Naba Diganta Water Management Limited

Balance Sheet as at 31st March 2017

Amount in INR

	Note	As at Mar 2017	As at Mar 2016	As at 1st Apr 2015
ASSETS				
Non-current assets				
Fixed assets				
Tangible assets	2	230,480	232,850	104,727
Other Intangible assets	3	362,265,040	380,726,514	400,959,534
		362,495,520	**380,959,364**	**401,064,261**
Financial assets				
Other financial assets	4	40,777,840	18,308,884	15,083,661
Other non-financial assets	5	101,400	236,600	
Non current tax asset		7,489,074	3,185,259	857,469
		410,863,834	**402,690,107**	**417,005,391**
Current assets				
Inventories	7	987,710	1,071,261	1,789,500
Financial assets				
Trade receivables	6	8,897,286	8,599,927	6,733,194
Cash and bank balances	8	22,342,540	40,541,459	47,214,929
Other financial assets	4	125,900	2,132,923	5,946,930
Other non-financial assets	5	1,262,036	836,646	1,628,016
		33,615,472	**53,182,216**	**63,312,569**
TOTAL ASSETS		**444,479,306**	**455,872,323**	**480,317,960**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	9	184,500,000	184,500,000	184,500,000
Other equity				
Retained earnings	10	(20,415,417)	(54,667,978)	(76,970,531)
		164,084,583	**129,832,022**	**107,529,469**
Non-current liabilities				
Financial liabilities				
Long term borrowings	11	-	-	14,520,085
Other financial liabilities	12	18,172,191	16,306,880	15,153,839
Long term provisions	13	1,459,756	1,030,538	585,361
Retirement benefit obligations	14	3,907,462	3,080,690	2,830,101
Deferred income	15	171,511,321	174,153,985	154,318,744
		195,050,730	**194,572,093**	**187,408,130**
Current liabilities				
Financial liabilities				
Trade payables	16	29,875,111	51,611,344	52,000,496
Other financial liabilities	12	3,103,584	26,758,323	66,986,942
Short term provisions	13	236,386	23,973	16,040
Retirement benefit obligations	14	1,707,984	92,329	-
Deferred income	15	10,468,448	6,954,947	11,134,983
Other non-financial liabilities	17	39,952,480	46,027,292	55,241,900
		85,343,993	**131,468,208**	**185,380,361**
TOTAL EQUITY AND LIABILITIES		**444,479,306**	**455,872,323**	**480,317,960**

See accompanying notes forming part of the financial statements

For and on behalf of the Board of Directors

In terms of our report attached.
For Deloitte Haskins & Sells
Chartered Accountants

Ashish Mathur
Chairman

Jayant Balan
Director

Shibaji Baksi
Company Secretary

Abhijit Bandyopadhyay
Partner

Place :Kolkata
Date : 18th April, 2017

Naba Diganta Water Management Limited

Statement of Profit & Loss for the year ended 31st March, 2017

Amount in INR

	Note	Apr-Mar 2017	Apr-Mar 2016
Revenue from operations	18	103,116,171	87,130,663
Revenue from Construction Contract		5,922,000	8,968,941
Other Income	19	3,925,198	3,559,766
Total Revenue		**112,963,369**	**99,659,370**
EXPENSES			
Purchase of water		10,182,819	9,855,832
Operation and Maintenance Expenses		11,630,349	13,237,563
Consumption of Materials		83,551	861,560
Employee benefit expenses	20	13,232,372	12,000,761
Finance costs	21	68,639	2,205,488
Depreciation and Amortisation expense		19,937,028	21,400,534
Other expenses	22	12,891,842	12,273,925
Total Expenses		**68,026,600**	**71,835,663**
Profit/(loss) before exceptional items and tax		**44,936,769**	**27,823,707**
Exceptional Items		-	-
Profit/(loss) before tax		**44,936,769**	**27,823,707**
Tax Expense			
Current tax		9,162,113	5,566,874
Total tax expense		**9,162,113**	**5,566,874**
Profit/(loss) after tax		**35,774,656**	**22,256,833**
Other comprehensive income		(1,522,095)	45,720
(i) Items that will not be reclassified to profit or loss			
Remeasurement gains / (losses) on defined benefit plans			
Recycled to P&L - General		(1,911,940)	57,185
(ii) Income tax relating to items that will not be reclassified to profit or loss		389,845	11,465
Total comprehensive income for the year		34,252,561	22,302,553
Earnings per equity share			
Basic		1.94	1.21
Diluted		1.94	1.21

See accompanying notes forming part of the financial statements

For and on behalf of the Board of Directors

In terms of our report attached.
For Deloitte Haskins & Sells
Chartered Accountants

Ashish Mathur
Chairman

Jayant Balan
Director

Shibaji Baksi
Company Secretary

Abhijit Bandyopadhyay
Partner

Place :Kolkata
Date : 18th April, 2017

Naba Diganta Water Management Limited

Cash Flow Statement for the year ended 31st March , 2017

Amount in INR

	For the year ended 31 March 2017	For the year ended 31 March 2017
A. Cash Flow from Operating activities:		
Profit before taxes	44,936,769	27,823,707
Adjustments for:		
Depreciation and amortisation	19,937,028	21,400,534
Finance costs charged to profit and loss account	68,639	2,205,488
Finance Income	(3,745,198)	(3,379,766)
OCI gain/ loss due to Actuarial valuation		
Other non cash items	-	(170,463)
Operating profit before working capital changes	**61,197,238**	**47,879,500**
Adjustments for:		
Movements in trade and other receivables	(21,178,559)	(680,318)
Movements in retirement benefit assets/obligations	530,487	400,103
Movements in inventories	83,551	718,239
Movements in trade and other payables	(25,343,703)	(8,676,402)
Movements in deferred income	870,837	15,655,205
Cash generated from operations	**16,159,851**	**55,296,327**
Taxes paid (excluding dividend tax)	(13,076,084)	(7,906,129)
Net cash from operating activities	**3,083,767**	**47,390,198**
B. Cash Flow from Investing activities:		
Payment for fixed assets	(10,417,168)	(40,191,937)
Interest received from external investments / agencies	3,874,275	3,336,905
Net cash from investing activities	**(6,542,893)**	**(36,855,032)**
C. Cash Flow from Financing activities:		
Repayment of borrowings from external agencies (Bank etc.)	(14,520,085)	(15,000,000)
Interest paid to external agencies (Bank etc.)	(219,708)	(2,208,636)
Net cash from financing activities	**(14,739,793)**	**(17,208,636)**
Net increase or decrease in cash or cash equivalents	**(18,198,919)**	**(6,673,470)**
Cash & cash equivalents as at the beginning of the year	**40,541,459**	**47,214,929**
Cash & cash equivalents as at the end of the year	**22,342,540**	**40,541,459**

Notes :
1. Figures in brackets indicate outflows
2. Previous year figures have been recast/restated where necessary.

See accompanying notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

Abhijit Bandyopadhyay
Partner

Ashish Mathur
Chairman

Jayant Balan
Director

Shibaji Baksi
Company Secretary

Place :Kolkata
Date : 18th April, 2017

Naba Diganta Water Management Limited

Statement of Changes in Equity as at 31st March , 2017

Amount in INR

A.	**Equity Share Capital (Issued and subsrcibed)**	
	As at April 1, 2015	184,500,000
	Changes in equity share capital during the year	-
	As at March 31, 2016	**184,500,000**
	Changes in equity share capital during the year	-
	As at March 31, 2017	**184,500,000**
		-

		Retained Earnings	OCI	Total
B.	**Other Equity**			
	As at April 1, 2015	(76,970,531)	-	(76,970,531)
	Profit for the year	22,256,833	-	22,256,833
	Other Comprehensive Income		45,720	45,720
	Balance as at March 31, 2016	**(54,713,698)**	**45,720**	**(54,667,978)**
	Profit for the year	**35,774,656**	**-**	**35,774,656**
	Other Comprehensive Income	**-**	**(1,522,095)**	**(1,522,095)**
	Balance as at March 31, 2017	**(18,939,042)**	**(1,476,375)**	**(20,415,417)**

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

Abhijit Bandyopadhyay
Partner

Ashish Mathur
Chairman

Jayant Balan
Director

Shibaji Baksi
Company Secretary

Place :Kolkata
Date : 18th April, 2017

Naba Diganta Water Management Limited

Note 2 - Tangible assets

Amount in INR

As at Mar 2017	Furniture and fixtures	Office Equipments	Total tangible assets including capital work in progress
Cost at beginning of period	102,163	226,424	**328,587**
Additions	-	46,704	**46,704**
Cost at end of period	**102,163**	**273,128**	**375,291**
Depreciation at beginning of period	52,846	42,891	**95,737**
Charge for the period	11,887	37,187	**49,074**
Depreciation at end of period	**64,733**	**80,078**	**144,811**
Net book value at beginning of period	**49,317**	**183,533**	**232,850**
Net book value at end of period	**37,430**	**193,050**	**230,480**

As at Mar 2016	Furniture and fixtures	Office Equipments	Total tangible assets including capital work in progress
Cost at beginning of period	52,173	93,747	**145,920**
Additions	49,990	132,677	**182,667**
Cost at end of period	**102,163**	**226,424**	**328,587**
Depreciation at beginning of period	26,058	15,135	**41,193**
Charge for the period	26,788	27,756	**54,544**
Depreciation at end of period	**52,846**	**42,891**	**95,737**
Net book value at beginning of period	**26,115**	**78,612**	**104,727**
Net book value at end of period	**49,317**	**183,533**	**232,850**

As at 1st Apr 2015	Furniture and fixtures	Office Equipments	Total tangible assets including capital work in progress
Cost at beginning of period	42,727	55,447	**98,174**
Additions	9,446	38,300	**47,746**
Cost at end of period	**52,173**	**93,747**	**145,920**
Depreciation at beginning of period			**-**
Charge for the period	26,058	15,135	**41,193**
Depreciation at end of period	**26,058**	**15,135**	**41,193**
Net book value at beginning of period	**42,727**	**55,447**	**98,174**
Net book value at end of period	**26,115**	**78,612**	**104,727**

Naba Diganta Water Management Limited

Note 3 - Other Intangible assets

Amount in INR

As at Mar 2017	Other Intangible Assets	Total intangible assets including intangible assets under development
Cost at beginning of period	423,355,988	423,355,988
Additions	1,426,480	1,426,480
Cost at end of period	**424,782,468**	**424,782,468**
Amortisation at beginning of period	42,629,474	42,629,474
Charge for the period	19,887,954	19,887,954
Amortisation at end of period	**62,517,428**	**62,517,428**
Net book value at beginning of period	**380,726,514**	**380,726,514**
Net book value at end of period	**362,265,040**	**362,265,040**

As at Mar 2016	Other Intangible Assets	Total intangible assets including intangible assets under development
Cost at beginning of period	422,243,018	422,243,018
Additions	1,112,970	1,112,970
Cost at end of period	**423,355,988**	**423,355,988**
Amortisation at beginning of period	21,283,484	21,283,484
Charge for the period	21,345,990	21,345,990
Amortisation at end of period	**42,629,474**	**42,629,474**
Net book value at beginning of period	**400,959,534**	**400,959,534**
Net book value at end of period	**380,726,514**	**380,726,514**

As at 1st Apr 2015	Other Intangible Assets	Total intangible assets including intangible assets under development
Cost at beginning of period	420,161,538	420,161,538
Additions	2,081,480	2,081,480
Cost at end of period	**422,243,018**	**422,243,018**
Amortisation at beginning of period		-
Charge for the period	21,283,484	21,283,484
Amortisation at end of period	**21,283,484**	**21,283,484**
Net book value at beginning of period	**420,161,538**	**420,161,538**
Net book value at end of period	**400,959,534**	**400,959,534**

Naba Diganta Water Management Limited

Note 4 - Other financial assets

Amount in INR

	As at Mar 2017			As at Mar 2016			As at 1st Apr 2015		
	Non current	Current	Total	Non current	Current	Total	Non current	Current	Total
Security deposits	192,768		**192,768**	152,930		**152,930**	82,700		**82,700**
Interest accrued on deposits, loans and advances		-	**-**		129,077	**129,077**		86,216	**86,216**
Other financial assets	53,331	125,900	**179,231**	179,227	2,003,846	**2,183,073**	2,031,053	5,860,714	**7,891,767**
Unrestricted Non-current Cash and bank balances	4,944,803	-	**4,944,803**	7,232,641	-	**7,232,641**	-	-	**-**
Earmarked Non-current Cash and bank balances	35,586,938	-	**35,586,938**	10,744,086	-	**10,744,086**	12,969,908	-	**12,969,908**
Gross other financial assets	**40,777,840**	**125,900**	**40,903,740**	**18,308,884**	**2,132,923**	**20,441,807**	**15,083,661**	**5,946,930**	**21,030,591**
Classification of other financial assets									
Unsecured, considered good	40,777,840	125,900	**40,903,740**	18,308,884	2,132,923	**20,441,807**	15,083,661	5,946,930	**21,030,591**
Gross other financial assets	**40,777,840**	**125,900**	**40,903,740**	**18,308,884**	**2,132,923**	**20,441,807**	**15,083,661**	**5,946,930**	**21,030,591**

* Earmarked Cash and bank balances primarily represent balances held against issue of Bank guarantee

Note 5 - Other non-financial assets

	As at Mar 2017			As at Mar 2016			As at 1st Apr 2015		
	Non current	Current	Total	Non current	Current	Total	Non current	Current	Total
Advance with public bodies	101,400	484,588	**585,988**	236,600	409,622	**646,222**	-	739,447	**739,447**
Other loans and advances	-	777,448	**777,448**	-	427,024	**427,024**	-	888,569	**888,569**
Total non financial assets	**101,400**	**1,262,036**	**1,363,436**	**236,600**	**836,646**	**1,073,246**	**-**	**1,628,016**	**1,628,016**
Classification of non financial assets:									
Unsecured, considered good	101,400	1,262,036	**1,363,436**	236,600	836,646	**1,073,246**	-	1,628,016	**1,628,016**
Gross Loans and advances	**101,400**	**1,262,036**	**1,363,436**	**236,600**	**836,646**	**1,073,246**	**-**	**1,628,016**	**1,628,016**

Naba Diganta Water Management Limited

Amount in INR

Note 6 - Trade receivables

	As at Mar 2017	As at Mar 2016	As at 1st Apr 2015
	Current	Current	Current
Trade receivables			
More than six months	973,801	404,057	152,818
Debtors from Sale of Water	8,689,155	8,307,588	6,624,032
Gross trade receivables	9,662,956	8,711,645	6,776,850
Less: Provision for Doubtful trade receivables	765,670	111,718	43,656
Net trade receivables	**8,897,286**	**8,599,927**	**6,733,194**
Classification of trade receivables			
Secured, considered good	2,701,441	5,571,804	4,870,372
Unsecured, considered good	6,195,845	3,028,123	1,862,822
Doubtful	765,670	111,718	43,656
Gross trade receivables	**9,662,956**	**8,711,645**	**6,776,850**

Note :

Amount in INR

	As at Mar 2017	As at Mar 2016	As at 1st Apr 2015
(a) Movement in provision for Doubtful trade receivables:			
Balance at the beginning of the year	111,718	43,656	-
Movement in provision on trade receivables:	653,952	68,062	43,656
Balance at the end of the year	**765,670**	**111,718**	**43,656**

(b) There are no outstanding debts due from Directors or other officers of the Company

Naba Diganta Water Management Limited

Amount in INR

Note 7 - Inventories

	As at Mar 2017	As at Mar 2016	As at 1st Apr 2015
Stores & Consumables	956,954	1,040,505	1,761,344
Stock-in-trade of goods acquired for trading	30,756	30,756	28,156
Total Inventories	**987,710**	**1,071,261**	**1,789,500**

Note 8 - Cash and bank balances

	As at Mar 2017	As at Mar 2016	As at 1st Apr 2015
Cash in hand	23,057	33,687	42,009
Unrestricted Balances with banks	22,319,483	40,507,772	47,172,920
In Current Account	22,319,483	11,291,565	10,408,993
In Deposit Account	-	29,216,207	36,763,927
Total cash and cash equivalents	**22,342,540**	**40,541,459**	**47,214,929**
Total cash and bank balances	**22,342,540**	**40,541,459**	**47,214,929**

Note :

As per MCA notification dated 30th March 2017, details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016 is provided in the Table below:

	SBN's	Other denomination notes	Total
Closing Cash in hand as on 08.11.2016	14,000	15,902	29,902
(+) Permitted receipts	-	115,140	115,140
(-) Permitted payments	-	118,156	118,156
(-) Amount deposited in Banks	14,000	-	14,000
Closing Cash in hand as on 30.12.2016	-	12,886	12,886

Naba Diganta Water Management Limited

Amount in INR

Note 9 - Share capital

	As at Mar 2017	As at Mar 2016	As at 1st Apr 2015
Authorised:			
1,85,00,000 Ordinary Shares of Rs 10 each with voting rights	185,000,000	185,000,000	185,000,000
(31.03.2016: 1,85,00,000 Ordinary Shares of Rs 10 each)			
	185,000,000	**185,000,000**	**185,000,000**
Issued , Subscribed & Paid up:			
1,84,50,000 Ordinary Shares of Rs 10 each with voting rights	184,500,000	184,500,000	184,500,000
(31.03.2016: 1,84,50,000 Ordinary Shares of Rs 10 each)			
Additional Information :			
The Company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held.In the event of liquidation, the equity			
shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.			
	184,500,000	**184,500,000**	**184,500,000**

Notes -

(a) Reconcilation of the number of Equity shares and the amount outstanding at the beginning and at the end of the reporting period is as below:

Particulars	**As at March 31, 2017**		**As at March 31, 2016**	
	Number	**Amount**	**Number**	**Amount**
Shares outstanding at the beginning of the year	18,450,000	184,500,000	18,450,000	184,500,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	18,450,000	184,500,000	18,450,000	184,500,000

(b) Out of above, 136,53,000 equity shares are held by Jamshedpur Utilities and Services Company Limited and 47,97,000 equity shares are held by Voltas Limited.

Naba Diganta Water Management Limited

Note 10 - Retained Earnings

			Amount in INR
Particulars	**As at Mar 2017**	**As at Mar 2016**	**As at 1st Apr 2015**
Retained Earnings	(20,415,417)	(54,667,978)	(76,970,531)

Notes:

(a) Reconciliation of Retained Earnings

Particulars	**As at 31 Mar 2017**	**As at 31 Mar 2016**
Balance at the beginning of the year	(54,667,978)	(76,970,531)
Profit / (Loss) attributable to owners of the Company	35,774,656	22,256,833
Other Comprehensive income arising from remeasurement of defined benefit obligation net of income Tax	(1,522,095)	45,720
Balance at end of year	(20,415,417)	(54,667,978)

(b) Retained Earnings are created in accordance with the erstwhile Companies Act 1956 and the Companies Act 2013. The Reserve is free in nature and is available for distribution of dividends

Naba Diganta Water Management Limited
Note 11 - Borrowings

Amount in INR

	As at Mar 2017				As at Mar 2016				As at Apr 1, 2015			
	Long Term	Current maturities of Long-term *	Short Term	Total	Long Term	Current maturities of Long-term *	Short Term	Total	Long Term	Current maturities of Long-term *	Short Term	Total
A. Secured Borrowings	-	-	-	-	-	14,520,085		**14,520,085**	14,520,085	15,000,000		**29,520,085**
B. Unsecured Borrowings												
Total Borrowings	**-**	**-**	**-**	**-**	**-**	**14,520,085**	**-**	**14,520,085**	**14,520,085**	**15,000,000**	**-**	**29,520,085**

* Current maturities of long term borrowings is reported as part of other current liabilities (refer note no. 12)

Naba Diganta Water Management Limited

Amount in INR

Note 12 - Other financial liabilities

	As at Mar 2017			As at Mar 2016			As at Apr 1 ,2015		
	Non current	Current	Total	Non-current	Current	Total	Non-current	Current	Total
Current maturities of long-term debt		-	-		14,520,085	14,520,085		15,000,000	15,000,000
Interest payable	-	-	-	-	151,069	151,069	-	324,680	324,680
Creditors for other liabilities									
Security Deposits	18,172,191		18,172,191	16,306,880		16,306,880	15,153,839		15,153,839
Creditors for capital supplies/services		407,546	407,546		9,351,531	9,351,531		48,247,831	48,247,831
Other credit balances		2,696,038	2,696,038		2,735,638	2,735,638		3,414,431	3,414,431
Total other financial liabilities	**18,172,191**	**3,103,584**	**21,275,775**	**16,306,880**	**26,758,323**	**26,758,323**	**15,153,839**	**66,986,942**	**66,986,941**

Note 13 - Provisions

	As at Mar 2017			As at Mar 2016			As at Apr 1 ,2015		
	Non current	Current	Total	Non-current	Current	Total	Non-current	Current	Total
Provision for employee benefits	1,459,756	236,386	**1,696,142**	1,030,538	23,973	1,054,511	585,361	16,040	601,401
Total Provisions	**1,459,756**	**236,386**	**1,696,142**	1,030,538	23,973	1,054,511	585,361	16,040	601,401

Note 14 - Retirement Benefit obligations

	As at Mar 2017			As at Mar 2016			As at Apr 1 ,2015		
	Non current	Current	Total	Non current	Current	Total	Non current	Current	Total
Retiring Gratuity	3,907,462	1,707,984	5,615,446	3,080,690	92,329	3,173,019	2,830,101	-	2,830,101
			-			-			-
Total Retirement Benefit Obligations	**3,907,462**	**1,707,984**	**5,615,446**	**3,080,690**	**92,329**	**3,173,019**	**2,830,101**	**-**	**2,830,101**

Note 15 - Deferred Income

	As at Mar 2017			As at Mar 2016			As at Apr 1 ,2015		
	Non current	Current	Total	Non current	Current	Total	Non current	Current	Total
Income received in advance/Contract liability		2,825,072	2,825,072			-		4,865,732	4,865,732
Other deferred income	171,511,321	7,643,376	179,154,697	174,153,985	6,954,947	181,108,932	154,318,744	6,269,251	160,587,995
Total Deferred income	**171,511,321**	**10,468,448**	**181,979,769**	**174,153,985**	**6,954,947**	**181,108,932**	**154,318,744**	**11,134,983**	**165,453,727**

Note 16 - Trade payables

	As at Mar 2017			As at Mar 2016			As at Apr 1 ,2015		
	Non current	Current	Total	Non-current	Current	Total	Non-current	Current	Total
Creditors for supplies / services		27,284,715	27,284,715		49,053,793	49,053,793		49,460,311	49,460,311
Creditors for accrued wages and salaries		2,590,396	2,590,396		2,557,551	2,557,551		2,540,185	2,540,185
Total trade payables	**-**	**29,875,111**	**29,875,111**	**-**	**51,611,344**	**51,611,344**	**-**	**52,000,496**	**52,000,496**

Note 17 - Other non-financial liabilities

	As at Mar 2017			As at Mar 2016			As at Apr 1 ,2015		
	Non current	Current	Total	Non current	Current	Total	Non current	Current	Total
Advances received from customers		39,605,690	39,605,690		45,527,689	45,527,689		54,496,630	54,496,630
Statutory Dues (Excise duty, service tax, sales tax, TDS, Royalty etc)		346,790	346,790		499,603	499,603		745,270	745,270
Total Other liabilities	**-**	**39,952,480**	**39,952,480**	**-**	**46,027,292**	**46,027,292**		**55,241,900**	**55,241,900**

Naba Diganta Water Management Limited

Amount in INR

Note 18 - Revenue from operations

	Apr-Mar 2017	Apr-Mar 2016
Sale of Water	90,804,883	78,956,581
Income from Connection Charges (Amortized Income)	7,560,148	6,954,947
Other operating income	4,751,140	1,219,135
Total Revenue from Operations	**103,116,171**	**87,130,663**

Amount in INR

Note 19 - Other income

	Apr-Mar 2017	Apr-Mar 2016
Interest income	3,745,198	3,379,766
Other miscellaneous income(Rent)	180,000	180,000
Total Other Income	**3,925,198**	**3,559,766**

Naba Diganta Water Management Limited

Amount in INR

Note 20- Employee benefit expense

	Apr-Mar 2017	Apr-Mar 2016
Salaries and wages, including bonus	11,890,705	10,909,811
Contribution to provident and other funds	1,341,667	1,090,950
Provident Fund	701,879	641,276
Gratuity	639,788	449,674
Total Employee Benefit Expense	**13,232,372**	**12,000,761**

Note 21 - Finance costs

	Apr-Mar 2017	Apr-Mar 2016
Interest expense	68,639	2,035,025
Other Borrowing Costs (amortization)	-	170,463
Total finance costs	**68,639**	**2,205,488**

Note 22 - Other Expenses

	Apr-Mar 2017	Apr-Mar 2016
Repairs to machinery	105,227	98,820
Purchase of power	7,277,361	7,112,749
Rates and taxes	609,564	1,430,170
Insurance charges	360,753	357,768
Auditors remuneration and out-of-pocket expenses	919,067	550,297
Legal and other professional costs	1,244,172	1,047,716
Travelling Expenses	700,128	601,518
Other General Expenses	1,675,570	1,074,887
Total Other Expenses	**12,891,842**	**12,273,925**

NABA DIGANTA WATER MANAGEMENT LIMITED
Notes forming part of the financial statements

Note 23.3 : Additional information to the financial statements

a) Lease agreement with NDITA (lessor) is to be executed with the Company (lessee), wherein lessor is to deliver to the lessee on an 'as is where is basis', the full vacant possession of all the land and rights comprising the demised premises free from encumbrances, and together with the Easementary rights and with the full and free right and liberty of way and passage and other rights in relation thereto. Lease rent of Re.1 per cottah (720 sq. ft.) annually for 120 cottahs will be accounted from the date on which the possession of the demised premises is handed over to the lessee by the lessor. Registration of sublease is pending.

b) **Capital Commitment:**
Estimated amount of Contracts remaining to be executed on capital account and not provided for : Rs. Nil (31.03.16 : Rs. Nil)

c) **Contingent Liabilities :**

	Apr 2016-Mar 2017	Apr 2015-Mar 2016
Claims not acknowledged by the Company		
Income Tax	49,542,070	35,152,390

d) **Employee Benefits**
(a) The Company has recognised in the Statement of Profit and Loss for the year ended 31st March, 2017, an amount of Rs 701.879 as an expense under the following defined contribution plan:

	Apr 2016-Mar 2017	Apr 2015-Mar 2016
Contribution to Provident fund	701,879	641,276

(b) The Company has provided towards post retirement gratuity contribution, which is yet to be funded, pending formation of the plan and funding formalities. The charge for the year are actuarially determined, details of which are as follows:

(i) Reconciliation of opening and closing balances of obligation	**Apr 2016-March 2017**	**Apr 2015-Mar 2016**
Obligation as at beginning of the year	3,173,019	2,830,101
Current service cost	385,946	223,266
Interest cost	253,842	226,408
Actuarial (gain)/loss	1,802,639	(106,756)
Acquistions during the year	-	-
Benefits paid		-
Obligation as at end of the year	**5,615,446**	**3,173,019**
(ii) Expenses recognized during the year		
Current service cost	385,946	223,266
Interest cost	253,842	226,408
Actuarial Losses/(Gains) on defined benefit obligation	1,802,639	(106,756)
(iii) Assumptions		
Discount rate (per annum)	7.50%	8.00%
Rate of escalation in salary (per annum)	12%	12%

e) There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

f) Government Grant has been received through designated agency Nabadiganta Industrial Township Authority (NDITA) from the Ministry of Urban Development, Government of India, under the Jawaharlal Nehru National Urban Renewal Mission Scheme, as capital subsidy in the form of a grant of 35% of the capital cost of the project. The funds are received based on the approval of the progress of the work by Nabadiganta Industrial Township Authority, Kolkata Metropolitan Development Authority and Department of Urban Development, Government of West Bengal. The Company has so far received an amount of Rs.18,49,84,000 (31.03.16: Rs 18,49,84,0000) from JNNURM and Rs.3,93,59,500 (31.03.16 : Rs.3,93,59,500) from Naba Diganta Industrial Township Authority till 31st March 2017, which has been reduced from the project cost under Fixed Assets. Grant of Rs 2,55,00,000 is yet to be received.

g) The Company’s principal business segment is construction, operation and maintenance of infrastructure facility for water supply and sewerage system on 'Build Operate and Transfer' (BOT) basis and the principal geographical segment is India. Consequently, the disclosures required under Ind AS 108 “Operating Segments" are not applicable

h) Related Party Disclosure:

(I) List of Related Parties & Relationship :

Party	Relationship
Tata Steel Limited	Ultimate Holding Company
Jamshedpur Utilities & Services Company Limited	Joint Venture
SEZ Adityapur Limited	Fellow Company
Haldia Water Management Limited	Fellow Company
Voltas Limited	Joint Venture
Nirmal Kumar Mallick	Key Management Personnel

(II) Related Party Transactions: (in Rs.)

Transactions	JUSCO Ltd.	Voltas Ltd.
Services Received	-	-
	-	-
Rental Income	180,000	-
	(180,000)	-
Guarantee outstanding on behalf of Company	-	-
	(14,671,154)	-
	(29,844,765)	
Rent Receivable from JUSCO	207,000	
	(180,000)	
	-	
Amount Payable as at 31 March 2017	-	-
	(22,990,160)	(7,972,896)
	(52,999,085)	(18,636,482)

(Previous period figures are given in brackets)

(in Rs.)

	As on 31.03.2017	As on 31.03.2016
Remuneration to Mr. Nirmal Kumar Mallick	3,147,472	3,027,261

i) As at the Balance Sheet date, the Company does not have any foreign currency exposure (31.03.16: Nil)

j) Earnings Per Share

Basic and Diluted Earnings per Share		
Particulars	**As on 31.03.2017**	**As on 31.03.2016**
a) Net Earnings after Tax available to equity shareholders (in Rs.)	35,774,656	22,256,833
b) Weighted average number of equity shares (for Basic and Diluted)	18,450,000	18,450,000
c) Nominal value of Equity per share (Rs.)	10	10
d) Basic and Diluted Earnings per share (Rs.)	1.94	1.21

k) Auditor's Remuneration: (in Rs.)
(including service tax)

Particulars	As on 31.03.2017	As on 31.03.2016
As Statutory Audit Fees	797,813	429,375
As Tax Audit Fees	115,000	114,000
Out of pocket expenses	6,255	6,922
Total	**919,068**	**550,297**

l) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

m) Figures have been rounded off to the nearest rupee.

For and on behalf of the Board of Directors

Ashish Mathur	Jayant Balan	Shibaji Baksi
Chairman	Director	Company Secretary

Place :Kolkata
Date : 18th April, 2017

NABA DIGANTA WATER MANAGEMENT LIMITED
Note 1: Significant Accounting Policies

(1) General Information

The Company was incorporated as Special Purpose Vehicle (SPV) by Jamshedpur Utilities and Services Company Limited (JUSCO) and Voltas Limited (Voltas) on 9th January, 2008 to provide water supply and sewerage system ('the project') at Naba Diganta Township, Sector-V, Saltlake, Kolkata against payment of water and sewerage charges by the consumer. The proposed project is on Build, Operate and Transfer (BOT) basis under the Public Private Partnership (PPP) Model for a period of 30 years with JUSCO being the lead partner, as per the Development Agreement dated 8th November, 2007 between Nabadiganta Industrial Township Authority (NDITA), Kolkata Metropolitan Development Authority (KMDA), JUSCO and Voltas. Promoter's contribution by JUSCO and Voltas are 74% and 26% of the equity respectively. The operations of the Company were inaugurated on 4th January 2011.

The functional and presentation currency of the Company is Indian Rupee (“INR”).

(2) Basis for preparation

The Company has for the first time prepared its financial statements in accordance with Indian Accounting Standards (referred to as “Ind AS”).

The transition from previous GAAP (i.e., IGAAP) to Ind AS has been accounted for in accordance with Ind AS101 “First Time Adoption of Indian Accounting Standards”, with April 01, 2015 as the transition date.

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind-ASs.

(3) Use of estimates and critical accounting judgments

The preparation of accounts in accordance with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the accounts and reported amounts of income and expenses during the period.

Actual results could differ from those estimates. The most significant techniques for estimation are described in the accounting policies below. Critical accounting judgments and the key sources of estimation or uncertainty in applying the company’s accounting policies arise in relation to property, plant and equipment, current asset provisions, deferred tax, retirement benefits. All of these key factors are reviewed on a continuous basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and any future periods affected.

(4) Intangible Assets (excluding goodwill)

The capitalized costs of Land & buildings and Plant & Machineries relating to the water and sewerage business are included in the balance sheet as intangible assets where they are clearly linked to long term economic benefits for the Company. In this case they are measured initially at purchase cost and then amortised on a straight-line basis over their estimated useful lives.

(5) Property, plant and equipment

An item of property, plant and equipment is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognized in the statement of profit and loss as incurred. When a replacement occurs, the carrying amount of the replaced part is derecognized. [Property, plant and equipment are stated at cost of acquisition less accumulated depreciation . Cost of acquisition includes duties, taxes, incidental expenses, erection and commissioning expenses expenditure incurred on 'Build Operate Transfer' (BOT) project including materials and services , net of Government Subsidy received. Borrowing costs incurred prior to the commencement of operational activities of the Company attributable to the qualifying assets are capitalized].

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset, and is recognized in the statement of profit and loss.

(6) Depreciation and amortization of property, plant and equipment and intangible assets

Depreciation or amortization is provided so as to write off, on a straight-line basis, the cost of property, plant and equipment and other intangible assets, including those held under finance leases to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of leased assets, over the lease period if shorter. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

Depreciation on assets under construction commences only when the assets are ready for their intended use.

The estimated useful lives for the main categories of property, plant and equipment and other intangible assets are:

Intangible assets	30 years
Air Conditioners	10 years
Furniture & Fixtures	5 years

(Buildings and Plant & Machinery which are classified as Intangible assets and amortization is provided on a straight-line basis, the cost of property, plant and equipment and other intangible assets, including those held under finance leases to their residual value).

(7) Impairment

At each balance sheet date, the company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying amount of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted. An impairment loss is recognized in the statement of profit and loss as and when the carrying amount of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

(8) Financial Instruments

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

a) Financial assets

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and 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.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and 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.

Financial asset not measured at amortized cost or at fair value through other comprehensive income is carried at fair value through profit or loss.

Impairment of financial assets

Loss allowance for expected credit losses is recognized for financial assets measured at amortized cost.

Loss allowance equal to the lifetime expected credit losses is recognized if the credit risk on the financial instruments has significantly increasedsince initial recognition. For financial instruments whose credit risk has not significantly increased since initial recognition.

Derecognition of financial assets

The company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognize the financial asset and also recognizes a collateralized borrowing of the proceeds received.

b) Financial liabilities and equity instruments

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method.

Interest-bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in accordance with the company's accounting policy for borrowing costs.

Derecognition of financial liabilities

The company derecognizes financial liabilities when, and only when, the company obligations are discharged, cancelledor they expire.

(9) Retirement benefit costs

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognized immediately in other comprehensive income. The service cost, net interest on the net defined benefit liability/(asset) is treated as a net expense within employment costs.

Past service cost is recognized as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognized, whichever is earlier.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

(10) Taxation

Tax expense for the year comprises current and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted in countries where the Company operates by the end of the reporting period.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences. In contrast, deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to cover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognized as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognized in other comprehensive income or directly in equity.

(11) Inventories

Inventories are stated at the lower of cost and net realizable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realizable value is the price at which the inventories can be realized in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

(12) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term deposits, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(13) Provisions

Provisions are recognized in the balance sheet when the company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

Constructive obligation is an obligation that derives from an entity's actions where:

(a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and

(b) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

(14) Contribution from Customers

Contribution received from consumers towards installation of assets pertaining to distribution of water, are credited to Deferred Income on capitalization of related assets . An amount in proportion to the amortization charge is credited to the statement of profit and loss.

(15) Government grants

Government grants related to expenditure on property, plant and equipment are credited to the statement of profit and loss over the useful lives of qualifying assets. Total grants received less the amounts credited to the statement of profit and loss at the balance sheet date are included in the balance sheet as deferred income. Grants-in-aid received from the Government as capital subsidy in the 'Build Operate Transfer' (BOT) project is deducted from the Fixed Assets.

(16) Insurance

Insurance premiums in respect of insurance placed and reinsurance premiums in respect of risks are charged to the statement of profit and loss in the period to which they relate.

(17) Revenue

Income from Services

Income from Service is recognized on accrual basis on rendering of the services and excludes service tax.

Revenue from Construction Contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract are recognized as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the reporting date. The percentage of completion of a contract is determined considering the proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total contract costs

For the purposes of recognizing revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognized as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense in the Statement of Profit and Loss in the period in which such probability occurs.

Sale of Goods

Revenue is recognized when the significant risks and rewards have been transferred to the buyer. It is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

(18) Borrowing Costs

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

(19) Earning per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

NABA DIGANTA WATER MANAGEMENT LIMITED

23.2 Financial Instruments

(i) Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the company. The company determines the amount of capital requirement on the basis of annual operating plans and other strategic investment plans. The funding requirements are met through equity, other long-term/short-term borrowings. The companies policy is aimed at combination of short-term and long-term borrowings. The company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the company.

(ii) Categroies of financial instruments

Particulars		As on 31.03.2017	As on 31.03.2016	As on 01.04.2015	
Financial assets					
Measured at fair value through profit and loss					
(a) Mandatorialy measured:					
(i) Investments in mutual funds					
Measured at amortised cost					
(a) Cash and bank balances		22,342,540	40,541,459	47,214,929	
(b) Trade Receivables		8,897,286	8,599,927	6,733,194	
(c) Other financial assets at amortised cost		40,903,740	20,441,807	21,030,591	
Financial Liabilities					
Measured at amortised cost		51,150,886	94,676,547	134,141,277	

At the end of the reporting period, there are no significant concentrations of credit risk for financial assets designated at FVTPL. The carrying amount reflected above represents the entities maximum exposure to credit risk for such financial assets.

(iii) Financial Risk management objectives

The entity monitors and manages the financial risks relating to the operations of the entity through internal MIS reports which analyse the exposure by degree and magnitude of risks. These risks includes market risk (Interest rate risk, currency risk and other price risk), credit risk and liquidity risk.

Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in 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, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

Interest rate sensitivity analysis:

The sensativity analysis have been determined based on the exposure to interest rates for financial assets and liabilities at the end of the reporting period. For financial assets/ liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period . A 100 basis point increase or decrease is used to check the sensitivity which represents management's asssessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the entities profit for the year ended March 31, 2017 would increase/decrease by Rs. Nil . (for the year ended March 31, 2016: Rs. 1.45 Lakhs; for the year ended April 01, 2015: Rs. 2.95 Lakhs). This is mainly on account of companies exposure to interest rates on its variable rate borrowings.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the entity. The entity deals with only creditworthy counterparties and obtain sufficient advances or bank guarentees, where appropriate, as a means to mitigate the risk of financial loss from defaults.

Trade receivables cosists of a large number of customers. Ongoing credit evaluation is performed on the financial condition of account receivables and where appropriate, provision has been considered in the books.

Apart fromElectronic Complex Police station , the entity doesnot have any significant credit risk exposure to any single counter party. Concentration of credit risk related to Electronic Complex Police station is approx. 13 % of the gross trade receivables.

Concentration of credit risk to any other counter party does not exceed 5% of the gross trade receivables.

Liquidity risk management

The entity manages the short term, long term and medium term funds and liquidity requirements by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following table details the entities remaining contractual maturity for its non derivative financial liability with agreed repayment periods. The table has been drawn based on the undiscounted cash flows of financial liabilities based on the earliest date on which the entity can be required to pay. The table includes both interest and principal cash flows. The contractual maturity is based on the earliest date on which the entity may be required to pay,

Particulars	Carrying amount	Contractual cash flows	less than 1 year	between 1 - 5 years		More than 5 years
March 31, 2017						
Non-derivative financial liabilities						
Borrowings	-	-	-	-		-
(i) Principal	-	-	-	-		-
(ii) Interest	-	-	-	-		-
Trade payables	29,875,111	29,875,111	29,875,111	-		-
Other financial liabilities	21,275,775	21,275,775	3,103,584	-		18,172,191
Financial guarentee contracts	-	-				
	51,150,886	51,150,886	32,978,695	-		18,172,191
March 31, 2016						
Non-derivative financial liabilities						
Borrowings						
(i) Principal	14,520,085	14,520,085	14,520,085	-		
(ii) Interest	-	151,069	-			
Trade payables	51,611,344	51,611,344	51,611,344	-		
Other financial liabilities	28,394,049	28,394,049	12,087,169	-		16,306,880
Financial guarentee contracts						
	94,525,478	94,676,547	78,218,598	-		16,306,880
April 01, 2015						
Non-derivative financial liabilities						
Borrowings						
(i) Principal	29,520,085	29,520,085	15,000,000	14,520,085		-
(ii) Interest		324,680				
Trade payables	52,000,496	52,000,496	52,000,496	-		
Other financial liabilities	66,816,101	66,816,101	51,662,262	-		15,153,839
Financial guarentee contracts	-					
	148,336,682	148,661,362	118,662,758	14,520,085		15,153,839

The following table details the entities expected maturity for its non derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of the information is necessary in order to understand the entities liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Carrying amount	less than 1 year	between 1 - 5 years	More than 5 years
March 31, 2017				
Non-derivative financial liabilities				
Investment in Mutual funds				
Trade Receivables	8,897,286	8,283,206	614,080	-
Contract assets	-	-	-	
Cash and bank balanaces	22,342,540	22,342,540	-	-
Other financial assets	40,903,740	125,900	40,777,840	-
	72,143,566	30,751,646	41,391,920	-
March 31, 2016				
Non-derivative financial liabilities				
Investment in Mutual funds	-	-		
Trade Receivables	8,599,927	8,376,762	223,165	-
Contract assets	-	-	-	
Cash and bank balanaces	40,541,459	11,325,252	29,216,207	-
Other financial assets	20,441,807	2,132,923	18,308,884	-
	69,583,193	21,834,937	47,748,256	-
April 01, 2015				
Non-derivative financial assets				
Investment in Mutual funds				
Trade Receivables	6,733,194	6,733,194	-	-
Contract assets				
Cash and bank balanaces	47,214,929	10,442,680	36,772,249	-
Other financial assets	21,030,591	5,946,930	15,083,661	-
	74,978,714	23,122,804	51,855,910	-

NABA DIGANTA WATER MANAGEMENT LIMITED

23.1 First - time IND AS adoption reconciliation

(a) Effect of IND AS Adoption on the balance sheet as at March 31, 2016 and April 01, 2015

		As at March 31, 2016			**As at April 01, 2015**		
Particulars	**Note No.**	**Previous GAAP**	**Effect of transition**	**As per IND AS**	**Previous GAAP**	**Effect of transition**	**As per IND AS**
Non Current Assets							
Property, plant & Equipment	i	380,959,364	-	380,959,364	401,064,261	-	401,064,261
Capital Work in progress		-	-	-	-	-	-
Equity accounted investments		-	-		-	-	-
Investments in subsidiaries					-	-	-
Financial assets					-	-	-
(i) Other financial assets		18,308,884	-	18,308,884	15,083,661	-	15,083,661
Other non-financial assets		236,600	-	236,600	-	-	-
Non current tax asset		3,185,259	-	3,185,259	857,469	-	857,469
Total Non current assets		402,690,107	-	402,690,107	417,005,391	-	417,005,391
Current Assets							
Inventories		1,071,261	-	1,071,261	1,789,500	-	1,789,500
Financial assets							-
(i) Current investments		-	-	-	-		-
(ii) Trade receivables		8,599,927	-	8,599,927	6,733,194		6,733,194
(iii) Cash and bank balances		40,541,459	-	40,541,459	47,214,929		47,214,929
(iv) Other financial assets		2,132,923	-	2,132,923	5,946,930		5,946,930
Other non-financial assets		836,646	-	836,646	1,628,016		1,628,016
Total current assets		53,182,216	-	53,182,216	63,312,569	-	63,312,569
Total Assets		455,872,323	-	455,872,323	480,317,960	-	480,317,960
Equity							
Equity Share Capital		184,500,000	-	184,500,000	184,500,000		184,500,000
Retained earnings	ii	126,440,954	181,108,932	(54,667,978)	83,617,464	160,587,995	(76,970,531)
		310,940,954	181,108,932	129,832,022	268,117,464	160,587,995	107,529,469
Non-current liabilities							
Financial liabilities							
(i) Long term borrowings		-	-	-	14,520,085		14,520,085
(ii) Other financial liabilities		16,306,880	-	16,306,880	15,153,839		15,153,839
Long term provisions		4,111,228	3,080,690	1,030,538	3,415,462	2,830,101	585,361
Retirement benefit obligations		-	(3,080,690)	3,080,690	-	(2,830,101)	2,830,101
Deferred income	ii	-	(174,153,985)	174,153,985	-	(154,318,744)	154,318,744
Other non-financial liabilities			-			-	-
Total Non current liability		20,418,108	(174,153,985)	194,572,093	33,089,386	(154,318,744)	187,408,130
Current Liability							
Financial liabilities							
(i) Short term borrowings		-	-	-	-		-
(ii) Trade payables		51,611,344	-	51,611,344	52,000,496		52,000,496
(iii) Other financial liabilities		72,785,615	46,027,292	26,758,323	127,094,574	60,107,632	66,986,942
Short term provisions		116,302	92,329	23,973	16,040		16,040
Retirement benefit obligations		-	(92,329)	92,329	-		-
Deferred income	ii	-	(6,954,947)	6,954,947	-	(11,134,983)	11,134,983
Other non-financial liabilities		-	(46,027,292)	46,027,292	-	(55,241,900)	55,241,900
Total Current Liability		124,513,261	(6,954,947)	131,468,208	179,111,110	(6,269,251)	185,380,361
Total Liability		144,931,369	(181,108,932)	326,040,301	212,200,496	(160,587,995)	372,788,491
Total Equity and Liabilities		455,872,323	-	455,872,323	480,317,960	-	480,317,960

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(b) Reconciliation of total equity as at March 31, 2016 and April 01, 2015

Particulars		As at March 31, 2016	As at April 01, 2015
Total Equity (Shareholders' fund) under previous GAAP.		310,940,954	268,117,464
Fair valuation of investments under IND AS		-	-
Transfer of capital reserve to deferred income		(181,108,932)	(160,587,995)
Impact of change in depreciation			-
Charge off lease payment			-
Total Adjustment to equity		(181,108,932)	(160,587,995)
Total Equity as per IND AS		129,832,022	107,529,469

(c) Effect of IND AS Adoption of the statement of Profit & Loss for the year ended March 31, 2016

		As at March 31, 2016		
Particulars	Note No.	Previous GAAP	Effect of transition	As per IND AS
Revenue from operations	(ii)	89,144,657	6,954,947	96,099,604
Other Income		3,559,766	-	3,559,766
Total Revenue		92,704,423	6,954,947	99,659,370
EXPENSES				
(a) Employee benefits expense	(iii)	11,943,576	57,185	12,000,761
(b) Finance costs		2,205,488	-	2,205,488
(c) Depreciation and amortisation expense		14,445,587	6,954,947	21,400,534
(d) Other expenses		36,228,880	-	36,228,880
Total Expenses		64,823,531	7,012,132	71,835,663
PROFIT BEFORE TAXES		27,880,892	(57,185)	27,823,707
Tax Expense		5,578,339	(11,465)	5,566,874
PROFIT AFTER TAXES		22,302,553	(45,720)	22,256,833
Other comprehensive income				
(i) Items that will not be reclassified to profit or loss	(iii)	-	57,185	57,185
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	11,465	11,465
Total Other comprehensive income		-	45,720	45,720
Total comprehensive income		22,302,553	-	22,302,553

(d) Reconciliation of total comprehensive income as at March 31, 2016

Particulars	**Note No**	**As at March 31, 2016**	
Profits as per previous GAAP		22,302,553	
Adjustments:			
Fair valuation of investments under IND AS			
Remeasurement of employee benefits recognized in OCI (Net of Tax)	(iii)	(34,255)	
Impact of change in depreciation			
Charge off lease payment			
Total Adjustments		(34,255)	
Profits for the year as per IND AS		22,268,298	
Other comprehensive income (Net of tax)		45,720	
Total Comprehensive income as per IND AS		22,314,018	

Notes to the reconciliation

(i) Under previous GAAP, Land ,Building and Plant & Machinery amounting to Rs. 400,959,534 as at 31 March 2015 were classified as Tangible assets and depreciated as per the existing depreciation rate. However, as the land has been taken for a lease of 30 years the same will be classified under the definition of Intangible assets under IND AS. Hence, the amount is regrouped to Intangible assets effective from 1 April 2015

(ii)Naba Diganta Water Management Limited is in the business of water within Salt Lake Sector-V for which the Company receives contribution from the consumers. Under previous GAAP, As and when the Company receives the contribution the same is recorded as a liability in the books. When the connection is provided to the consumers the asset is capitalized,and correspondingly the same is transferred to Capital Contributions from Customers under the head "Reserves & Surplus". Equivalent amount of depreciation is transferred from the reserves to the P&L as a negation to the depreciation. However under IND AS 18, The amount that is received from the consumer as capital contribution would be recognized as deferred income grouped under Liabilities and subsequently the same would be considered as income in the proportion of depreciation. Hence the amount of capital reserve from shareholders funds have been regrouped to current and non current deferred income.

(iii) Under previous GAAP, acturial gains and losses were recognised in profit and loss. Under IND AS, the acturial gains and losses form part of remeasurement of the net defined benefit liability / asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under IND AS instead of profit and loss. This has resulted in classification of acturial gains and losses from employee benefit expenses to other comprehensive income. However this does not have any affect on the total equity.