SMS WATER GRACE MEDIWASTE MANAGEMENT PRIVATE LIMITED

Balance Sheet as at 31st March 2021

Particulars	Note No.	As at 31-Mar-21 ₹ in Lacs	As at 31-Mar-20 ₹ in Lacs
I ASSETS			
1. Non-current assets:			
(a) Property, plant and equipment	2	30.84	38.06
(b) Capital work in progress		2.70	-
(c) Intangible assets	3	-	0.01
(d) Financial assests			
(i) Other financial assets	4	5.50	43.74
(e) Deferred tax assets (Net)	5	26.82	78.23
(f) Other non-current assets	6	8.29	4.07
Total Non-current assets		74.14	164.09
2. Current assets:			
(a) Inventories	7	38.36	69.15
(b) Financial assets			
(i) Trade receivables	8	419.60	216.03
(ii) Cash and cash equivalents	9	42.17	70.43
(iii) Bank balanace other than (ii) above	10	58.17	16.52
(iv) Other financial assets	11	1.50	40.36
(c) Current tax assets (net)	12	3.14	8.42
(d) Other current assets	13	1.48	12.95
Total current assets		564.43	433.85
TOTAL ASSETS		**638.57**	**597.95**
II EQUITY AND LIABILITIES			
1. Equity:			
(a) Equity share capital	14	190.28	190.28
(b) Other equity	15	(16.27)	(220.27)
Total equity		174.01	(29.99)
2. Liabilities:			
2.1 Non-current liabilities:			
(a) Financial liabilities			
(i) Borrowings	16	1.01	399.26
(b) Provisions	17	3.82	2.61
Total Non-current liabilities		4.82	401.87
2.2 Current liabilities:			
(a) Financial liabilities			
(i) Borrowings	18	263.69	42.00
(ii) Trade payables	19		
(a) Total outstanding dues of micro enterprises and small enterprises		3.65	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		19.20	6.24
(iii) Other financial liabilities	20	89.80	99.33
(b) Other current liabilities	21	63.84	78.36
(c) Provisions	22	0.30	0.14
(d) Current tax liabilities (Net)	23	19.26	-
Total Current Liabilities		459.74	226.07
Total Liabilities		464.57	627.93
TOTAL EQUITY AND LIABILITIES		**638.57**	**597.95**
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

FOR V. K. SURANA & CO
Chartered Accountants
Firm Registration No. :110634W

V.K. SURANA & CO. CHARTERED ACCOUNTANTS, NAGPUR F.R.No. 110634W

CA. SURESH GALANI
Partner (M.No.168192)
Nagpur, Dated 24th July 2021
UDIN : 21168192AAAADA8733

For and on behalf of the Board of Directors of
SMS WATER GRACE MEDIWASTE MANAGEMENT PVT LTD

PRABAL PRATAP SINGH JADON
Director
DIN : 06913074

KISHORE MALVIYA
Director
DIN : 03272644

SMS WATER GRACE MEDIWASTE MANAGEMENT PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31st March 2021

	Particulars	Note No.	Year ended 31-Mar-21 ₹ in Lacs	Year ended 31-Mar-20 ₹ in Lacs
INCOME:				
I.	Revenue from operations	24	682.00	378.80
II.	Other income	25	4.89	4.45
III.	**Total income (I+II)**		686.90	383.25
EXPENSES:				
	Direct Expenses	26	217.13	179.98
	Purchases of stock-in-trade	27	56.04	71.42
	Changes in inventories of stock-in-trade	28	31.18	(53.50)
	Employee benefits expense	29	43.42	35.25
	Finance costs	30	9.91	43.88
	Depreciation and amortization expense	31	11.00	13.77
	Other expenses	32	38.44	74.86
IV.	**Total expense**		407.11	365.66
V.	**Profit/(loss) before tax (III-IV)**		279.79	17.59
VI.	**Tax Expense:**			
	Current Tax		24.52	-
	Deferred Tax		51.37	4.57
	Total Tax Expenses		75.90	4.57
VII.	**Profit/(Loss) for the year (V-VI)**		203.89	13.02
VIII.	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Net Gain / (Loss) on Remeasurement defined Benefit Plan		0.14	(0.56)
	Income Tax relating to item that will not be classified to Profit or Loss		(0.04)	0.14
	Total other comprehensive Income / (Loss) (Net of Tax)		0.10	(0.41)
IX.	**Total comprehensive income for the year (VII+VIII)**		203.99	12.61
X.	Earnings per equity share face value of ₹ 10/- each	37		
	(1) Basic		10.72	0.68
	(2) Diluted		10.72	0.68

Significant Accounting Policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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V.K.SURANA & CO. F.R.No. 110634W CHARTERED ACCOUNTANTS, NAGPUR

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KISHORE MALVIYA
Director
DIN : 03272644

SMS WATER GRACE MEDIWASTE MANAGEMENT PRIVATE LIMITED
Statement of Changes In Equity for the year ended 31st March 2021

Particulars	Note No.	₹ in Lacs Amount
A. Equity Share Capital	14	
As at 1st April, 2019		190.28
Changes in Equity Share Capital		-
As at 31st March, 2020		190.28
As at 1st April, 2020		190.28
Changes in Equity Share Capital		-
As at 31st March, 2021		190.28

B. Other Equity 15

₹ in Lacs

Particulars	Retained Earnings	Other Comprehensive Income	Total
		Remeasurement defined Benefit Plan	
Balance as at 1st April, 2019	**(234.09)**	**1.22**	**(232.87)**
Profit/(loss) for the year	13.02	-	13.02
Other comprehensive income for the years	-	(0.41)	(0.41)
Balance as at 31st March, 2020	**(221.08)**	**0.81**	**(220.27)**
Balance as at 1st April, 2020	**(221.08)**	**0.81**	**(220.27)**
Profit/(loss) for the year	203.89	-	203.89
Other comprehensive income for the years	-	0.10	0.10
Balance as at 31st March, 2021	**(17.19)**	**0.92**	**(16.27)**

Significant Accounting Policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

FOR V. K. SURANA & CO
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Firm Registration No. :110634W

V.K. SURANA & CO. F.R.No. 110634W CHARTERED ACCOUNTANTS, NAGPUR

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SMS WATER GRACE MEDIWASTE MANAGEMENT PRIVATE LIMITED
Cash flow statement for the year ended 31st March 2021

Particulars	Year ended 31-Mar-21 ₹ in Lacs	Year ended 31-Mar-20 ₹ in Lacs
Cash flow from operating activities		
Profit before tax	279.79	17.59
Adjustment to reconcile profit before tax to net cash flows		
Depreciation & Amortisation Expenses	11.00	13.77
Finance Cost	9.55	30.79
Remeasurement of net Defined Benefit Plan	0.14	(0.56)
Loss on sale of fixed assets	0.03	-
Interest income	(4.89)	(4.45)
Operating profit before working capital changes	295.61	57.15
Movements in working capital :		
Increase/(decrease) in trade payables	16.61	(5.38)
Increase/(decrease) in other Current Financial Liabilities	(9.53)	28.71
Increase/(decrease) in other Current Liabilities	(14.52)	32.35
Increase/(decrease) in Provision	1.37	2.67
Decrease/(increase) in other non current financial assets	38.24	(0.08)
Decrease/(increase) in trade receivables	(203.57)	(28.52)
Decrease / (increase) in Other Non-Current Assets	(4.22)	(2.23)
Decrease / (increase) in other current assets	16.75	(2.11)
Decrease / (increase) in Inventory	30.78	(46.81)
Decrease / (increase) in Other current financial assets	38.86	(20.18)
Cash generated from /(used in) operations	206.38	15.57
Direct Tax Paid/Adjusted	(5.26)	(0.66)
Net cash flow from/ (used in) operating activities (A)	201.12	14.90
Cash flow from investing activities		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(6.51)	(5.79)
Investment in fixed deposit	(41.65)	(8.91)
Interest received	4.89	4.45
Net cash flow from/(used in) investing activities (B)	(43.26)	(10.26)
Cash flow from financing activities		
Proceeds/(Repayment) from long-term borrowings	(398.25)	(93.65)
Proceeds/(Repayment) from Short-term borrowings	221.69	-
Interest paid	(9.55)	(30.79)
Net cash flow from/(used in) in financing activities (C)	(186.11)	(124.44)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(28.26)	(119.80)
Cash and cash equivalents at the beginning of the year	70.43	190.22
Cash and cash equivalents at the end of the year	42.17	70.43

Significant Accounting Policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

FOR V. K. SURANA & CO
Chartered Accountants
Firm Registration No. :110634W

V.K. SURANA & CO. CHARTERED ACCOUNTANTS, NAGPUR F.R.No. 110634W

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KISHORE MALVIYA
Director
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SMS WATER GRACE MEDIWASTE MANAGEMENT PRIVATE LIMITED
Notes to financial statements for the year ended 31st March 2021

1) SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS AS AT 31st MARCH 2021

I) Corporate information

SMS Water Grace Mediwaste Management Private Limited is a Private Limited a Company domiciled in India and Incorporated on 22nd Feb 2011 under the provision of Companies Act. It is a subsidiary Company of SMS Envocare Ltd. The company is in the business of management of biomedical waste management & disposal Service. The company provides solutions for scientific treatment & disposal of bio medical waste by the latest ecofriendly technologies.

II) Basis of preparation

i) Compliance with IND AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules,2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements, except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historical Cost Conventions

The Financial Statements have been prepared on historical cost basis.

iii) Current Versus Non Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months)and other criteria set out in the Schedule III to the Act.

iv) Rounding off of Amounts

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

III) Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and judgements used in the preparation of financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The areas involving estimation of uncertainty and judgement at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year given below:

a) Useful lives of property, plant and equipment
b) Current Tax Payable
c) Valuation of deferred tax assets
d) Fair value measurement of financial instruments
e) Defined Benefit Obligation
f) Probable outcome of matters included under Contingent Liabilities
g) Revenue Recognation

Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item affected in finacial Statements.

V.K.SURANA & CO. CHARTERED ACCOUNTANTS, NAGPUR F.R.No. 110634W

SMS WATER GRACE MEDIWASTE MANAGEMENT PRIVATE LIMITED
Notes to financial statements for the year ended 31st March 2021

IV) Significant Accounting Policies:

a) Property Plant and Equipment

i) Recognition & Measurement

All items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Advances paid towards acquisition of property plant & equipment outstanding at each balance sheet date is classified as capital advances under other non current assets and the cost of asset not put to use before such date are disclosed under "Capital work in progress". Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

ii) Depreciation Methods useful lives and residual value

Depreciation is calculated on a written down value basis over the estimated useful life of the assets as per provided in Part C of schedule II of the company act 2013 or remaining life of the project which ever is less.

For Depreication of Landfill Asset, the Company evaluates the cost of construction of Landfill and also the capacity of landfill in Metric Ton (MT). Based on this the company evaluates Per MT Rate of depreciation to be charge on landfill. Every year the company evaluates the quantity of waste disposed off in landfill and charge depreciation on landfill by multiplying the Per MT depreciaton rate with the quanitity of waste disposed during the year.

The company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are same as the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Useful life considered for calculation of depreciationfor various assets class are as follows-

Asset Class	Useful Life
Building	30 Years
Plant and Equipment	15 Years
Furniture and Fixtures	10 years
Office Equipments	5 years
Vehicles	8 Years
Computers	3 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition/ disposal of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

Residual value of the asset is considered at 0.20% of Gross Block of Asset.

b) Investment in Properties :-

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

c) Intangible Assets :-

Intangible assets acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Cost of a nonmonetary asset acquired in exchange of another non-monetary asset is measured at fair value. Intangible assets are amortised over 3 years with written down value basis from the date that they are available for use.

d) Inventories :-

Inventories are valued at the cost or net realisable value whichever is lower . Cost comprise of all the cost of purchase and other costs incurred in bringing the inventories to present location and condition. Cost formulae used is 'Weighted Average Cost',. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

e) Investment in Subsidiaries, Partnership firm, Joint Ventures and Associates

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

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f) Leases :-

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

As a lessee :

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate.

Generally, the company uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Under Ind AS 17

In the comparative period, as a lessee the company classified leases that transfer substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent.

Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset. Assets held under other leases were classified as operating leases and were not recognised in the company's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

g) Cash & Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and fixed deposits with original maturity of three months or less which are subject to an insignificant risk of change in value.

h) Borrowings :-

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

V.K. SURANA & CO. CHARTERED ACCOUNTANTS, NAGPUR F.R.No. 110634W

SMS WATER GRACE MEDIWASTE MANAGEMENT PRIVATE LIMITED
Notes to financial statements for the year ended 31st March 2021

i) **Financial Instruments:**

(i) **Financial Assets**

1) **Classification**

The company classifies its financial Assets in the following measurement categories:

a) Those measured at amortised cost.

b) Those to be measured subsequently at fair value (either through other comprehensive or through statement of profit and Loss), and

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

2) **Initial Recognition and measurement**

All financial assets are recognised initially at fair value, transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

3) **Subsequent Measurement**

For purposes of subsequent measurement, financial assets are classified in following :

a) **Financial assets at amortized cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective 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. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

b) **Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling 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 Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Company on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.

c) **Financial assets at fair value through**

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in statement of profit and loss.

4) **Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls).

5) **De-recognition of Financial Assets**

The Company de-recognises 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 recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

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ii) Equity Instrument And Financial Liabilities

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.

a) 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 which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

b) Financial Liabilities

1) Initial recognition and Measurement

Financial liabilities are recognized initially at fair value and in case of borrowing and payables, net of directly attributable cost.

2) Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

3) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

4) Offsetting Financial Liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

j) Impairment of Non-Financial Assets:

The Company assesses at each Balance Sheet date whether there is any indication that an asset, including intangible asset, may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and

- In case of cash generating unit (A group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value In use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

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k) Provisions, Contingent Liabilities and Contingent Assets:-

A provision is recognized when the company has the present obligation (legal and constructive) as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation. When a company expects provision to be reimbursed, the reimbursement is recognized as a separate asset only when reimbursement is virtually certain.

A disclosure of contingent liabilities is made where there is possible obligation or present obligation that may probably not require an outflow of resources. When there is possible or a present obligation where there is likelihood of outflow of resource is remote, no provision or disclosure is made.

Contingent Assets are not recognized in the financial statements.

Provisions, Contingent Asset & Contingent Liabilities are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation.

l) Revenue Recognition:

The Company earns revenue primarily from Bio Medical Waste Disposal Services and allied activities including trasportation of Bio Medical waste.

Effective April 1, 2018, the Company has applied Ind AS 115 "Revenue From Contracts with Customers" which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. Company did not have contracts that were not completed as of April1,2018. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue has been recognized on accrual basis at the time of receipt of "Bio Medical Waste".

Membership fees are recognized as income over the period of membership on pro rata basis.

m) Government Grants :-

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in capital reserve as deferred income and are credited to Profit and Loss on a written down value basis over the remaining period of the project and presented within other income.

n) Foreign currency Translation :-

i) Functional and presentation currency :-

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

ii) Transactions and balances :-

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss. Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

o) Borrowing Costs :-

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use as part of the cost of asset. All other borrowing costs are expenses in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

p) Taxes on Income:

i) Current Tax:-

The income tax expense or credit, if there is any for the period is the tax payable on the current period's taxable income based on the applicable income tax rate as per Income tax Act 1961. Current Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

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ii) Deferred Tax:-

Deferred income tax is provided in full, using the Balance sheet approach method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement, if there is any. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

q) Employee Benefits :-

i) Short-term obligations :-

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

Leave Encashment

The leave obligations cover the Company's liability for sick, casual and earned leave. The Liabilities for sick and casual Leave are treated as current liabilities since there is no policy for the payment of these liabilities and right to avail these leave expires within 12 Months. The liabilities for earned leave are classified as non-current, however no discounting is done for these as company expects the discounting rate and salary increase rate to be similar i.e 6%.

ii) Post-employment obligations :-

The Company operates the following post employment schemes:

a) Defined benefit plan such as gratuity; and
b) Defined contribution plan such as provident fund.

Gratuity obligations

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

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

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

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

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. Contributions are made to provident fund in India for employees as per regulations. The contributions are made to registered provident fund administered by the government. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset.

r) Segment Reporting :-

The Board of Directors of the Company constitute the Chief Operating Decision Makers ("CODM") which allocate resources to and assess the performance of the segments of the Company.

s) Earnings 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.

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2 Property, plant and equipment

₹ in Lacs

Particulars	Building	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Total
Gross Carrying amount							
As at 1st April 2019	95.96	102.92	3.18	4.32	1.77	4.13	212.29
Additions	-	4.63	0.05	-	0.33	0.79	5.79
Disposals	-	-	-	-	-	-	-
As at 31st March 2020	**95.96**	**107.55**	**3.23**	**4.32**	**2.10**	**4.92**	**218.08**
As at 1st April 2020	95.96	107.55	3.23	4.32	2.10	4.92	218.08
Additions	-	2.78	0.05	-	0.64	0.34	3.80
Disposals	-	0.18	-	-	-	-	0.18
As at 31st March 2021	**95.96**	**110.14**	**3.28**	**4.32**	**2.74**	**5.26**	**221.70**
Accumulated Depreciation							
As at 1st April 2019	70.55	86.99	0.75	3.10	1.39	3.52	166.30
Charge for the year	4.44	6.27	1.08	0.63	0.44	0.87	13.73
Disposals	-	-	-	-	-	-	-
As at 31st March 2020	**74.98**	**93.26**	**1.84**	**3.73**	**1.83**	**4.39**	**180.03**
As at 1st April 2020	74.98	93.26	1.84	3.73	1.83	4.39	180.03
Charge for the year	3.65	5.54	0.59	0.29	0.40	0.53	10.99
Disposals	-	0.15	-	-	-	-	0.15
As at 31st March 2021	**78.63**	**98.64**	**2.42**	**4.02**	**2.22**	**4.92**	**190.86**
Net Carrying Amount							
As at 31st March 2020	**20.98**	**14.29**	**1.39**	**0.59**	**0.27**	**0.53**	**38.06**
As at 31st March 2021	**17.33**	**11.50**	**0.85**	**0.30**	**0.51**	**0.34**	**30.84**

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3 Intangible Assets	31-Mar-21 ₹ in Lacs
Computer Software	
Gross carrying amount as on 1st April, 2019	2.64
Additions	-
Disposals	-
Gross carrying amount as on 31st March, 2020	2.64
Gross carrying amount as on 1st April, 2020	2.64
Additions	-
Disposals	2.64
Gross carrying amount as on 31st March, 2021	-
Accumulated amortisation as on 1st April 2019	2.59
Charges for the year	0.04
Disposals	-
Accumulated amortisation as on 31st March 2020	2.63
Charges for the year	0.00
Disposals	2.64
Accumulated amortisation as on 31st March 2021	-
Net carrying amount as at 31st March, 2020	0.01
Net carrying amount as at 31st March, 2021	-

4 Other Non-Current Financial Assets	31-Mar-21 ₹ in Lacs	31-Mar-20 ₹ in Lacs
Fixed deposit with bank (remaining maturity of more than 12 month and kept as margin money or security against bank guarantee or other commitments)	5.50	43.74
Total :	5.50	43.74

5 Deferred Tax Assets/ Liability:-

Deferred Tax Assets/ (Liabilities)	As at 31st March, 2020	Recognised in P & L	Recognised in OCI	As at 31st March, 2021
Diff in WDV of Fixed Assets	17.47	0.62	-	16.85
Unabsorbed Losses	59.87	59.87	-	-
Expenses			-	
Bonus	0.18	(0.02)	-	0.21
Leave Encashment	0.15	(0.17)	-	0.32
Gratuity	0.56	(0.22)	(0.04)	0.75
	78.23	60.07	(0.04)	18.13
Add:				
MAT credit receivable	-	-8.70	-	8.70
	78.23	51.37	(0.04)	26.82

Deferred Tax Assets/ (Liabilities)	As at 31st March, 2019	Recognised in P & L	Recognised in OCI	As at 31st March, 2020
Diff in WDV of Fixed Assets	17.99	0.52	-	17.47
Unabsorbed Losses	63.87	4.00	-	59.87
Expenses	-	-	-	-
Bonus	0.17	(0.01)	-	0.18
Leave Encashment	0.28	0.12	-	0.15
Gratuity	0.36	(0.06)	(0.14)	0.56
	82.66	4.57	(0.14)	78.23
Add:				
MAT credit receivable	-	-	-	-
	82.66	4.57	(0.14)	78.23

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		31-Mar-21	31-Mar-20
		₹ in Lacs	₹ in Lacs
6	**Other non current assets:-**		
	Security deposit to vendors & Utilities :-		
	Electricity Deposit	1.68	1.68
	Deposits with vendors/Authority	2.39	2.39
	Capital Advance	4.22	-
	Total :	8.29	4.07
7	**Inventories :-**		
	(As taken, valued & certified by management at lower of Cost (Calculated on weighted average basis) or Net Realisable Value)		
	Stores and Spares	5.51	5.11
	Stock-in-trade	32.85	64.04
	Total :	38.36	69.15
8	**Trade receivables :-**		
	Considered good - Unsecured		
	Related party	-	-
	Other	354.47	216.03
	Unbilled Revenue	65.13	-
	Total :	419.60	216.03
9	**Cash and cash equivalents :-**		
	Cash on Hand	1.84	2.38
	Balances with Banks in Current Account	40.33	68.05
	Total :	42.17	70.43
10	**Bank balanace other than cash and cash equivalents :-**		
	Fixed deposit with bank (Remaining maturity of less than 12 month and kept as margin money or security against bank guarantee or other commitments)	58.17	16.52
	Total :	58.17	16.52
11	**Other current financial assets :-**		
	Earnest money deposit for tender	1.50	40.36
	Total :	1.50	40.36
12	**Current tax Assets (Net) :-**		
	Income tax refundable of earlier financial years	3.14	8.42
	Total :	3.14	8.42
13	**Other Current assets :-**		
	Prepaid Expenses	0.75	0.50
	Advance other than capital advance		
	Advance to supplier	0.64	1.58
	Advance to employee	0.09	1.77
	Goods and service tax receivable	-	9.10
	Total :	1.48	12.95

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	31-Mar-21	31-Mar-20
	₹ in Lacs	₹ in Lacs
14 Equity Share Capital :-		
Authorised Share Capital :		
30,00,000 (31st March 2020: 30,00,000) equity shares of par value of ₹ 10/- each	300.00	300.00
Issued, Subscribed and Fully Paid Up share capital :		
19,02,800 (31st March 2020: 19,02,800) equity shares of par value of ₹ 10/- each	190.28	190.28
Total :	190.28	190.28

Notes :

a) Terms/rights attached to equity shares :

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of Equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company the holders of equity shares will be entitled to receive remaining assets of the company after distribution of preferential amount. The distribution will be in proportion to the no. of equity shares held by the shareholder.

b) Reconciliation of the number of shares and the amount outstanding at the beginning and end of the year :

	31-Mar-21	31-Mar-21	31-Mar-20	31-Mar-20
	No.of Shares	₹ in Lacs	No.of Shares	₹ in Lacs
At the beginning of the year	19,02,800	190.28	19,02,800	190.28
Add : Issued during the year	-	-	-	-
Outstanding at the end of the year	19,02,800	190.28	19,02,800	190.28

c) The details of the Shareholders holding more than 5% of shares in the company are :

	31-Mar-21	31-Mar-21	31-Mar-20	31-Mar-20
	No.of Shares	% holding in the class	No.of Shares	% holding in the class
(i) SMS Envocare Limited	10,65,900	56.02%	10,65,900	56.02%
(ii) Amit Nilawar	8,36,000	43.94%	8,36,000	43.94%

d) The details of the Shares held by Holding Company :

	31-Mar-21	31-Mar-21	31-Mar-20	31-Mar-20
	No.of Shares	% holding in the class	No.of Shares	% holding in the class
(i) SMS Envocare Limited	10,65,900	56.02%	10,65,900	56.02%

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Notes to financial statements for the year ended 31st March 2021

		31-Mar-21	31-Mar-20
		₹ in Lacs	₹ in Lacs
15 Other Equity :-			
(i) Retained Earning :			
Balance as at beginning of Reporting period		(221.08)	(234.09)
Add : Profit for the year		203.89	13.02
Balance as at end of Reporting period	Total:	(17.19)	(221.08)
(ii) Other Comprehensive Income :			
Balance as at Beginning of Reporting Period		0.81	1.22
Add : Items that will not be reclassified to profit or loss (Net of taxes)		0.10	(0.41)
Add : Items that will be reclassified to profit or loss (Net of Taxes)		-	-
		0.92	0.81
	Total:	(16.27)	(220.27)

16 Non Current Borrowings:

(1) Unsecured

(i) From Other Body Corporate

Riaan Ventures Pvt Ltd.		-	284.26
Shradha Industries Ltd		-	20.00
Natraj Advisory Services Pvt Ltd		1.01	95.00
	Total :	1.01	399.26

16.1 Additional Information to unsecured non current borrowings :

a) Interest rate @8% on unsecured loan and there are no fixed repayment term in respect of above unsecured loan.

17 Non-Current Provisions :-

Provision for gratuity		2.82	2.13
Provision for Leave Benefits		0.99	0.48
	Total :	3.82	2.61

18 Current Borrowings:

(1) Unsecured loan repayable on demand

From related parties

Vishwanath Infrastructures Private Limited		42.00	42.00
SMS Envocare Limited		221.69	-
	Total :	263.69	42.00

18.1 Additional Information to unsecured current borrowings :

Interest free loan received from Vishwanath Infrastructures Private Limited and SMS Envocare Limited

19 Trade Payables :

Due to Micro & Small Enterprises		3.65	-
Due to related parties		0.17	-
Others		19.03	6.24
	Total :	22.85	6.24

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Notes to financial statements for the year ended 31st March 2021

	31-Mar-21	31-Mar-20
	₹ in Lacs	₹ in Lacs

Note :

DUES TO MICRO AND SMALL ENTERPRISES

The Company has dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act is show below.

1) the principal amount remaining unpaid to any supplier at the end of each accounting year;	3.55	-
2) the interest due on the principal amount remaining unpaid to any supplier at the end of each accounting	0.10	-
3) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed		-
4) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond		-
5) Interest due and payable for the period delay in making payment beyond the appointed day during		-
6) the amount of interest accrued and remaining unpaid at the end of each accounting year;		-
7) the amount of further interest remaining due and payable even in the succeeding years,		-

20 Other Current Financial Liabilities :

Salary Payable	2.83	2.73
Bonus Payable	0.79	0.71
Plant licence fees payable	83.00	69.00
Accrued Interest on loans	-	21.27
Expenses Payable	3.18	5.63
Total :	89.80	99.33

21 Other Current Liabilities :

Statutory Dues Payable		
Tax deducted at source	0.11	2.54
Goods and Service tax	6.01	0.35
Employee state insurance corporation	0.07	0.08
Provident fund	0.55	0.43
Advances from Customers	57.11	74.97
Total :	63.84	78.36

22 Current Provisions :

Provision for Employee Benefit:		
Provision for Gratuity	0.05	0.04
Provision for Leave Benefits	0.26	0.10
Total :	0.30	0.14

23 Current tax liabilities (Net)

Provision For Income Tax	24.52	-
Less : Tax Deducted At Source	5.26	-
Total :	19.26	-

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Notes to financial statements for the year ended 31st March 2021

		31-Mar-21	31-Mar-20
		₹ in Lacs	₹ in Lacs
24	**Revenue from Operations**		
	(a) Sale of Services :-		
	Waste Treatment Charges	437.61	338.36
	(b) Sale of products :-		
	Bags Sales	176.14	26.07
	Scrap Sales	11.74	14.37
	(c) Unbilled Revenue :-		
	Bags and Consumable Sales	51.08	-
	Waste Treatment Charges	5.44	-
	Total :	682.00	378.80
25	**Other Income**		
	Interest income on fixed deposit receipts	3.96	4.24
	Accounts Written Off	0.73	-
	Interest on Income Tax Refund	0.21	0.20
	Total :	4.89	4.45
26	**Direct Expenses**		
	Labour Charges	63.72	55.87
	Consumption of Fuel	59.88	45.93
	Vehicle Hire Charges	37.81	30.42
	Plant Expenses & Labour Charges	27.82	19.75
	Electricity Expenses	17.61	15.75
	Repairs & Maintenance	7.08	9.38
	Vehicle Fuel for Waste Collection	2.60	2.34
	Consumption of Material	0.58	0.25
	Consumption of chemicals	0.03	0.28
	Total :	217.13	179.98
27	**Purchases of Stock-in-Trade :**		
	Bags and consumables	56.04	71.42
	Total :	56.04	71.42
28	**Changes in inventories of Stock-in-Trade :**		
	Opening Inventories		
	Bags and consumables	64.04	10.54
	Closing Inventories		
	Bags and consumables	32.85	64.04
	Total :	31.18	(53.50)
29	**Employee Benefit Expenses**		
	Salaries & Wages:		
	Salaries and Wages	35.41	29.17
	Bonus	1.63	1.30
	Leave Encashment	1.25	0.58
	Gratuity*	0.84	0.67
	Contribution to provident and other funds	3.47	2.72
	Staff Welfare	0.82	0.81
	Total :	43.42	35.25

Note:- Since the Gratuity is unfunded the same is clubbed under head Salaries & Wages as per the guidance note on Division-II IND AS of Schedule III to the companies act, 2013.

30	**Finance Costs**		
	Interest on Unsecured Loan	9.55	30.79
	Interest on late payment of Tax deducted at source	0.14	0.03
	Fine and penalty	0.12	13.06
	Interest on MSME Overdue balance	0.10	-
	Total :	9.91	43.88

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Notes to financial statements for the year ended 31st March 2021

		31-Mar-21 ₹ in Lacs	31-Mar-20 ₹ in Lacs
31 Depreciation and Amortization Expenses			
Depreciation of Tangible Assets		10.99	13.73
Amortization of Intangible Assets		0.00	0.04
	Total :	11.00	13.77
32 Other Expenses			
Licence Fees		12.03	14.00
Office Expenses		7.49	5.16
GST Expenses		5.00	7.95
Travelling Expenses/Lodging / Conveyance Expenses		3.74	7.60
Admin Vehicle Expenses		2.19	1.85
Pantry & Housekeeping Expenses		1.80	2.02
Consultancy & Professional Charges		1.79	1.80
Insurance		0.90	0.93
Audit Fee		0.83	0.83
Bank charges		0.56	0.55
Telephone Charges		0.54	0.54
Rent		0.50	0.50
Computer Repairs & Maintenance		0.37	0.28
Printing & Stationery		0.24	0.46
Legal Expenses		0.19	0.48
Postage & Courier Exp		0.12	0.15
Administrative Expenses		0.10	0.22
Loss on disposal of fixed assets		0.03	-
MCA / ROC Fees		0.02	0.10
Accounts Written Off		-	29.44
	Total :	38.44	74.86

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Notes to financial statements for the year ended 31st March 2021

33 Contingent Liabilities, Gurantees, Contingent Assets & commitments

		31-Mar-21	31-Mar-20
		₹ in Lacs	₹ in Lacs
(i)	Claims against Company not acknowledge as Debt	-	-
(ii)	Commitments		
	a. Capital Commitments	6.10	-
	b. Revenue Commitments	-	3.35
(iii)	Contingent assets	-	-

34 Payment to Auditors

	31-Mar-21	31-Mar-20
	₹ in Lacs	₹ in Lacs
Audit fee (Excluding Taxes)	0.83	0.83
	0.83	0.83

35 Related Party Transactions

List of related parties where control exists and related parties with whom transactions have taken place and

(a) Holding Company

SMS Envocare Limited

(b) Key Management Personal

1. Kishore Malviya- Director
2. Prabal Pratapsingh Jadon - Director
3. Aditya Nilawar - Director

(c) Other Related Parties

Sr.	Particulars	Relationship
1	Amit Nilawar	Shareholder
2	SMS Limited	Group Company
3	Vishwanath Infrastructure Private Limited	Group Company
4	SMS Water Grace BMW Private Limited	Group Company
5	Butibori CETP Pvt. Limited	Subsidiary of holding company
6	SMS Water Grace Enviroprotect Pvt. Ltd	Subsidiary of holding company
7	SMS Waluj CETP Pvt. Ltd.	Subsidiary of holding company
8	Envotech Waste Management Limited	Subsidiary of holding company
9	Enviroprotect Waste Management Limited	Subsidiary of holding company
10	SMS Anamklean Greentech Pvt. Ltd	Subsidiary of holding company
11	Ponda Envocare Limited	Subsidiary of holding company
12	Ajay Sancheti	Significant influence in holding company
13	Anand Sancheti	Significant influence in holding company
14	Bharti Abhay Sancheti	Significant influence in holding company
15	Savita Ajay Sancheti	Significant influence in holding company
16	Shruti Anand Sancheti	Significant influence in holding company
17	Param Abhay Sanheti	Significant influence in holding company
18	Nirbhay Abhay Sancheti	Significant influence in holding company
19	Varun Ajay Sancheti	Significant influence in holding company
20	Akshay Abhay Sancheti	Significant influence in holding company
21	SMS Limited	Significant influence in holding company
22	SMS Vidhyut Pvt. Ltd	Significant influence in holding company
23	SMS Infolink Pvt. Ltd	Significant influence in holding company
24	Maharashtra Enviro Power Limited	Significant influence in holding company
25	Spark Mall and Parking Pvt. Ltd	Significant influence in holding company
26	Hemant Kumar Lodha	Significant influence in holding company
27	Krishan Sinha	Significant influence in holding company
28	Sunil Pande	Significant influence in holding company
29	Tapan Chakrabarti	Significant influence in holding company

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(d) Transactions carried out with related parties

₹ in Lacs

Name of Related party Nature of Transactions		Related Parties		
		Referred in (a)	Referred in (b)	Referred in (c)
Purchase of Material & Services	31-Mar-21	-	-	0.17
	31-Mar-20	-	-	-
Loan repaid/written-off during the year	31-Mar-21	85.00	-	-
	31-Mar-20	-	-	-
Loan received during the year	31-Mar-21	306.69	-	-
	31-Mar-20	-	-	-
Deposit & Advances Received	31-Mar-21	-	-	-
	31-Mar-20	-	-	-
Deposit & Advances Paid	31-Mar-21	-	-	-
	31-Mar-20	-	-	-
Outstanding Balances included in assets	31-Mar-21	-	-	-
	31-Mar-20	-	-	-
Outstanding Balances inclued in liabilites	31-Mar-21	221.69	-	42.17
	31-Mar-20	-	-	42.00

36 Employee Benefit Obligations :

1) Gratuity Obligation

A. Amount recognised in the Balance Sheet

Particulars	31-Mar-21	31-Mar-20
	₹ in Lacs	₹ in Lacs
(Present Value of Benefit Obligation)	(2.87)	(2.17)
Fair value of plan assets	-	-
Funded Status (Surplus/ (Deficit))	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	(2.87)	(2.17)

B. Movements in plan assets and plan liabilities

There are no plan assets & liabilities since the obligation is not funded.

C. Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses

Particulars	31-Mar-21	31-Mar-20
	₹ in Lacs	₹ in Lacs
Service Cost	0.69	0.56
Net Interest Cost	0.15	0.11
Net impact on the Profit / (Loss) before tax	**0.84**	**0.67**

D. Amount recognised in the Statement of Profit and Loss as Other Comprehensive Income

Particulars	31-Mar-21	31-Mar-20
	₹ in Lacs	₹ in Lacs
Actuarial (Gains)/Losses on Obligation For the Period	(0.14)	0.56
Net (Income)/Expense For the Period Recognized in OCI	**(0.14)**	**0.56**

E. Change in Present Value of Obligations

Change in Present Value of Obligations	31-Mar-21	31-Mar-20
	₹ in Lacs	₹ in Lacs
Opening of defined benefit obligations	2.17	1.38
Service cost	0.69	0.56
Interest Cost	0.15	0.11
Benefit Paid	-	(0.44)
Actuarial (Gain)/Loss on total liabilities:	(0.14)	0.56
- due to chonge in financial assumptions	0.03	0.25
- due to change in demographic assumptions	-	-
- due to experience variance	(0.16)	0.30
Closing of defined benefit obligation	2.87	2.17

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F. Assumptions

The assumptions under Ind AS 19 are set by reference to market conditions at the valuation date. The significant actuarial assumptions were as follows:

Particulars	31-Mar-21	31-Mar-20
	₹ in Lacs	₹ in Lacs
Expected Return on Plan Assets	N.A	
Rate of Discounting	6.81%	6.88%
Rate of Salary Increase	6%	
Withdrawal rate	10% P.A For Services upto 4 years & for above @2% P.A.	
Mortality Rate	100 % of IALM 2012-14	
Mortality Rate After Employment	N.A	

G. Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

Particulars	31-Mar-21	Impact (Absolute)	Impact %
	₹ in Lacs		
Base Liability	2.87		
Increase Discount Rate by 0.50%	2.68	(0.18)	-6.37%
Decrease Discount Rate by 0.50%	3.07	0.20	7.05%
Increase Salary Inflation by 1.00%	3.29	0.43	14.85%
Decrease Salary Inflation by 1.00%	2.51	(0.35)	-12.33%
Increase Withdrawal Rate by 1.00%	2.88	0.01	0.34%
Decrease Withdrawal Rate by 1.00%	2.85	(0.02)	-0.53%

Note :-

1) The base liability is calcu lated at discount rate of 6.81 % per annum and salary inflation rate of 6.00 % per annum for all future years.
2) Liabilities are very sensitive to salary escalation rate, discount rate & withdrawal rate
3) Liabilities are very less sensitive due to change in mortality assumptions. Hence, sensitivities due to change in mortality are ignored.

H. The defined benefit obligations shall mature after year end 31st March, 2021 as follows:

Projected Benefit Obligation Payable in future Years from the date of reporting	31-Mar-21	31-Mar-20
	₹ in Lacs	₹ in Lacs
1st Following Year	0.047	0.039
2nd Following Year	0.091	0.041
3rd Following Year	0.149	0.073
4th Following Year	0.157	0.122
5th Following Year	0.173	0.125
After 5th Year	8.411	7.041

2) Provident Fund

The expense recognised during the period towards defined contribution plan is ₹ 2.78 lakhs (31st March, 2020 ₹ 2.12 lakhs).

37 Financial risk management objective and policies :-

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables and financial guarantee contracts The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, current investment and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The senior management reviews and agrees policies for managing each of these risks, which are summarised below:

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i) Market risk :-

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits etc.

Interest Rate Risk:-

Interest rate risk is the risk that the future cash flows with respect to interest payments on borrowings will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates, however the company does not have any long-term debt obligation with floating interest rates.

Foreign Currency Risk :-

The company does not have any foreign currency risk exposure.

Other Price Risk :-

The company has not made any investment in equity securities hence no exposure

ii) Credit Risk :

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables & financial guarantees). The company measure the expected credit loss of trade receivable based on historical, trend, industiral practices and business environment in which the entity operates. Loss rates are based on actual credit loss experience and business experience, loss on collection of receivables is not material hence no provision considered.

a) Receivable

Particulars	31-Mar-21	31-Mar-20
	₹ in Lacs	₹ in Lacs
1-90 days past due	92.33	48.69
91 to 180 days past due	-	52.62
More than 180 days past due	327.27	114.72
Total	**419.60**	**216.03**

b) Financial Guarantee

Particulars	31-Mar-21	31-Mar-20
	₹ in Lacs	₹ in Lacs
Bank Grurantee	5.00	5.00
Total	**5.00**	**5.00**

iii) Liquidity Risk :

The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facility and bank loans. Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

(i) Maturity Pattern of borrowings

₹ in Lacs

As at 31st March, 2021	0-1 Years	1-5 years	Beyond 5 years	Total
Long Term borrowings(Including Current Manturity of Long term Debt	-	1.01	-	**1.01**
Short Term Borrowings	-	263.69	-	**263.69**
Total	**-**	**264.69**	**-**	**264.69**

As at 31st March, 2020	0-1 Years	1-5 years	Beyond 5 years	Total
Long Term borrowings(Including Current Manturity of Long term Debt	-	399.26	-	**399.26**
Short Term Borrowings	-	42.00	-	**42.00**
Total	**-**	**534.91**	**-**	**534.91**

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(ii) Maturity Patterns of Other Financial Liabilities

₹ in Lacs

As at 31st March, 2021	0 - 6 months	6-12 months	Beyond 12	Total
Trade payables	22.85	-	-	**22.85**
Other Financial Liability	89.80	-	-	**89.80**
Total	**112.65**	-	-	**112.65**

As at 31st March, 2020	0 - 6 months	6-12 months	Beyond 12	Total
Trade payables	6.24	-	-	**6.24**
Other Financial Liability	99.33	-	-	**99.33**
Total	**105.57**	-	-	**105.57**

38 Capital Management

For the purpose of the company's capital management, capital includes issued equity capital, attributable to the equity holders of the holding company. The primary objective of the company capital management is to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, Loan obligation, trade and other payables and less cash and cash equivalents.

Particulars	31-Mar-21 ₹ in Lacs	31-Mar-20 ₹ in Lacs
Borrowings	264.69	441.26
Trade payables	22.85	6.24
Other payables	89.80	99.33
Less: cash and cash equivalents	42.17	70.43
Net debt	**335.17**	**476.39**
Equity	174.01	(29.99)
Total capital	**174.01**	**(29.99)**
Capital and net debt	**509.18**	**446.41**
Gearing Ratio	**65.8%**	**106.7%**

39 Earnings Per Share:

	31-Mar-21 ₹ in Lacs	31-Mar-20 ₹ in Lacs
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Continuing operations		
Profit/(loss) after tax	203.89	13.02
Net profit for calculation of basic EPS	203.89	13.02
Net profit as above	203.89	13.02
Effect of dilution	-	-
Net profit/(loss) for calculation of diluted EPS	203.89	13.02
Weighted average number of equity shares in calculating basic EPS	19,02,800	19,02,800
Weighted average number of equity shares in calculating diluted EPS	19,02,800	19,02,800
Earnings per equity share:		
Basic	10.72	0.68
Diluted	10.72	0.68

40 Segment Reporting :-

In accordance with Accounting Standard Ind AS 108 "Operating Segment", the company's business activity falls within a single segment viz. "Biomedical Waste Mangement & Disposal", and the services are rendered only in the domestic market hence Segment reporting not applicable.

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41 Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

1) Fair value of current assets which incudes loans given, cash and cash equivalents, other bank balances and other financial assets approximate their carrying amounts largely due to short term maturities of these instruments.

2) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1:

Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2:

Other techniques for which major inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3:

Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data (Unobservable input data).

₹ in Lacs

Financial Assets & Liabilities as at 31st March, 2021	Non Current	Current	Total	Fair Value through Profit & Loss	Fair Value through OCI	Carried at amortised Cost	Total Amount
Financial Assets							
Trade Receivable		419.60	419.60	-	-	419.60	419.60
Cash & cash Equivalents		42.17	42.17	-	-	42.17	42.17
Bank balanace other than (ii) above		58.17	58.17	-	-	58.17	58.17
Other financial assets	5.50	1.50	7.00	-	-	7.00	7.00
Total	-	461.77	461.77	-	-	461.77	461.77
Financial Liabilities							
Borrowings	1.01	263.69	264.69	-	-	264.69	264.69
Other Financial Liabilities		89.80	89.80	-	-	89.80	89.80
Trade payables		22.85	22.85	-	-	22.85	22.85
Total	1.01	376.33	377.34	-	-	377.34	377.34

₹ in Lacs

Financial Assets & Liabilities as at 31st March, 2020	Non Current	Current	Total	Fair Value through Profit & Loss	Fair Value through OCI	Carried at amortised Cost	Total Amount
Financial Assets							
Trade Receivable		216.03	216.03	-	-	216.03	216.03
Cash & cash Equivalents		70.43	70.43	-	-	70.43	70.43
Bank balanace other than (ii) above		16.52	16.52	-	-	16.52	16.52
Other financial assets	43.74	40.36	84.09	-	-	84.09	84.09
Total	43.74	343.34	387.08	-	-	387.08	387.08
Financial Liabilities							
Borrowings	399.26	42.00	441.26	-	-	441.26	441.26
Other Financial Liabilities		99.33	99.33	-	-	99.33	99.33
Trade payables	-	6.24	6.24	-	-	6.24	6.24
Total	399.26	147.57	546.82	-	-	546.82	546.82

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42 **A reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:**

Tax Expense:		
Profit Before Tax	279.79	16.84
Other comprehensive income before tax	0.14	(0.56)
Total comprehensive income before tax	279.93	16.28
Indian Statutory Income Tax Rate	26.00%	26.00%
Expected Income Tax Expenses	**72.78**	**4.23**
Tax Effect of adjustments to reconcile expected Income Tax Expenses		
Tax Effect of Non Deductible expenses	0.06	0.01
Re-statement of earlier year DTA due to change in tax rate		
Other adjustments	3.09	0.19
Total income tax expense recognised in Profit & Loss	**75.93**	**4.43**
a) Tax on normal income recognised in profit and loss	75.90	4.57
b) Tax on other comprehensive income recognised in profit and loss	0.04	(0.14)
Total tax recognised in profit and loss	**75.93**	**4.43**

43 Party balances are subject to confirmation and the balances shown under Trade Receivables, Trade Payables, Loan and advances have approximately the same realisable value as shown in the financials.

44 Company is not required to spent on CSR Expenditure as the company is not qualified for any of the following criteria stipulated per provision of section 135 of the Companies Act.

a. Net worth of or more than five hundred crores rupees or
b. Turnover of one thousand crores rupees or more
c. Net profit of rupees five crore or more during any preceding three financial year

45 **Amendment in schedule III for subsequent year : -**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose standalone financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

Specified format for disclosure of shareholding of promoters.

Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Disclosure of some ratios (Current Ratio, Debt-Equity ratio, Return of Capital Employed, Return of Equity)

Statement of profit and loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

46 Previous year's figures have been regrouped/recasted, wherever necessary.

FOR V. K. SURANA & CO
Chartered Accountants
Firm Registration No. :110634W

V.K. SURANA & CO. CHARTERED ACCOUNTANTS, NAGPUR F.R.No. 110634W

CA. SURESH GALANI
Partner (M.No.168192)
Nagpur, Dated 24th July 2021
UDIN : 21168192AAAADA8738

For and on behalf of the Board of Directors of
SMS WATER GRACE MEDIWASTE MANAGEMENT PVT LTD

PRABAL PRATAP SINGH JADON
Director
DIN : 06913074

KISHORE MALVIYA
Director
DIN : 03272644