

Price Waterhouse & Co Chartered Accountants LLP

Independent Auditor's Report

To the Members of Haldia Water Management Limited

Report on the Audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Haldia Water Management Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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.
2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit/ loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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.

Emphasis of Matter

4. We draw your attention to Note 1.5 regarding the preparation of the financial statements on a going concern basis in view of the support letter received from the parent company. The Company is presently evaluating its future plans for operations of the business. Our opinion is not modified in respect of this matter.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.



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In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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.
7. 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

8. 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.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - 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.
 - 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.
10. 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.
11. 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.

Report on other legal and regulatory requirements

12. 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 Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.



Price Waterhouse & Co Chartered Accountants LLP

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- (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 on 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company was not required to recognise a provision as at March 31, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2022.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.
 - iv. (a) The management has represented that, to the best of its 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(s) or entity(ies), 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 (Refer Note 10.9 to the financial statements);

(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(s) or entity(ies), 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 (Refer Note 10.9 to the financial statements); and

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year.



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14. The Company has not paid/provided for any managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009



Sonika Burman
Partner
Membership Number : 504839
UDIN: 22504839AIGPZI7161

Place : Gurugram
Date : May 02, 2022

Price Waterhouse & Co Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(f) of the Independent Auditor's Report of even date to the members of Haldia Water Management Limited on the financial statements for the year ended March 31, 2022
Page 1 of 2

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Haldia Water Management Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") 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 Act.

Auditor's Responsibility

3. 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 and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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

6. A company's internal financial controls 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 controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and

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Price Waterhouse & Co Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(f) of the Independent Auditor's Report of even date to the members of Haldia Water Management Limited on the financial statements for the year ended March 31, 2022
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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

7. Because of the inherent limitations of internal 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 controls 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

8. 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 issued by ICAI.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009



Sonika Burman
Partner

Membership Number : 504839
UDIN : 22504839AIGPZI7161

Place : Gurugram
Date : May 02, 2022

Price Waterhouse & Co Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Haldia Water Management Limited on the financial statements as of and for the year ended March 31, 2022
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- (i) Matters specified in clauses (i), (ii), (iii), (iv), (v), (vi), (viii), (x), (xii), (xv), (xvi), (xviii), (xx), (xxi) of paragraph 3 of the CARO, 2020 does not apply to the Company.
- (ii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including income tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- (iii) (a) Borrowings amounting to Rs. 165,000 thousand are repayable on demand and terms and conditions for payment of interest thereon have been stipulated. According to the information and explanations given to us, such loans and interest thereon have not been demanded for repayment during the year. Consequently, the question of our commenting under this clause does not arise.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (iv) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

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Price Waterhouse & Co Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Haldia Water Management Limited on the financial statements for the year ended March 31, 2022

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- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (v) The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.
- (vi) The Company is not required to have an internal audit system during the year.
- (vii) The Company has incurred cash losses of Rs. 119 thousand in the financial year and had not incurred cash losses in the immediately preceding financial year.
- (viii) According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 10.8 to the financial statements), ageing and expected dates of realisation 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, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009



Sonika Burman

Partner

Membership Number : 504839

UDIN : 22504839AIGPZI7161

Place : Gurugram

Date : May 02, 2022

Price Waterhouse & Co Chartered Accountants LLP

The Board of Directors
Haldia Water Management Limited
Sakchi Boulevard Road,
Northern Town, Bistupur,
Jamshedpur - 831001

May 02, 2022

Dear Sirs,

Independence Discussions

We have been engaged to audit the financial statements of Haldia Water Management Limited (“the Company”) for the year ending March 31, 2022. As the Statutory Auditors of the Company in India, we are required to follow Standard on Auditing (SA) 260 (Revised) - Communication with Those Charged with Governance. SA 260 requires that we communicate in writing with those charged with governance regarding auditor independence.

We also provide you an assessment and confirmation of our independence under the applicable Independence Rules.

In this regard we would be pleased to interact with the Audit Committee to answer any questions on the matters covered by this letter.

Price Waterhouse & Affiliates Network of Firms registered as network with the Institute of Chartered Accountants of India comprise of Lovelock & Lewes Chartered Accountants LLP (FRN 301056E/E300265), Lovelock & Lewes LLP (FRN 116150W/W10032), Price Waterhouse LLP (FRN 301112E/E300264), Price Waterhouse, Bangalore (FRN 007568S), Price Waterhouse & Co Bangalore LLP (FRN 007567S/S200012), Price Waterhouse & Co Chartered Accountants LLP (FRN 304026E/E300009), Price Waterhouse Chartered Accountants LLP (FRN 012754N/N500016), Price Waterhouse & Co (FRN 050032S), Dalal & Shah LLP (FRN 102021W/W100110)**, Dalal & Shah Chartered Accountants LLP (FRN 102020W/W100040), Choksey Bhargava & Co LLP (FRN 000059N/N500010) and Price Waterhouse & Co LLP (FRN 016844N/N500015) (Collectively Price Waterhouse & Affiliates). Other Indian member firms within the PwC Network, operating in India that provide other than audit services to clients include **PricewaterhouseCoopers Services LLP, PricewaterhouseCoopers Professional Services LLP, PwC Business Consulting Services LLP** and **PricewaterhouseCoopers Private Limited (“PwCPL”)**. Assurance and related services are rendered by Price Waterhouse & Affiliates; and tax and business advisory services are rendered by the firm Price Waterhouse & Co LLP (FRN 016844N/N 500015), PricewaterhouseCoopers Services LLP, PricewaterhouseCoopers Professional Services LLP, PwC Business Consulting Services LLP and PwCPL. Price Waterhouse & Affiliates, PwCPL, PricewaterhouseCoopers Services LLP, PricewaterhouseCoopers Professional Services LLP and PwC Business Consulting Services LLP are licensee member firms in India of the PricewaterhouseCoopers International Limited (“PwC”) that provide services to clients.

Each member firm of the PwC network is independently owned and operates as a separate legal entity. PwCPL, PricewaterhouseCoopers Services LLP, PricewaterhouseCoopers Professional Services LLP or PwC Business Consulting Services LLP are not “associated concerns” as defined in the Guidelines for members of the ICAI, Council Guidelines No.1- CA (7)/02/2008 dated August 8, 2008 of the Firms.

**Merged with Price Waterhouse & Co CA LLP with effect from December 1, 2021.



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Price Waterhouse & Co Chartered Accountants LLP

For the purposes of SA 260, independence is measured by the Firms individually in compliance with the following (“Independence rules”):

- (a) Guidance Note on Independence of Auditors;
- (b) The Code of Ethics, as issued by the ICAI, to ensure Independence of Auditors; The Chartered Accountants Act, 1949 (as amended); and The Chartered Accountants Regulations, 1988; and
- (c) The Companies Act, 2013 including Sections 141/144 as may be applicable
- (d) Standards on Auditing, as may be applicable.

You would have noted the announcement made by Price Waterhouse Network of Firms in India in February 2020 (Price Waterhouse & Affiliates, see description above) of the decision to not provide non audit related services to their statutory audit clients under Companies Act, 2013 which are governed by National Financial Reporting Authority (NFRA). The Company being governed by NFRA, non-audit services were not being provided to the company since April 20, 2021 the date of our last letter, through the date of this letter

Under the above independence rules, we are not aware of any relationships between Price Waterhouse & Co Chartered Accountants LLP (FRN 304026E/E-300009) and the Company that, in our professional judgement, may reasonably be thought to bear on our independence which have occurred since April 20, 2021 the date of our last letter, through the date of this letter.

We report total fees to be charged during the period/ year covered by the financial statements for audit and related services provided by Price Waterhouse & Co Chartered Accountants LLP (FRN 304026E/E-300009) to the Company:

Engagements	Fee (INR)*
Statutory audit	70,000
Total	70,000

* Excluding out of pocket expenses and applicable taxes

The above fees charged/chargeable do not include an element of contingent fees.

Outstanding Fees

There are no significant amounts of fees that have remained unpaid with respect to the professional services rendered by Price Waterhouse & Co Chartered Accountants LLP (FRN 304026E/E-300009) to the Company prior to the issuance of our audit report.

This report is intended solely for the use of the Audit Committee, the Board of Directors, management, and others charged with governance within the Company and should not be used for any other purposes.

We look forward to discussing with you the matters addressed in this letter as well as other matters that may be of interest to you at the forthcoming Board of Directors meeting on May 02, 2022.

We will be prepared to answer any questions you may have regarding our independence as well as other matters.

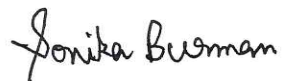


Price Waterhouse & Co Chartered Accountants LLP

We would ask the Board of Directors to take on record their assessment on the above matters with respect to the Independence rules as defined above.

Yours faithfully

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009



Sonika Burman
Partner

Membership Number: 504839

HALDIA WATER MANAGEMENT LIMITED

Balance Sheet as at March 31, 2022

	Note No.	As at March 31, 2022 (₹ in Thousands)	As at March 31, 2021 (₹ in Thousands)
Assets			
Non current assets			
(a) Capital work in progress	10.2	-	-
(b) Financial assets			
(i) Other financial assets	2	2,365	-
Total non current assets		2,365	-
Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	3(A)	329	317
(ii) Bank balances other than above	3(B)	-	2,117
(iii) Other financial assets	2	202	324
Total current assets		531	2,758
Total assets		2,896	2,758
Equity and liabilities			
Equity			
(a) Equity share capital	4(A)	2,77,737	2,77,737
(b) Other equity			
(i) Reserve and surplus	4(B)	(7,84,608)	(7,84,489)
Total equity		(5,06,871)	(5,06,752)
Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	5	1,65,000	1,65,000
(ii) Trade payables	6		
(a) Total outstanding dues of micro and small enterprises		-	-
(b) Total outstanding dues other than (ii) (a) above		9,632	9,632
(iii) Other financial liabilities	7	3,35,135	3,34,878
Total current liabilities		5,09,767	5,09,510
Total liabilities		5,09,767	5,09,510
Total equity and liabilities		2,896	2,758

The above Balance Sheet should be read in conjunction with the accompanying note

This is the Balance Sheet referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number - 304026E/E-300009

Sonika Burman
Sonika Burman
Partner
Membership No - 504839

Place : Gurugram
Date: May 02, 2022

For and on behalf of the Board of Directors

Tarun Kumar Daga
Tarun Kumar Daga
Director
DIN - 01686499

Pramod

Pramod Kr. Singh Rathore
Chief Financial Officer

Deepak P. Kamath
Deepak P. Kamath
Director
DIN - 07512546

Place: Jamshedpur
Date: May 02, 2022



HALDIA WATER MANAGEMENT LIMITED

Statement of Profit and Loss for the year ended March 31, 2022

	Note No.	For the year ended March 31, 2022 (₹ in Thousands)	For the year ended March 31, 2021 (₹ in Thousands)
I. Other income	8	139	3,236
Total income		139	3,236
II. Expenses :			
(a) Other expenses	9	258	242
Total expenses		258	242
III (Loss)/Profit before tax (I - II)		(119)	2,994
IV. Income tax expense			
(1) Current tax		-	-
(2) Deferred tax		-	-
Total income taxes expense		-	-
V. (Loss)/Profit after taxes for the year (III-IV)		(119)	2,994
VI. Other comprehensive income/ (loss)			
Total other comprehensive income/ (loss)		-	-
Total comprehensive (loss)/ income for the year (V + VI)		(119)	2,994
Basic and diluted earnings per share (Refer note 10.7)		(0.00)	0.11

The above Statement of Profit and Loss should be read in conjunction with the accompanying note

This is the Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number - 304026E/E-300009

For and on behalf of the Board of Directors

Tarun Kumar Daga
Tarun Kumar Daga
Director
DIN - 01686499

Deepak P. Kamath
Deepak P. Kamath
Director
DIN - 07512546

Sonika Burman

Sonika Burman
Partner
Membership No - 504839

Pramod Kr. Singh Rathore

Pramod Kr. Singh Rathore
Chief Financial Officer

Place : Gurugram
Date: May 02, 2022

Place: Jamshedpur
Date: May 02, 2022



HALDIA WATER MANAGEMENT LIMITED


Statement of changes in equity for the year ended March 31, 2022

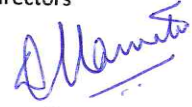
A. Equity share capital (issued and subscribed)		Note No.	(₹ in Thousands)	
Balance as at April 1, 2020				2,77,737
Changes in equity share capital during the year				-
Balance as at March 31, 2021		4(A)	2,77,737	-
Changes in equity share capital during the year				-
Balance as at March 31, 2022		4(A)	2,77,737	
B. Other equity			Reserve and surplus	(₹ in Thousands) Total
Balance as at April 1, 2020			(7,87,483)	(7,87,483)
Income/(loss) for the year			2,994	2,994
Balance as at March 31, 2021		4(B)	(7,84,489)	(7,84,489)
Income/(loss) for the year			(119)	(119)
Balance as at March 31, 2022		4(B)	(7,84,608)	(7,84,608)

The above Statement of changes in equity should be read in conjunction with the accompanying note

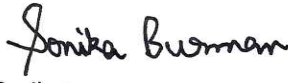
For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number - 304026E/E-300009

For and on behalf of the Board of Directors


Tarun Kumar Daga
Director
DIN - 01686499


Deepak P. Kamath
Director
DIN - 07512546


Pramod Kr. Singh Rathore
Chief Financial Officer


Sonika Burman
Partner
Membership No - 504839

Place : Gurugram
Date: May 02, 2022

Place: Jamshedpur
Date: May 02, 2022



HALDIA WATER MANAGEMENT LIMITED

Statement of cash flows for the year ended March 31, 2022

	For the year ended March 31, 2022 (₹ in Thousands)	For the year ended March 31, 2021 (₹ in Thousands)
A) Cash flow from operating activities:		
(Loss)/Profit before taxes	(119)	2,994
Adjustments for:		
Interest received	(138)	(134)
Liability no longer required written back	-	(3,101)
	(138)	(3,235)
Operating profit/(loss) before working capital changes	(257)	(241)
Adjustments for:		
Movements in financial assets	260	(138)
Movements in trade payable and other financial liabilities	257	391
	517	253
Net Cash from/(used in) operating activities (A)	260	12
B) Cash flow from investing activities:		
Fixed / restricted deposits with banks	(248)	-
	(248)	-
Net cash from / (used in) investing activities (B)	(248)	-
C) Cash flow from financing activities:		
Net cash from / (used in) financing activities (C)	-	-
Net increase / (decrease) in cash and cash equivalents (A+B+C)	12	12
Cash and cash equivalents at the beginning of the year (Refer note - 3)	317	305
Cash and cash equivalents at the end of the year (Refer note - 3)	329	317
Cash and cash equivalents comprise of:		
Cash on hand	0	0
Balance with banks in current account	329	317
	329	317

Notes:

- The above Statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standards (Ind AS) 7 'Statement of Cash flows notified under Section 133 of the Companies Act, 2013 read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Companies Act.
- Figures in brackets indicate outflows.
- '0' indicates value below the rounding off conversion of ₹ in thousands.

This is the Statement of cash flows referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number - 304026E/E-300009

For and on behalf of the Board of Directors

Sonika Burman

Sonika Burman
Partner
Membership No - 504839

Place : Gurugram
Date: May 02, 2022

Tarun Kumar Daga
Tarun Kumar Daga
Director
DIN - 01686499

Deepak P. Kamath
Deepak P. Kamath
Director
DIN - 07512546

Pramod Kr. Singh Rathore
Pramod Kr. Singh Rathore
Chief Financial Officer

Place: Jamshedpur
Date: May 02, 2022



01. Corporate information

- 1.1** Haldia Water Management Limited (HWML) is a public limited Company incorporated under the Companies Act, 1956 on June 12, 2008 having its registered office at Shakti Palace, 2nd floor, Plot No 492(old) & 784 (new), 2nd floor, Mouza, Khanjanchak, Haldia, Purba Medinipur - 721 602, as special purpose vehicle (SPV) to construct new water treatment plant on Build Operate and Transfer (BOT) basis along with operation & maintenance of existing water treatment facilities and supply of water in Haldia.
- 1.2** A 'Concession Agreement' entered into between Haldia Development Authority (HDA) and Haldia Water Management Limited (HWML) conferred the right to the HWML to implement the new water treatment project on Build Operate and Transfer (BOT) basis and make commercial use thereof in accordance with provisions of the Agreement. The Concession period has commenced from the compliance date i.e. November 01, 2008 and is for 25 years from such date. The parties may extend this agreement on mutually agreed terms and conditions. It has also conferred right to operate and maintain the existing water treatment facilities of HDA and supply of water to customers of HDA.
- 1.3** The Company had been formed for specific business purpose as described in paragraph 1.2 above. The volume of water sales and its projection was determined to be significantly lower than what had been budgeted at the time of agreement with Haldia Development Authority (HDA). The low volume in conjunction with other terms of the concession agreement resulted in significant losses and erosion of net worth in the financial statement of the Company. Considering these, the management considered the existing business to be unviable and concluded the concession agreement with HDA to be "Frustrated". Accordingly, the Directors had concluded that the combination of these circumstances represent a material uncertainty and therefore the Company decided to withdraw from the operation of its business in immediate future and had notified HDA of its intention in the year 2012-2013. The operation had been then taken over by HDA in the year 2012-2013.
- 1.4** The Company had in the 2013-14 entered into an Arbitration to adjudicate all disputes in terms of the Arbitration agreement contained in the Concession Agreement. The proceedings of the arbitration have been concluded with the consent order passed by the arbitrator on March 29, 2018. The formal acceptance of Company's exit from the business by HDA and settlement of receivables and payables between the Company and HDA including final settlement /take-over of State Bank of India loan and capital assets by the HDA, pursuant to the consent order, has been initiated. The effect of the consent order has been given in previous year ended March 31, 2019.
- 1.5** While the net worth of the Company has been eroded these financial statements have been prepared on going concern basis considering the support of the parent Company in relation to the Company's ability to meet its financial and operating liabilities for a period of one year from the date of the balance sheet. The Company is presently evaluating its future plans for operations of the business.
- 1.6** The functional and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operates.
- 1.7** As on March 31, 2022, Tata Steel Utilities and Infrastructure Service Limited (Formerly known as Jamshedpur Utilities and Services Company Limited) owns 60% of the ordinary share of the Company has the ability to influence the Company.
- 1.8** The financial statements for the year ended March 31, 2022 were approved by the board of directors and authorized for issue on May 02, 2022.



1.9 The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 01, 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

1.10 The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 01, 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

1.11 The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 01, 2021. There has been no change in the classification/presentation due to the amendment in Schedule III.

1.12 All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand as per the requirement of Schedule III, unless otherwise stated.

02. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

(a) Statement of compliance

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

(b) Basis for preparation and presentation

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-AS.

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.

(c) Use of estimates and critical accounting judgments

In preparation of the financial statements, the Company makes judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of provisions and fair value measurements of financial instruments.



Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Fair value measurements of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. Where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(d) 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. Where an item of Property, plant and equipment comprises major component having different useful lives, these components are accounted for as separate items.

Property, plant and equipment are stated at cost/deemed cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of qualifying asset.

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.

(e) 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.



(f) 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.

(i) Financial assets

Cash and cash equivalents - which includes cash on hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

Bank balances other than above- which includes balances and deposits with banks that are restricted for withdrawal and usage.

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 and fair value through other comprehensive income.

The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has 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.

(ii) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

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 where the time value of money is significant.

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 the statement of profit and loss.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company obligations are discharged, cancelled or they expire.

(g) 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. Where the time value of money is material, provisions are measured on discounted basis.

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.



(h) 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.

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 value 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.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

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.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

(i) Revenue

Interest income

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis taking into account the amount outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that assets net carrying amount on initial recognition.

(j) Earnings per Share

Basic earnings per share have been computed by dividing the profit/loss 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 using the weighted average number of shares and dilutive potential shares except where the result would be anti-dilutive.

(k) Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns, internal organisation, management structure and the internal performance reporting systems. The accounting policies adopted for the segment reporting are in line with the accounting policies of the Company.

(l) Recent Accounting Pronouncements

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2021 (the 'Rules') on 18 June 2021. The Rules have come into force on the date of its publication in the official gazette i.e. 18 June 2021. The amendments brought in by the Rules are intended to converge Ind AS with the amendments made to IFRS by the International Accounting Standards Board (IASB).

Amendment to Ind AS 116, Leases

The Companies (Indian Accounting Standards) Amendment Rules, 2020 notified the amendment to Ind AS 116 that provided lessees (but not lessors) with relief in the form of an optional practical expedient from assessing whether a rent concession related to COVID-19 is a lease modification (the '2020 amendment'). Lessees could elect to account for rent concessions in the same way as if they were not lease modifications.

Amendments consequent to the Interbank offered rates (IBOR) reform

The Rules have notified the amendments to Ind AS 109, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116 that address the issues that arise during the reform of an interest rate benchmark, including the replacement of one benchmark with an alternative one. Given the pervasive nature of the IBOR-based contracts, the reliefs could affect companies in all industries. An entity shall apply the amendments consequent to the IBOR reform for annual periods beginning on or after 1 April 2021.

The Companies (Indian Accounting Standards) Amendment Rules, 2020 provided temporary reliefs (the phase I relief) from applying specific hedge accounting requirements to relationships affected by uncertainties arising as a result of IBOR reform. The Rules address issues that arise from implementation of the reforms, including the replacement of one benchmark with an alternative one.



HALDIA WATER MANAGEMENT LIMITED
Notes forming part of the financial statements

	As at March 31, 2022 (₹ in Thousands)	As at March 31, 2021 (₹ in Thousands)
Note 3(A): Cash and cash equivalents		
(a) Cash on hand	0	0
(b) Unrestricted balances with banks		
(i) In current account	329	317
Total Cash and cash equivalents	329	317
Note 3(B): Bank balances other than above		
Bank deposit with maturity more than 3 months but less than 12 months	-	2,117
Total bank balances other than above	-	2,117
Notes:		
(a) '0' indicates value below the rounding off conversion of ₹ in thousands.		



HALDIA WATER MANAGEMENT LIMITED
Notes forming part of the financial statements

	As at March 31, 2022 (₹ in Thousands)	As at March 31, 2021 (₹ in Thousands)
Note 4(A) : Equity share capital		
Authorised : 3,00,00,000 Equity Shares of Rs. 10 each (March 31,2021: 3,00,00,000) Equity Shares of Rs. 10/- each	3,00,000	3,00,000
Issued , Subscribed and Fully Paid up : 2,77,73,683 Equity Shares of Rs 10 each (March 31,2021: 2,77,73,683) Equity Shares of Rs. 10/- each	2,77,737	2,77,737
Notes:	2,77,737	2,77,737

(a) Reconciliation 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	Number of shares	Share capital (₹ in Thousands)
Balance at March 31, 2020	2,77,73,683	2,77,737
Shares issued during the year	-	-
Balance at March 31, 2021	2,77,73,683	2,77,737
Shares issued during the year	-	-
Balance at March 31, 2022	2,77,73,683	2,77,737

(b) Details of shareholders holding more than 5% shares of the total shares

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Tata Steel Utilities and Infrastructure Services Limited (Formerly known as Jamshedpur Utilities and Services Company Limited)	1,66,64,210	60%	1,66,64,210	60%
Ranhill Utilities Sdn Bhd	1,11,09,473	40%	1,11,09,473	40%

(c) Shareholding of Promoters are as follows:

Promotor Name	Shares held by Promoters at the end of the year		% Change during the year
	No of shares	% of Total shares	
Tata Steel Utilities and Infrastructure Services Limited (Formerly known as Jamshedpur Utilities and Services Company Limited)	1,66,64,210	60%	Nil
Ranhill Utilities Sdn Bhd	1,11,09,473	40%	Nil

(d) Rights of equity shareholders:

The rights, powers and preferences relating to each class of share capital and the qualifications, limitations and restrictions thereof are contained in the Memorandum and Articles of Association of the Company.

In respect of every equity share, voting rights shall be in same proportion as the capital paid up on such equity share bears to the total paid up capital of the Company.

In the event of liquidation, the shareholders of equity shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 4(B) : Reserves and surplus

	As at March 31, 2022 (₹ in Thousands)	As at March 31, 2021 (₹ in Thousands)
Retained earnings	(7,84,608)	(7,84,489)
Retained earnings	(7,84,608)	(7,84,489)
Reconciliation of retained earnings		
Balance as at the beginning of the year	(7,84,489)	(7,87,483)
(Loss)/Profit for the year	(119)	2,994
Balance as at the end of year	(7,84,608)	(7,84,489)



Note 5: Borrowings

(a) Unsecured loan and advances from related parties
Inter Corporate Deposits (ICD) From Holding Company

As At March 31, 2022 (₹ in Thousands)			As At March 31, 2021 (₹ in Thousands)		
Long Term	Short Term	Total	Long Term	Short Term	Total
-	1,65,000	1,65,000	-	1,65,000	1,65,000
-	1,65,000	1,65,000	-	1,65,000	1,65,000

Notes:

(a) The unsecured Inter Corporate Deposits (ICD) has been obtained from the holding Company, M/s Tata Steel Utilities and Infrastructure Service Limited (Formerly known as Jamshedpur Utilities and Service Company Limited) in two tranches. The first tranche of Rs. 50,000 thousands is repayable on demand and has been obtained at SBI PLR which is currently 12.90%. The second tranche of Rs. 1,15,000 thousands is repayable on demand and has been obtained at 10.50% rate of interest.

Note 6: Trade payables

(a) Creditors for supplies/services
(i) Trade payables: micro and small enterprises
(ii) Trade payables: Others

As At March 31, 2022 (₹ in Thousands)			As At March 31, 2021 (₹ in Thousands)		
Non-current	Current	Total	Non-current	Current	Total
-	-	-	-	-	-
-	9,632	9,632	-	9,632	9,632
-	9,632	9,632	-	9,632	9,632

Notes:

(a) Ageing and classification of trade payables:

As at March 31, 2022	Outstanding for the following periods from due date of payment				(₹ in Thousands)
	Unbilled dues/ not yet due	Less than 1 Year	1-2 Year	More than 3 Year	Total
Undisputed trade payables					
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	9,632	9,632
Disputed trade payables					
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	9,632	9,632
				9,632	9,632
As at March 31, 2021	Outstanding for the following periods from due date of payment				(₹ in Thousands)
	Unbilled dues/ not yet due	Less than 1 Year	1-2 Year	More than 3 Year	Total
Undisputed trade payables					
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	9,632	9,632
Disputed trade payables					
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	9,632	9,632
				9,632	9,632

Note 7: Other financial liabilities

(a) Interest accrued but due on borrowings
(b) Creditors for capital supplies/services
(c) Other credit balances

As At March 31, 2022 (₹ in Thousands)			As At March 31, 2021 (₹ in Thousands)		
Non-current	Current	Total	Non-current	Current	Total
-	-	-	-	-	-
-	32,256	32,256	-	32,256	32,256
-	3,02,879	3,02,879	-	3,02,622	3,02,622
-	3,35,135	3,35,135	-	3,34,878	3,34,878



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	For the year ended March 31, 2022 (₹ in Thousands)	For the year ended March 31, 2021 (₹ in Thousands)
Note 8 : Other income		
(a) Interest on fixed deposits	138	134
(b) Liability no longer required written back	-	3,101
(c) Miscellaneous income	1	1
	<u>139</u>	<u>3,236</u>
Note 9 : Other expenses		
(a) Auditor's remuneration (Refer note 10.4)	83	83
(b) Bank charges	1	1
(c) Other expenses	174	158
	<u>258</u>	<u>242</u>



10. Additional information to the financial statements

10.1 Financial instruments

Disclosure on financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contains financial instruments. The details of significant accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each financial assets, financial liabilities and equity instruments are disclosed in notes to financial statements.

(i) Categories of financial instruments

Particulars	As at March 31, 2022 (₹ in Thousands)	As at March 31, 2021 (₹ in Thousands)
Financial assets		
Measured at amortised cost		
(a) Cash and cash equivalents	329	317
(b) Bank balances other than above	-	2,117
(c) Other financial assets at amortised cost	2,567	324
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	1,65,000	1,65,000
(b) Trade payables	9,632	9,632
(c) Other financial liabilities	3,35,135	3,34,878

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

(ii) Financial risk management objectives

Based on the reasons specified in Notes 1.3 to 1.4, the Company has stopped business operation. Company is exposed to liquidity risk since the financial liabilities exceed the financial assets. Company does not have any risk since the holding Company Tata Steel Utilities and Infrastructure Services Limited, has provided a support letter to the Company to meet its liabilities to the extent of Rs. 50,000 thousand for liabilities other than that of holding Company as and when they fall due for a period of 12 months.

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.

Since the Company has stopped business operations the Company is not exposed to market risk.

Credit risk management: Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

Since the Company has stopped business operations the Company is not exposed to credit risk of customers.



Liquidity risk management: Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company does not have any liquidity risk since the holding Company Tata Steel Utilities and Infrastructure Services Limited, has provided a support letter to the Company.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2022 and March 31, 2021.

Particulars	Carrying amount	Contractual cash flows	(₹ in Thousands)		
			less than 1 year	between 1 - 5 years	More than 5 years
March 31, 2022					
Non-derivative financial liabilities					
Borrowings					
-Principal	1,65,000	1,65,000	1,65,000	-	-
Trade payables	9,632	9,632	9,632	-	-
Other financial liabilities	3,35,135	3,35,135	3,35,135	-	-
	5,09,767	5,09,767	5,09,767	-	-
March 31, 2021					
Non-derivative financial liabilities					
Borrowings					
-Principal	1,65,000	1,65,000	1,65,000	-	-
Trade payables	9,632	9,632	9,632	-	-
Other financial liabilities	3,34,878	3,34,878	3,34,878	-	-
	5,09,510	5,09,510	5,09,510	-	-

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	(₹ in Thousands)		
		less than 1 year	between 1 - 5 years	More than 5 years
March 31, 2022				
Non-derivative financial assets				
Cash and cash equivalents	329	329	-	-
Other financial assets	2,567	202	2,365	-
	2,896	531	2,365	-
March 31, 2021				
Non-derivative financial assets				
Cash and cash equivalents	317	317	-	-
Bank balances other than above	2,117	2,117	-	-
Other financial assets	324	324	-	-
	2,758	2,758	-	-

- 10.2 The management had in earlier years reviewed the future cash flows expected to be generated from the new water treatment plant being constructed by the Company carried as Capital Work in Progress. Based on the management review, it was assessed that the value in use does not cover the carrying value of the assets. Accumulated impairment loss against the carrying value of the Capital Work in Progress (including Capital Advances) amounts to Rs. 8,86,464 thousand (Previous year ended March 31, 2021 Rs. 8,86,464 thousand).



However, upon transition to Ind AS and based on FAQ issued by the Institute of Chartered Accountants of India on deemed cost of property, plant and equipment under Ind AS 101 which provides an option to continue with the carrying value for all of its property, plant and equipment measured as per previous GAAP and use that as deemed cost on the date of transition. Hence the amount of CWIP on April 01, 2015, being the date of transition, had been disclosed accordingly at Nil Value.

10.3 Dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

Amount due to Micro and Small Enterprises as defined in the "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. The disclosures relating to Micro and Small Enterprises are as below:

Particulars	As at March 31, 2022 (₹ in Thousands)	As at March 31, 2021 (₹ in Thousands)
(a) (i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at the end of accounting year	NIL	NIL
(ii) Interest due thereon	NIL	NIL
(b)(i) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL
(ii) Interest paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL
(c) Interest due and payable for the year, where the principal has been paid but interest under the MSMED Act, 2006 not paid	NIL	NIL
(d) Interest accrued and remaining unpaid at the end of accounting year	NIL	NIL

10.4 Auditors Remuneration

Particulars	For the year ended March 31, 2022 (₹ in Thousands)	For the year ended March 31, 2021 (₹ in Thousands)
As Auditors [Including GST of Rs. 13 thousand (March 31, 2021 Rs. 13 thousand)]	83	83

10.5 Related Parties disclosures

(a) List of Related parties and their relationship

(i) Holding Company:

Tata Steel Limited – Ultimate Holding Company

Tata Steel Utilities and Infrastructure Services Limited (Formerly known as Jamshedpur Utilities and Services Company Limited) – Immediate Holding Company.

(ii) Fellow Subsidiary:

Kalimati Global Shared Services Limited.

Tata Pigments Limited.

Tata Steel SEZ Limited.

Adityapur Toll Bridge Company Limited.



(iii) Significant Shareholder:
Ranhill Utilities SdnBhd.

(iv) Joint Ventures of Holding Company:
Naba Diganta Water Management Limited.
JAMIPOL Limited.
Himalaya Steel Mills Services Private Limited.
Nicco Jubilee Park Limited.

(v) Key Managerial Personnel:
Mr. Rabindra Kumar Singh, Chief Executive Officer

(b) Transactions with Related Parties:

Particulars	For the year ended March 31, 2022 (₹ in Thousands)	For the year ended March 31, 2021 (₹ in Thousands)
Expense reimbursement by the Holding Company		
- Auditors remuneration	83	65
- Other expenses	209	124
- Payment of security deposit	-	150

During the year ended March 31, 2022 and March 31, 2021, Tata Steel Utilities and Infrastructure Services Limited (Formerly known as Jamshedpur Utilities and Services Company Limited), an Immediate Holding Company, issued letter of support to the Board of Directors of the Company.

(c) Outstanding balance between the Company and related party

Tata Steel Utilities and Infrastructure Services Limited (Formerly known as Jamshedpur Utilities and Services Company Limited)

Particulars	As at March 31, 2022 (₹ in Thousands)	As at March 31, 2021 (₹ in Thousands)
Borrowings	1,65,000	1,65,000
Other credit balances	630	338
Other credit balances (amount paid/adjusted as per the settlement order)	2,95,756	2,95,756

Ranhill Utilities SdnBhd

Particulars	As at March 31, 2022 (₹ in Thousands)	As at March 31, 2021 (₹ in Thousands)
Trade payables	9,632	9,632
Creditors for capital supplies/services	32,256	32,256
Other credit balances	6,411	6,411

Note: The Company has not paid any amount to the Key Managerial Person (KMP) during the year ended March 31, 2022 and March 31, 2021. The KMP is an employee of the holding Company and is paid remuneration as an employee of the same.



10.6 Segment information

The Company was engaged in providing services relating to sale of water. Considering the nature of the Company's business, there are no reportable segments in accordance with the requirements of Ind AS-108.

10.7 Earnings per Share

Particulars	For the year ended March 31, 2022 (₹ in Thousands)	For the year ended March 31, 2021 (₹ in Thousands)
(Loss)/profit after Tax from continuing operations attributable to equity holders of the Company.	(119)	2,994
Net (loss)/ profit attributable to equity holders of the Company used in calculating basic/diluted earnings per share.	(119)	2,994
Weighted average number of equity shares used as the denominator in calculating basic/diluted earnings per share	27,773,683	27,773,683
Nominal value of Equity Shares (Rs.)	10	10
Basic / Diluted Loss per Ordinary Share	(0.00)	0.11

There are no potential dilutive equity shares.

10.8 Ratios:

Ratios	Numerator	Denominator	Current Period	Previous Period	% Variance
Current ratio	Current assets	Current liabilities	0.00	0.01	-81%
Debt-equity ratio	Total debt	Shareholder's equity	(0.33)	(0.33)	0%
Debt service coverage ratio	Earning for debt service	Debt service	N.A.	N.A.	N.A.
Return on equity ratio	Profit after tax	Average shareholder's equity	0.00	(0.01)	-104%
Inventory turnover ratio	Sales (revenue from operations)	Average inventory	N.A.	N.A.	N.A.
Trade receivables turnover ratio	Sales (revenue from operations)	Average trade receivable	N.A.	N.A.	N.A.
Trade payables turnover ratio	Direct expenses	Average trade payable	N.A.	N.A.	N.A.
Net capital turnover ratio	Total income	Working capital	(0.00)	(0.01)	-96%
Net profit ratio	Profit after tax	Total income	(0.85)	0.93	-192%
Return on capital employed	Earnings before interest and tax	Capital employed	0.00	(0.01)	-104%
Return on investment	Profit after tax	Cost of investment	0.00	(0.01)	-104%

Reasons for Variations over 25% or More:

- **Current ratio:** During the previous year, deposits of Rs. 2,117 thousand was classified as current asset as the maturity was less than 1 year, while in the current year the amount has been classified as non-current as the maturity is after 1 year. This has resulted in reduction of current ratio during the current financial year.



- **Return on equity ratio:** During the previous year, the Company had written back Rs. 3,101 thousand resulting in profit after tax of Rs. 2,994 thousand. While there are no such write back during the current financial year, resulting in loss during the year. Hence impacting the return on equity.
- **Net capital turnover ratio:** Change in working capital as explained in current ratio above, has resulted in change in net capital turnover ratio.
- **Net profit ratio:** During the previous year, the Company had written back Rs. 3,101 thousand resulting in profit after tax of Rs. 2,994 thousand. While there are no such write back during the current financial year, resulting in loss during the year.
- **Return on capital employed:** As explained in the net profit ratio, higher profit in last year resulted in higher return on capital employed during the previous year.
- **Return on investment:** As explained in the net profit ratio, higher profit in last year resulted in higher return on investment during the previous year.

10.9 Additional regulatory information required by Schedule III

- **Details of benami property held** - No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- **Wilful defaulter** - The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- **Relationship with struck off companies** - The Company has no transactions with the Companies struck off under Companies Act, 2013 or Companies Act, 1956.
- **Compliance with number of layers of Companies** - The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- **Compliance with approved scheme(s) of arrangements** - The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- **Registration of charges or satisfaction with Registrar of Companies** - There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- **Fair valuation of investment property** - The Company does not require fair valuation since there are no investment properties.
- **Valuation of PP&E, intangible asset and investment property:** The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- **Utilisation of borrowed funds and share premium:** The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - 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 to or on behalf of the ultimate beneficiariesThe Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - 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



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- provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- **Undisclosed income:** There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- **Details of crypto currency or virtual currency:** The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number - 304026E/E-300009

For and on behalf of the Board of Directors

Sonika Burman

Sonika Burman
Partner
Membership No. 504839

Place: Gurugram
Date: May 02, 2022

Tarun Kumar Daga
Tarun Kumar Daga
Director
DIN - 01686499

Deepak P. Kamath
Deepak P. Kamath
Director
DIN - 07512546

Pramod K. Singh Rathore

Pramod K. Singh Rathore
Chief Financial Officer

Place: Jamshedpur
Date: May 02, 2022

