.2 Basis of Preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

These financial statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments, which are measured at fair values, which are disclosed in the Financial Statements.

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of reliability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

Accounting policies have been consistently applied except whereas newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupees ('INR').

1.3 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

1.4 Significant Accounting Judgements, Estimates And Assumptions

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the separate financial statements.

Taxes

Tax expenses comprise Current Tax and Deferred Tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities related to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

1.5 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any material impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

2 SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Preparation

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS starting from financial year beginning on or after 1st April, 2015. Accordingly, the financial statements of the Company have been prepared in accordance with the Ind AS.

These financial statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values which are disclosed in the Financial Statements, the provisions of the Companies Act, 2013 ('Act') (to the extent notified).

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of reliability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

Accounting policies have been consistently applied except whereas newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupees ('INR').

ii) Revenue Recognition:

a) Revenue from Construction Contracts:

Long term contracts including joint ventures are progressively evaluated at the end of each accounting period. On contracts under execution which have reasonably progressed, revenue is recognized by applying percentage of completion method after providing for foreseeable losses, if any. . Percentage of completion is determined as a proportion of the cost incurred up to the reporting date to the total estimated cost to complete. Foreseeable losses, if any are fully provided for in the respective accounting period, irrespective of stage of completion of the contract. While determining the amount of foreseeable loss, all elements of cost and related incidental income not included in contract revenue is taken into consideration. Contract is reflected at cost that are expected to be recoverable till such time the outcome of the contract cannot be ascertained reliably and at realizable value thereafter. Claims are accounted as income in the year of acceptance by client. Additional claims (including for escalation), which in the opinion of the management are recoverable on the contract, are recognized at the time of evaluating the job.

b) Turnover

Turnover represents work certified upto and after taking in to consideration the actual cost incurred and the profit evaluated by adopting the percentage of work completion method of accounting.

c) **Interest Income:**

Interest income for all financial instruments classified under the amortized cost category is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

d) **Dividend Income:**

Dividend income is accounted when the right to receive the same is established, which is generally when shareholders approve the dividend.

e) **Lease income:**

Lease agreements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals are recognized on straight-line basis as per the terms of the agreements in the statement of profit and loss.

f) **Income from insurance claim:**

Insurance claims are recognised only when there is reasonable certainty of receiving the claim.

iii) **Joint Ventures**

a) Joint Venture Contracts under Consortium are accounted as independent contracts to the extent of work completion.

b) In Joint Venture Contracts under Profit Sharing Arrangement, services rendered to Joint Ventures are accounted as income on accrual basis, profit or loss is accounted as and when determined by the Joint Venture and net investment in Joint Venture is reflected as investments or loans & advances or current liabilities.

iv) **Employee benefits**

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the period of plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred.

v) **Property, plant and equipment**

Property, plant and equipment are stated at cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

Property, plant and equipment are derecognised from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013 or as determined by the Independent Valuer as the case maybe. Property, plant and equipment which are added / disposed off during the year, depreciation is provided on *pro-rata basis* with reference to the month of addition / deletion.

vi) **Leased assets**

Leasehold lands are amortized over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

In other cases, buildings constructed on leasehold lands are amortized over the primary lease period of the lands.

vii) **Intangible assets**

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed finite. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible Assets without finite life are tested for impairment at each Balance Sheet date and Impairment provision, if any are debited to profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Impairment of Non-financial Assets

On annual basis the Company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is higher of an asset's fair value less cost to sell. .

An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

ix) **Cash and cash equivalents**

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

x) **Inventories**

Material at Construction Site are valued at lower of cost and net realisable value. Costs are determined on Weighted Average Method.

Work In Progress on construction contracts are carried at lower of assessed value of work done less bill certified and net realisable value.

xi) **Foreign currency transactions**

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that gave rise to the translation difference.

xii) **Borrowing Cost**

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

Other borrowing costs are recognized as expenses in the period in which they are incurred.

In determining the amount of borrowing costs eligible for capitalization during a period, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred.

xiii) **Taxes on income**

Current Taxes

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/ appeals.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability settled, based on the tax rates (tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of major components of deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

xiv) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions

The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

Contingent liabilities and Contingent Assets

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the assets with the contract.

xv) **Earning Per Share**

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

xvi) **Leases**

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

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

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on straight line basis.

xvii) **Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period,

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Deferred tax assets/liabilities are

All other liabilities are classified as non-current.

xviii) **Fair value measurement**

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price 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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

xix) **Financial instruments**

a. Financial assets:

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments other than investment on subsidiary, joint venture and associates are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Investment in associates, joint venture and subsidiaries

The Company has accounted for its investment in subsidiaries and associates, joint venture at cost.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the Financial assets measured at amortized cost

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

b. Financial liabilities:

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

c. Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously

d. Derivative financial instruments:

The Company enters into derivative contracts to hedge foreign currency price risk on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

2 Detailed Asset Class Wise Addition, Adjustment, Depreciation, Changes at Net Block
Property, Plant & Equipment

Particulars	Plant & Machinery	Motor Vehicles	Furniture & Fixtures	Computers	Total
<u>GROSS BLOCK</u>					
As at 01 April 2020	2,049,786	240,260	69,760	45,675	2,405,481
Additions	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-
As at 31 March 2021	2,049,786	240,260	69,760	45,675	2,405,481
Additions	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-
As at 31 March 2022	2,049,786	240,260	69,760	45,675	2,405,481
<u>DEPRECIATION</u>					
As at 01 April 2020	818,033	178,169	41,922	43,391	1,081,515
Charge for the Year	131,850	29,174	6,865	-	167,889
Disposals/Adjustments	-	-	-	-	-
As at 31 March 2021	949,883	207,343	48,787	43,391	1,249,404
Charge for the Year	131,872	29,282	6,867	-	168,021
Disposals/Adjustments	-	-	-	-	-
As at 31 March 2022	1,081,755	236,625	55,654	43,391	1,417,425
<u>NET BLOCK</u>					
As at 31 March 2021	1,099,903	32,917	20,973	2,284	1,156,077
As at 31 March 2022	968,031	3,635	14,106	2,284	988,056

B OTHER NOTES

3 Financial Assets - Trade Receivables

(Unsecured, at amortised cost)

Particulars	March, 2022		March, 2021	
	Non Current	Current	Non Current	Current
<i>(Unsecured, considered good unless otherwise stated)</i>				
Trade receivable- Considered good	-	240,476,459	-	240,476,459
Retention- Considered good (Refer Note 21(e))	-	-	-	-
Total	-	240,476,459	-	240,476,459

The balances of the project advances are subject to confirmation and consequent reconciliation, if any.

Trade Receivable Ageing

(Ageing from due date of payment)

(a) As at March 31, 2022

Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in	credit impaired	
Unbilled	-	-	-	-
Not Due	-	-	-	-
less than 6 months	-	-	-	-
6 months - 1 year	-	-	-	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
> 3 years	-	-	-	-
Total	-	-	-	-

Range of O/s period	Disputed			Total
	Considered Good	Significant increase in	credit impaired	
Unbilled	-	-	-	-
Not Due	-	-	-	-
less than 6 months	-	-	-	-
6 months - 1 year	-	-	-	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
> 3 years	240,476,459	-	-	240,476,459
Total	240,476,459	-	-	240,476,459

(a) As at March 31, 2021

Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in	credit impaired	
Unbilled	-	-	-	-
Not Due	-	-	-	-
less than 6 months	-	-	-	-
6 months - 1 year	-	-	-	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
> 3 years	-	-	-	-
Total	-	-	-	-

Range of O/s period	Disputed			Total
	Considered Good	Significant increase in	credit impaired	
Unbilled	-	-	-	-
Not Due	-	-	-	-
less than 6 months	-	-	-	-
6 months - 1 year	-	-	-	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
> 3 years	240,476,459	-	-	240,476,459
Total	240,476,459	-	-	240,476,459

4 Other Assets

Particulars	March, 2022		March, 2021	
	Non Current	Current	Non Current	Current
Contract Assets- Retentions	47,919,213	-	47,919,213	-
Advance to Suppliers	-	12,825	-	12,825
Advance to Staff	-	4,500	-	4,500
Security deposits	-	1,700	-	1,700
Advance Tax Net of Provision	8,890,367	-	8,890,367	-
Other receivable	-	567	-	567
Total	56,809,580	19,592	56,809,580	19,592

5 Inventories

Particulars	March, 2022	March, 2021
Raw Material		
Material at Construction Site	23,674,934	23,674,934
Stores and Spares	502,967	502,967
Total	24,177,901	24,177,901

i) Inventory Valuation Policy

Raw Material
- Material at Construction Site
- Stores and spares

Raw materials are valued at cost, net of Taxes, wherever applicable. Stores and spares, loose tools are valued at cost except unserviceable and obsolete items that are valued at estimated realisable value thereof. Costs are determined on Weighted Average Method.

ii) The Company is not having accessibility to the Inventories since all the materials and consumables as at March 31, 2022, are in the custody of the Client with whom the Company is under arbitration. Also there is no confirmation available from the Client that they are having the custody of the Companies Material.

6 Cash and Bank Balance

Particulars	March, 2022	March, 2021
Cash and cash equivalents		
Cash on Hand	-	-
Balances with Bank*	11,354	11,354
Total	11,354	11,354

*The above balances with bank are unconfirmed, since no balance confirmation is received by the Company.

7 Equity Share Capital

(a) Authorised, Issued, Subscribed and Fully Paid up :

Particulars	March, 2022		March, 2021	
	No of Shares	Amount	No of Shares	Amount
Authorised Capital :				
Equity Shares of Rs.10/- each	10,000	100,000	10,000	100,000
Subscribed and Fully Paid up Capital				
Equity Shares of Rs.10/- each, fully paid	10,000	100,000	10,000	100,000
Total	10,000	100,000	10,000	100,000

(b) Reconciliation of Number of Shares Outstanding

Particulars	March, 2022		March, 2021	
	No of Shares	Amount	No of Shares	Amount
As at the beginning of the year	10,000	100,000	10,000	100,000
Add: Issued during the year	-	-	-	-
As at the end of the year	10,000	100,000	10,000	100,000

(c) Details of Shareholding in Excess of 5%

Name of Shareholder	March, 2022		March, 2021	
	No of Shares	%	No of Shares	%
Gammon India Limited-Holding Company	7,399	73.99	7,399	73.99
Geomiller & Co. Pvt. Ltd.	2,600	26.00	2,600	26.00

(d) Terms / rights attached to equity shares

The Company has only one class of Equity Shares having a par value of Rs.10/- each. Each holder of Equity Share is entitled to one vote per share. The distribution will be in proportion to the number of Equity Shares held by the shareholder.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(e) **Shareholding of Promoters**

(i) **Shares held by promoters at March 31, 2022**

Sr No	Name of the Promoter	No of Shares	% of total shares	% change 2021-22
1	Gammon India Limited-Holding Company	7,399	73.99%	-
2	Geomiller & Co. Pvt. Ltd.	2,600	26.00%	-
Total		9,999	99.99%	
Total No of Shares issued and Subscribed		10,000	100.00%	

(ii) **Shares held by promoters at March 31, 2021**

Sr No	Name of the Promoter	No of Shares	% of total shares	% change 2021-22
1	Gammon India Limited-Holding Company	7,399	73.99%	-
2	Geomiller & Co. Pvt. Ltd.	2,600	26.00%	-
Total		9,999	99.99%	
Total No of Shares issued and Subscribed		2,600	100.00%	

8 Other Equity

Particulars	March, 2022	March, 2021
Retained earnings	(366,511,536)	(366,367,259)
TOTAL	(366,511,536)	(366,367,259)

9 Other financial liabilities

Particulars	March, 2022	March, 2021
Other Non Current Financial Liabilities	5,806	5,806
	5,806	5,806

10 Deferred Tax (Liabilities) / Assets (Net)

Particulars	March, 2022	March, 2021
Deferred Tax Liability:		
Property, Plant and Equipment	97,353	121,098
Deferred Tax (Liabilities) / Assets (Net)	97,353	121,098

11 Current Financial Liabilities - Trade Payables

Particulars	March, 2022	March, 2021
Trade Payables		
Micro, Small and Medium Enterprises	-	-
Others	30,316,924	30,375,924
Total	30,316,924	30,375,924

Trade Payable Ageing Schedule

(Ageing from due date of payment)

(a) As at March 31, 2022	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Range of O/s period				
Unbilled	-	-	-	-
Not Due	-	-	-	-
Less than 1 year	-	-	-	-
1-2 years	-	-	25,000	-
2-3 year	-	-	51,379	-
> 3 years	-	-	30,240,545	-
Total	-	-	30,316,924	-

(b) As at March 31, 2021	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Range of O/s period				
Unbilled	-	-	-	-
Not Due	-	-	-	-
Less than 1 year	-	-	25,000	-
1-2 years	-	-	51,379	-
2-3 year	-	-	-	-
> 3 years	-	-	30,299,545	-
Total	-	-	30,375,924	-

- (i) As per the information / intimation / documentation available with the Company, Micro, Small and Medium Enterprises, as defined in the Micro, Small, and Medium Enterprises Development Act, 2006, have been identified by the Company to whom the Company owes dues on account of principal amount together with interest and accordingly additional disclosures under section 22 of The Micro small and Medium Enterprises development Act 2006 have been made.
- (ii) The above information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

12 Other Current Financial Liabilities

Particulars	March, 2022	March, 2021
Payable to Gammon India Limited	500,509,481	500,450,481
Interest payable to Gammon India Limited	151,934,618	151,934,618
Total	652,444,099	652,385,099

13 Other Current Liabilities

Particulars	March, 2022	March, 2021
Duty & Taxes Payable	21,713	21,713
Retention	5,904,412	5,904,412
Others	104,170	104,170
Total	6,030,295	6,030,295

14 Cost of Materials Consumed

Particulars	2021-22	2020-21
Opening Stock	23,674,934	23,674,934
Add : Purchases (Net of Discount)	-	-
Less : Closing Stock	(23,674,934)	(23,674,934)
Total	-	-

15 Finance Cost

Particulars	2021-22	2020-21
Interest Expense	-	-
Interest on delayed payment of Taxes	-	-
Total	-	-

16 Depreciation & Amortisation

Particulars	2021-22	2020-21
Depreciation	168,021	167,889
Amortisation	-	-
Total	168,021	167,889

17 Other Expenses

Particulars	2021-22	2020-21
Sundry Balance written off	-	2,880
Bank Charges & Guarantee Commission	-	298
Legal and Professional Charges	-	86,481
Audit Fees	-	25,000
Total	-	114,659

18 Tax Expense

Particulars	2021-22	2020-21
Income tax expense in the statement of profit and loss consists of:		
Current Tax	-	-
Deferred Tax	(23,745)	(12,473)
Income tax recognised in statement of profit or loss	(23,745)	(12,473)

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows

A Current Tax

Accounting profit before income tax	(168,021)	(282,548)
Enacted tax rates in India (%)	26.00%	26.00%
Computed expected tax expenses	(43,685)	(73,462)

B Deferred Tax

Particulars	Opening	Recognised in profit and loss	Recognised in OCI	Closing
Property, Plant and Equipment	133,571	(12,473)	-	121,098
As at March 21	133,571	(12,473)	-	121,098
Property, Plant and Equipment	121,098	(23,745)	-	97,353
As at March 22	121,098	(23,745)	-	97,353

19 Earning Per Share

Earnings Per Share (EPS) = Net Profit attributable to Shareholders / Weighted Number of Shares Outstanding

Particulars	2021-22	2020-21
Net Profit attributable to the Equity Share holders	(144,276)	(270,075)
O/s number of Equity Shares at the end of the year	10,000	10,000
Weighted Number of Shares during the period – Basic	10,000	10,000
Weighted Number of Shares during the period – Diluted	10,000	10,000
Earning Per Share – Basic (Rs.)	(14.43)	(27.01)
Earning Per Share – Diluted (Rs.)	(14.43)	(27.01)

Reconciliation of weighted number of outstanding during the year :

Particulars	2021-22	2020-21
Nominal Value of Equity Shares (Rupee Per Share)		

For Basic EPS :

Number of Equity Shares at the beginning	10,000	10,000
Add : Issue of shares	-	-
Outstanding Equity shares at the year end	10,000	10,000
Weighted Average of Equity Shares at the end	10,000	10,000

For Dilutive EPS :

Weighted Avg no. of shares in calculating Basic EPS	10,000	10,000
Weighted Avg no. of shares in calculating Dilutive EPS	10,000	10,000

20 Disclosure in accordance with Ind AS - 115 "Revenue Recognition", of the Companies (Indian Accounting Standards) Rules, 2015

- a) **Method used to determine the contract revenue :** Input Method
Method used to determine the stage of completion of contract : stage of completion is determined as a proportion of costs incurred upto the reporting date to the total estimated cost to complete

- b) **Revenue disaggregation based on Service Type and Customer type:**
Revenue disaggregation by type of Service is as follows: Construction Services for the period 2021-22 is NIL

- c) **Performance obligation and remaining performance obligation**
Since the Contract is terminated detailed in note 32 below. The transaction price allocated to the remaining performance obligations as at March 31, 2022 is considered to be NIL.

	Contract Asset Retention
Opening	47,919,213
Addition during the year	-
Reversal during the year	-
Closing balance	47,919,213

The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date. The amount of contract assets during the period ended March 31, 2022 was impacted by an impairment charge of INR NIL. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer. The contract liabilities primarily relate to the advance consideration received from customers for construction for which revenue is recognised over time.

- e) **Trade Receivable:**
Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred. Amounts due to contract customers represents the excess of progress billings over the revenue recognised (cost plus attributable profits) for the contract work performed till date. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Company's contract activity based on normal operating capacity.

21 Contingent Liability

Contingent liability as at March 31, 2022 and as at March 31, 2021 is NIL

- 22 In the opinion of the Management, Current Assets, and Non-Current Assets other than Property, Plant & Equipment and Non-Current Investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- 23 Balances of Trade Receivables , Trade Payables , Loans and Advances are as per the Books of Accounts of the company and are subject to confirmation and reconciliation.
- 24 This company do not have permanent employee on their payroll, Provision has not been made for Gratuity & Leave Encashment & therefore Disclosure under Ind AS -19 have not been given

25 Segment Reporting as per IND AS108 " Operating Segments"

Since the Company is operating on a single Reportable Segment i. e. construction, Disclosure under segment reporting Ind AS - 108 have not been given.

26 Derivative Instruments and Unhedged Foreign Currency Exposure

There are no derivative instruments outstanding as at March 31, 2022 and as at March 31, 2021. The Company has no foreign currency exposure towards liability outstanding as at March 31, 2022 and as at March 31, 2021.

27 Disclosure of transactions with Related Parties, as required by Indian Accounting Standard (Ind AS) - 24 "Related Party Disclosures" has been set out in a separate Annexure - 1.

28 Financial Instruments

(i) Financial instruments

Since there are no financial instruments and assets and liabilities carried at fair value, the disclosure of fair value as per Ind AS 107 is not given.

(iii) Financial Risk Management Objectives And Policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

(a) Market Risk :

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Foreign currency sensitivity

The Company's exposure in foreign currency is not material and hence the impact of any significant fluctuation in the exchange rates is not expected to have a material impact on the operating profits of the Company.

(b) Credit risk

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as :

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty,
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- (iv) Significant increases in credit risk on other financial instruments of the same counterparty,
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

(c) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Working Capital Position of the Company :

Particulars	#REF!	#REF!
Cash and Cash Equivalent	11,354	11,354
Total	11,354	11,354

(d) Competition Risk:

The Company is operating in a highly competitive environment with various Companies wanting a pie in the project. This invariably results in bidding for projects at low margins to maintain a steady flow of the projects to enable the group to retain the projects team and to maintain sustainable operations for the Company and the SPVs. The ability of the Company to build the infrastructure at a competitive price and the ability to start the tolling operations is very important factor in mitigating the competition risk for the group.

(e) **Input cost risk**

Raw materials, such as bitumen, stone aggregates cement and steel, need to be supplied continuously to complete projects undertaken by the group. As mentioned in the earlier paragraph of the business risk and the competition risk the input cost is a major risk to attend to ensure that the Company is able to contain the project cost within the estimate projected to the lenders and the regulators. To mitigate this the group sub-contracts the construction of the facility at a fixed price contract to various subcontractor within and without the group.

- 29 The contract being executed by the Company had been unilaterally terminated by the client - Bihar Urban Infrastructure Co (' BUIDCO') and the bank guarantee issued by the parent was encashed. 1. The Arbitral Tribunal has declared that termination order given by BUIDCO was legal and in order. We have challenged the Award for Termination for the reason as only 22 pockets out of 72 pockets and land were handed over to JV/SPV, so in addition to what is awarded JV/SPV should have been awarded losses for Termination of Contract over and above what is awarded to JV/SPV. BUIDCO has challenged the Award for the reason that when Arbitral Tribunal has considered Termination as legal one then release of Bank Guarantee amount along with interest is not in line with JV's finding. The matter of Section 34 filed by both parties is listed in the Delhi High Court by end of May 2022 and may take time before Single Bench gives its decision. Both parties may go in Appeal after that before double Bench under Section 37 of Arbitration Act and finally before Hon'ble Supreme Court by filing SLP.
- 30 **Relationship with Struck off Companies**
The information about transaction with struck off Companies (defined under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956) has been determined to the extent such parties have been identified on the basis of the information available with the Company and the same is relied upon by the auditors.
- 31 Figures of the previous period have been regrouped/reclassified wherever necessary including to conform to current period's classification in order to comply with the requirements of amended Schedule III to the Companies Act, 2013 effective April 1, 2021.
- 32 Analytical Ratios as per requirements of Schedule III are given in Annexure - II
- 30 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2022.

As per our report of even date

As per our attached report of even date

For Natvarlal Vepari & CO.

Chartered Accountants

FRN No. 106971W

NUZHAT
MOHD KHAN

Nuzhat Khan

Partner

M No 124960

Place: Mumbai

Dated:

For and on behalf of the Board of Directors

ABHISHEK
DAS
MUNDHRA

Abhishek Mundra

(Director)

DIN:- 00105836

Digitally signed by ABHISHEK DAS MUNDHRA
DN: cn=IN, postalCode=110017, st=DELHI,
l=SOUTH DELHI, o=Personal,
serialNumber=43370023350599404265da05
3aee6b6a675b51f6b0804575889b685e294ba,
pseudoym=+3f1527563646c78ff8a886067
dc5e,
2.5.4.20=fcb85e2af9e15b0e4778d2d40f161
31c14c62fb8f62c7d375dc2819645,
email=AMUNDHRA@GEOMILLER.COM,
cn=ABHISHEK DAS MUNDHRA
Date: 2022.06.21 11:41:41 +05'30'

NIKI
AVINASH
SHINGADE

Digitally signed by
NIKI AVINASH
SHINGADE
Date: 2022.06.21
12:26:30 +05'30'

Niki Shingade

(Director)

DIN:- 08065080

ANNEXURES ATTACHED TO AND FORMING PART OF THE NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2022

Annexure - I : Related Party Disclosure

A. List of Related Parties and Relationship

1) Relationships:

Entities where Control Exists.

- 1 Gammon India Limited-Holding Co.
- 2 Geomiller & Co. Pvt. Ltd.-

b) Key Management Personnel

- 1 Ajit Balubhai Desai
- 2 ATUL Kumar Shukla
- 3 Abhishek Das Mumdhra
- 4 Jaysingh Liladhar Ashar

B. Transactions with Related Parties

Particulars	Holding Company (Gammon India Limited)	Geomiller & Co. Pvt. Ltd.- SPV Partner	Key Management Personnel	Holding Company (Gammon India Limited)	Geomiller & Co. Pvt. Ltd.- SPV Partner	Key Management Personnel
	As at 31-Mar-22	As at 31-Mar-22	As at 31-Mar-22	As at 31-Mar-21	As at 31-Mar-21	As at 31-Mar-21
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Finance Provided	-	-	-	-	-	-
Loan Repaid/ Adjusted	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Subcontracting Expenditure	-	-	-	-	-	-
Creditors Paid/ Adjusted	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-
Expenses paid by GIL on behalf of Company	59,000	-	-	-	-	-
Expenses paid by Company on behalf of GIL	-	-	-	-	-	-
Payable Outstanding	500,509,481	9,985,678	-	500,450,481	9,985,678	-
Interest Payable	151,934,618	-	-	151,934,618	-	-
Loan Outstanding (DR)	-	-	-	-	-	-
Retention Receivable	-	4,083,613	-	-	4,083,613	-

PATNA WATER SUPPLY DISTRIBUTION NETWORK PVT. LTD.

Annexure - II- Analytical Ratios

2021-2022

Sr. No.	Ratio	Numerator/ Denominator	Ratio (2021-22)	Ratio (2020-21)	% of Variation	Reason for variance
1	Current ratio	Current Asset Current Liabilities	0.38	0.38	(0.00)	
2	Debt-Equity ratio	Total Debts Shareholders Equity	Not Applicable			
3	Debt Service Coverage ratio	Earnings available for debt service* Debt Service	Not Applicable			
4	Return on Equity ratio (ROE)	Net Profits after taxes – Preference Dividend Average Shareholder's Equity	0.04%	0.07%	(46.61)	The Project is terminated and there is no operation during the year
5	Inventory Turnover Ratio	Cost of goods sold Average Inventory	Not Applicable			
6	Trade Receivables turnover ratio	Revenue Average Accounts Receivable	Not Applicable			
7	Trade payables turnover ratio	Purchases Average Trade Payables	Not Applicable			
8	Net capital turnover ratio	Revenue Average working capital	Not Applicable			
9	Net profit ratio	Net Profit after Tax Revenue	Not Applicable			
10	Return on Capital employed (ROCE)	Earning before interest and taxes Capital Employed**	0.05%	0.08%	(40.56)	The Project is terminated and there is no operation during the year.
11	Return on Investment (ROI)	Income generated from Investments Time weighted average investments	Not Applicable			

*Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.

**Tangible net worth + deferred tax liabilities + Lease Liabilities