



To the Board of Directors,
Blue Water Trading & Treatment (FZE)

Report on the translated version of financial statements of Blue Water Trading & Treatment (FZE) for the year ended March 31, 2021.

With reference to our engagement letter dated 27th October, 2022 appointing us to perform agreed upon procedure, we have verified the translated version of financial statements of **Blue Water Trading & Treatment (FZE)** ("the Entity") for the year ended March 31, 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows, and the related notes to the financial statements, which are prepared by the management and audited by Statutory Auditor of the Entity as per Local Laws applicable in the reporting region of the Entity.

These financial statements have been translated by the Entity from the United Arab Emirates (AED) to Indian Rupees (INR) in accordance with Indian Accounting Standards (IND AS) 21- The Effect of Changes in Foreign Currency Rates.

The Financial Statement of the Entity has been audited by the Statutory Auditor of the Entity and we have relied on the same and only verified such translated financial statement. Therefore, it is pertinent to note that we do not express any audit opinion on such financial statement. These translated financial statements should not in any way be construed as reissuance or re-dating of any of the previous audit reports, nor should these be construed as a new opinion on any of the audited financial statements referred to herein.

The work carried out by us is in accordance with the Standard on Related Services ('SRS') 4400, 'Engagement to Perform Agreed-upon Procedures Regarding Financial Information' issued by the Institute of Chartered Accountants of India (ICAI).

Emphasis of Matter

We would like to draw your attention on following matter:

1. Note 31 to the translated financial statements, the Entity has prepared the translated financial statements as per International Financial Reporting Standards (IFRS).
2. Note 32 to the translated financial statements have mentioned the exchange rates that have been used for the translation from the local currency (AED) to the reporting currency (INR).

Responsibilities of the Management for the Financial Statements



The Review work to be performed is conducted on the basis that the Management of the Entity acknowledges and understands that:

(a) Responsibility for the financial statements and the preparation and presentation thereof in accordance with a financial reporting framework that is acceptable in view of the intended use of the financial statements.

(b) The accuracy and completeness of the information used to compile and translate the financial statements is the responsibility of the Management.

Restriction on Use

As required under **Schedule VI, Part A, Paragraph (11)(1)(A)(ii)(b)** of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 [SEBI (ICDR) Regulation, 2018], as amended, the translated financial statement attached to this report is to be uploaded on the website of the Concord Enviro Limited ("Holding Company") in connection with its proposed initial public offerings of the equity shares by the Holding Company.

Our report is prepared solely for the purpose of uploading on the website of the Holding Company in connection with compliance with SEBI (ICDR) Regulation, 2018. Our report should not be used, referred to or distributed for any purpose except with our prior consent in writing.

We do not accept or assume any liability or duty of care or any other purpose or to any third parties to whom the report is shown, or into whose hands it may come, save where expressly agreed upon by our prior consent in writing.

For **MOTILAL & ASSOCIATES LLP**
(Formerly known as Motilal & Associates)
Chartered Accountants
ICAI FRN: 106584W/W100751



CA Rishabh M. Jain
Partner
Mem. No.: 179547



Place : Mumbai
Date : 12th November, 2022

UDIN : 22179547BDJCQI5103

Blue Water Trading & Treatment (FZE), P.O. Box: 120523, SAIF Zone, Sharjah, U.A.E

(Translated version of financial statement prepared for the purpose of uploading on the Company's website.)

STATEMENT OF FINANCIAL POSITION

As at March 31, 2021

	Notes	31.03.21 Rupee	31.03.20 Rupee
ASSETS			
Current assets:			
Trade accounts receivables	5	19,896,503	-
Inventory	6	207,412,273	215,374,009
Due from related parties - Current term maturity	7	378,957,742	658,954,592
Loans and advances	8	14,564,830	35,651,823
Prepayments, deposits and other receivables	9	15,798,395	16,195,720
<i>Deposit with banks</i>	10	41,786,437	39,861,000
Bank balance and cash	11	3,437,233	13,046,948
		<u>681,853,414</u>	<u>979,084,092</u>
Non-current assets:			
Property, plant and equipments (net)	12	<u>388,415,430</u>	<u>253,171,240</u>
		<u>388,415,430</u>	<u>253,171,240</u>
Total assets		<u>1,070,268,844</u>	<u>1,232,255,332</u>
LIABILITIES			
Current liabilities:			
Loans and borrowings - Current term maturity	13	112,237,007	86,617,397
Trade accounts payables	14	66,673,651	109,949,122
Accruals and other payables	15	27,212,935	22,972,152
		<u>206,123,593</u>	<u>219,538,670</u>
Non- current liabilities:			
<i>Loans and borrowings -Medium term maturity</i>	13	-	24,469,051
Un-secured loan	16	<u>73,155,945</u>	<u>226,806,000</u>
		<u>73,155,945</u>	<u>251,275,051</u>
Total liabilities		<u>279,279,538</u>	<u>470,813,721</u>
NET ASSETS		<u>790,989,307</u>	<u>761,441,611</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	17	187,000	187,000
Retained earnings		<u>790,802,307</u>	<u>761,254,611</u>
TOTAL EQUITY		<u>790,989,307</u>	<u>761,441,611</u>

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We confirm that we have made available all the relevant accounting records and information for their compilation.

These translated version of financial statements were approved on November 12, 2022 and signed by:

For and on behalf of Blue Water Trading & Treatment (FZE), SAIF Zone, Sharjah


Mr. Ashish Singal
Authorised signatory



The attached notes 1 to 32 form part of these financial statements.

Blue Water Trading & Treatment (FZE), P.O. Box: 120523, SAIF Zone, Sharjah, U.A.
(Translated version of financial statement prepared for the purpose of uploading on the Company's website.)
STATEMENT OF COMPREHENSIVE INCOME
Year ended March 31, 2021

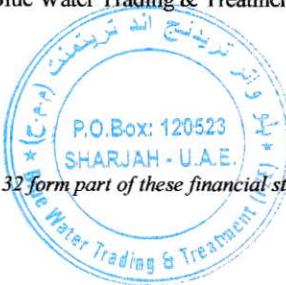
	Notes	31.03.21 Rupee	31.03.20 Rupee
Operating income	18	796,038,438	882,160,549
Operating cost	19	<u>(533,525,435)</u>	<u>(574,508,950)</u>
Gross income		262,513,003	307,651,599
Selling, general and administrative expenses	20	(86,856,979)	(122,238,760)
Depreciation	12	(43,002,421)	(24,162,326)
Amortization of intangible assets		-	(7,303,571)
Finance charges		(24,960,449)	(31,804,015)
Income from operations		107,693,154	122,142,927
Other income	21	<u>8,196,887</u>	<u>10,150,389</u>
Net income for the year		<u>115,890,041</u>	<u>132,293,317</u>

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Mr. Ashish Singal
Authorised signatory



The attached notes 1 to 32 form part of these financial statements.

Blue Water Trading & Treatment (FZE), P.O. Box: 120523, SAIF Zone, Sharjah, U.A.E.
(Translated version of financial statement prepared for the purpose of uploading on the Company's website.)
STATEMENT OF CASH FLOWS
Year ended March 31, 2021

	31.03.21 Rupee	31.03.20 Rupee
OPERATING ACTIVITIES		
Net income for the year	115,890,041	132,293,317
<i>Adjustments for:</i>		
Depreciation	43,002,421	24,162,326
Amortization of intangible assets	-	7,303,571
Cash from operations before working capital changes	158,892,462	163,759,213
Trade accounts receivables	(20,229,185)	461,145
Inventory	1,010,057	(37,193,833)
Related party balances	263,002,020	6,693,822
Prepayments, deposits and other receivables	(128,796)	35,413,193
Trade accounts payables	(40,382,248)	41,928,098
Accruals and other payables	5,067,369	(4,170,715)
Net cash from / (used in) operating activities	367,231,680	206,890,923
INVESTING ACTIVITIES		
Purchase of property, plant and equipments	(188,836,132)	(105,224,119)
Deposit with banks	(3,268,873)	(10,680,646)
Net cash (used in) investing activities	(192,105,005)	(115,904,765)
FINANCING ACTIVITIES		
Loans and borrowings	(123,667,487)	(25,768,905)
Profit & loss appropriation	(60,800,400)	(59,204,700)
Net cash from financing activities	(184,467,887)	(84,973,605)
(Decrease) / increase in cash and cash equivalents	(9,341,211)	6,012,553
Effect of Foreign Currency Translation	(268,504)	832,250
Cash and cash equivalents at the beginning of the year	13,046,948	6,202,145
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	3,437,233	13,046,948

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Mr. Ashish Singal
Authorised signatory



The attached notes 1 to 32 form part of these financial statements.

Blue Water Trading & Treatment (FZE), P.O. Box: 120523, SAIF Zone, Sharjah, U.A.E.
(Translated version of financial statement prepared for the purpose of uploading on the Company's website.)
STATEMENT OF CHANGES IN EQUITY
As at March 31, 2021

	Share capital	Retained earnings	Shareholder's current account	Translation Reserve	Total equity
	Rupee	Rupee	Rupee	Rupee	Rupee
As on April 01, 2019	187,000	621,443,668	-	5,972,540	627,603,208
Funds introduced / (withdrawn)	-	-	(59,204,700)	-	(59,204,700)
Transfer from statement of comprehensive income	-	130,913,976	-	-	130,913,976
Other Changes	-	-	-	62,129,127	62,129,127
Appropriation of profits	-	(59,204,700)	59,204,700	-	-
As at March 31, 2020	187,000	693,152,944	-	68,101,667	761,441,611
Funds introduced / (withdrawn)	-	-	(60,800,400)	-	(60,800,400)
Transfer from statement of comprehensive income	-	115,890,041	-	-	115,890,041
Other Changes	-	-	-	(25,541,946)	(25,541,946)
Appropriation of profits	-	(60,800,400)	60,800,400	-	-
As at March 31, 2021	187,000	748,242,585	-	42,559,721	790,989,307

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For and on behalf of Blue Water Trading & Treatment (FZE), SAIF Zone, Sharjah

Mr. Ashish Singal

Authorised signatory

The attached notes 1 to 32 form part of these financial statements.



Blue Water Trading & Treatment (FZE), P.O. Box: 120523, SAIF Zone, Sharjah, U.A.E.

NOTES TO FINANCIAL STATEMENTS

STATUS AND ACTIVITIES

Blue Water Trading & Treatment (FZE), Saif Zone, Sharjah (the 'Establishment') is a Free Zone Establishment with limited liability registered with the Sharjah Airport International Free Zone Authority, Government of Sharjah under a commercial license number 01-01-04119 issued on July 03, 2006 and an Industrial license number 03-01-04769 issued on March 14, 2007.

The name of the shareholder and its shareholding is as follows:

Name of the shareholder	Nationality	No. of Share	Amount in Rupee
Concord Enviro FZE, SAIF Zone, Sharjah	U.A.E	1	187,000

Principle activity of the Establishment is manufacturing of water filters and trading in water treatment equipments.

GOING CONCERN ASSUMPTION

These financial statements are prepared on a going concern basis, which assumes that the Establishment will continue to operate as a going concern for the foreseeable future.

APPLICATION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS

3.1 New and amended standards and interpretations effective for annual period beginning on or after 01 January, 2020

i) **Amendments to IFRS 3 – definition of a business**

Amendments relating to definition of a business clarify that to be considered as a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, the amendments clarify that a business can exist without all of the inputs and processes needed to create outputs. That is, the inputs and processes applied to those inputs must have the ability to contribute to the creation of outputs rather than the ability to create outputs.

ii) **Amendments to IAS 1 and IAS 8 on the definition of 'material'**

These amendments to IAS 1, 'Presentation of financial statements', and IAS 8, 'Accounting policies, changes in accounting estimates and errors', provide a new definition to 'material' that states, information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of the financial statements make on the basis of those financial statements. Amendments clarify that the materiality will depend on the nature or magnitude of the information, either individually or in combination with other information, in the context of financial statements.

iii) **Amendments to IFRS 9, IAS 39 and IFRS 7 – Interest rate benchmark reform**

These amendments provide certain reliefs in connection with interest rate benchmark reform. The reliefs relate to hedge accounting and have the effect that IBOR reform should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness should continue to be recorded in the income statement.

APPLICATION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS (Contd.)

3.2 New IFRS standards effective after 1 January 2021 not yet adopted by the Company

i) Amendment to IFRS 16, 'Leases' – Covid-19 related rent concessions

As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to Lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. On 28 May 2020, the IASB published an amendment to IFRS 16 that provides an optional practical expedient for Lessees from assessing whether a rent concession related to COVID-19 is a lease modification. As such the Lessee may elect not to assess whether a COVID 19 related rent relief is a lease modification.

ii) Amendments to IFRS 17 and IFRS 4, 'Insurance contracts', deferral of IFRS 9 - Effective on or after January 01, 2021

These amendments defer the date of application of IFRS 17 by two years to 1 January 2023 and change the fixed date of the temporary exemption in IFRS 4 from applying IFRS 9, "Financial instrument" until 1 January 2023.

iii) Amendments to IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 - Effective on or after January 01, 2021

The Phase 2 amendments address issues that arise from the implementation of the reforms, including the replacement of one benchmark with an alternative one.

iv) Amendments to IAS 1, 'Presentation of financial statements' on classification of liabilities - Effective on or after January 01, 2022

These narrow-scope amendments to IAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the Company or events after the reporting date (for example, the receipt of a waiver or a breach of covenant).

v) A number of narrow-scope amendments to IFRS 3, IAS 16, IAS 17 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16 - Effective on or after January 01, 2021

vi) IFRS 17, 'Insurance contracts' - Effective on or after January 01, 2023

SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements of the Establishment has been prepared in accordance with the International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board and applicable requirements of Sharjah Airport Free Zone.

It should be noted that accounting estimates and assumptions are used in preparing the financial statements. Although the estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from these estimates.

The following accounting policies, which comply with IFRS, have been applied consistently in dealing with *items which are considered material in relation to the Establishment's financial statements*.

4 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Accounting convention

The financial statements have been prepared under the historical cost convention. The accounting policies are consistent with those used in the previous year.

Accounting basis

The financial statements have been prepared under the accrual basis, with exception of staff end of service benefits, leave salary and air fare which are accounted for when paid.

Revenue recognition

Revenue is measured at the fair value of consideration received or receivables.

The Establishment recognises revenue based on the five-step model, as set out in IFRS 15:

- i) Identify the contract(s) with a customer: A contract is defined as an agreement between one or more parties that creates enforceable rights and obligations.
- ii) Identify the performance obligations in the contract: A performance obligation is a promise in a contract to transfer a goods or bundle of goods or services to the customer.
- iii) Determine the transaction price: Transaction price is the amount of consideration to which Establishment expects to be entitled in exchange for transferring the promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- iv) Allocate the transaction price to the performance obligation in the contract.
- v) The Establishment satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:
 - The customer simultaneously received and consumed all of the benefits provided by the Establishment as the Establishment performs; or
 - The Establishment's performance creates or enhances an asset that the customer controls as the asset is created; or
 - The Establishment's performance does not create an asset with an alternative use to the Establishment and the Establishment has an enforceable right to payment for performance obligation completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

The Establishment allocates the transaction price to the performance obligations in a contract based on the input method which require revenue recognition on the basis of the Establishment's effort or inputs to the satisfaction of the performance obligations.

Revenue is measured at fair market value of consideration received or receivable taking into account the contractually agreed terms of payment excluding taxes and duties. The Establishment assesses its revenue arrangements against specific criteria to determine if it is acting as principal or an agent and has concluded that it is acting as a principal in all its revenue arrangements.

4 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Property, plant and equipments

Fixed assets are depreciated on cost using straight line method at rates calculated to depreciate the assets concerned over their estimated useful lives.

The annual rates of depreciation used are as follows:

Machinery & equipments	: 6-50%
Vehicles	: 10-11%
Office equipments	: 20-33%
Furniture & fixtures	: 16-20%

Capital work-in-progress

Capital work-in-progress is included in property plant and equipment at cost on the basis of the percentage completed at the statement of financial date. The Capital work-in-progress is transferred to the appropriate asset category and depreciated in accordance with Establishment's policies when construction of the asset is completed and asset is in a location and condition intended by the management.

Valuation of inventory

Inventories are stated at lower of cost or net realisable value, cost being determined on average basis. Cost includes purchase cost and other expenses incurred in bringing the inventory to their present location.

Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprises of cash in hand, bank overdraft repayable on demand, bank current and call accounts, fixed deposits free from lien with original maturity date of three months or less from the date of deposit.

Financial instruments

Initial recognition and measurement

The Establishment recognises a financial asset or a financial liability in the statement of financial position when, and only when, it becomes a party to the contractual provisions of the instrument. On initial recognition, the Establishment recognises all financial assets and financial liabilities at fair value. The fair value of a financial asset or liability on initial recognition is normally represented by the transaction price.

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their initial recognition. The Establishment classifies its financial assets in the following four categories:

1 Financial assets at fair value through profit or loss. This category has two sub categories:

- a) Designated - Any financial asset that is designated on initial recognition as one to be measured at fair value with fair value changes in profit or loss.
- b) Held for trading - All derivatives (except those designated hedging instruments) and financial assets acquired or held for the purpose of selling in the short term or for which there is recent pattern of short term profit taking are held for trading.

4 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Financial instruments (contd.)

Subsequent measurement of financial assets (contd.)

- 2 Available for sale financial assets (AFS) are any non-derivative financial assets designated on initial recognition as available for sale or any other instruments that are not classified as loans and receivables, held to maturity investments or financial assets at fair value through profit or loss. AFS assets are measured at fair value in the statement of financial position. Fair value changes on AFS assets are recognised directly in equity, through the statement of changes in equity, except for interest on AFS assets, impairment losses and foreign exchange gains or losses. The cumulative gain or loss that was recognised in equity is recognised in profit or loss when an available for sale financial asset is derecognized.
- 3 *Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than held for trading or designated on initial recognition as assets at fair value through profit or loss as available for sale. Loans and receivables are measured at amortized cost.*
- 4 Held to maturity financial assets are non-derivative financial assets with fixed or determinable payments that a Establishment intends and is able to hold till maturity and that do not meet the definition of loans and receivables and are not designated on initial recognition as assets at fair value through profit or loss or as available for sale. Held to maturity investments are measured at amortized cost.

Value-added Tax (VAT)

Expenses, and assets are recognised net of amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the assets or as part of the expense item, as applicable; and/or
- When receivables and payables are stated with the amount of VAT included.

These net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Leases

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

Short-term leases

The Establishment applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and low value assets are recognized as expense on a straight line basis over the lease term.

In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred.

4 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Establishment as a Lessee

The Establishment applies a single recognition and measurement approach for all leases, except for short-term leases. The Establishment recognizes lease liabilities to make lease payments and right-of-use assets, representing the right to use the underlying assets.

Establishment as a Lessor

Leases in which the Establishment does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight line basis over the lease terms and is included in revenue in the statement of comprehensive income. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and are recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which there are earned.

Borrowing costs

Borrowing costs are interest and other costs incurred by Establishment in connection with the borrowing of funds.

Under the allowed alternative treatment, borrowing costs that are directly attributable to the acquisition, construction or production of an asset are included in the cost of that asset. Such borrowing costs are capitalized as part of the cost of the asset when it is probable that they will result in future economic benefits to the Establishment and the costs can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Impairment and collectability of financial assets

An assessment is made at each statement of financial position date to determine whether there is objective evidence that a financial asset or group of financial assets may be impaired. If such evidence exists, the estimated recoverable amount of that asset is determined and an impairment loss is recognized for difference between the recoverable amount and the carrying amount. Impairment losses are recognized in the statement of comprehensive income.

Derecognition of financial assets

The Establishment derecognizes a financial asset only when the contractual rights to the cash flow from the asset expires; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another Establishment. If the Establishment neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Establishment recognizes its retained interest in the asset and an associated liability for the amounts, it may have to pay. If the Establishment retains substantially all the risks and rewards of ownership of a transferred financial asset, the Establishment continues to recognize the financial asset.

Accounts payable and accruals

Liabilities are recognized for amounts to be paid in the future for goods or services, whether billed by the supplier or not.

Contract liability : The amount of consideration received from a customer exceeding the amount of revenue recognized, is recognized as a contract liability.

4 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Provision

A provision is recognized when the Establishment has an obligation, legal or constructive, arising from past event, and cost to settle the obligation are both probable and able to be reliably measured.

Derecognition of financial liabilities

The Establishment derecognises financial liabilities when, and only when, its obligations are discharged, cancelled or they expire. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Foreign currencies

Transactions in foreign currencies, if any, are recorded at the rate ruling at the date of transaction. *Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the statement of financial position date. All differences are taken to the statement of comprehensive income.*

5 TRADE ACCOUNTS RECEIVABLES

	31.03.21	31.03.20
	Rupee	Rupee
Trade debtors	19,896,503	-
	19,896,503	-
The ageing of trade debtors is as follows:		
less than 3 months	19,896,503	-
	19,896,503	-

6 INVENTORY

	31.03.21	31.03.20
	Rupee	Rupee
Stock of raw materials	193,560,385	187,962,455
Stock of trading / finished goods	13,851,889	27,411,555
	207,412,273	215,374,009

7 TRANSACTION WITH RELATED PARTIES

Related parties comprise associate companies affiliated to the Shareholder and Entities that fall within the definition of a related party as contained in IAS 24, "Related Party Disclosures". Pricing policies and terms of these transactions are approved by the Establishment's management.

	31.03.21	31.03.20
	Rupee	Rupee
Due from related parties:		
Rochem Separations System (I) Pvt. Ltd, India	302,217,255	482,477,606
Loan to Concord Enviro (FZE), SAIF Zone, Sharjah	-	110,832,532
Total c/f	302,217,255	593,310,138

7 TRANSACTION WITH RELATED PARTIES (Contd.)

	31.03.21	31.03.20
	Rupee	Rupee
Due from related parties (Contd.)		
Total b/f	302,217,255	593,310,138
Concord Enviro (FZE), SAIF Zone, Sharjah	76,740,487	57,594,489
Concord Enviro Systems Pvt Ltd, India	-	8,049,965
	378,957,742	658,954,592

During the year, the Establishment entered into the following significant transactions with the related parties:

Sales	774,098,431	632,743,719
Purchases	292,269,428	4,144,171
Receipts	1,479,738,065	1,156,868,916
Payments	674,106,661	580,493,223
Dividends paid	60,800,400	59,204,700

8 LOANS AND ADVANCES

	31.03.21	31.03.20
	Rupee	Rupee
Mr. Suresh Kumar Bhatia	14,564,830	35,651,823
	14,564,830	35,651,823

9 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	31.03.21	31.03.20
	Rupee	Rupee
Prepaid expenses	1,659,663	4,690,496
Deposits	3,447,459	2,713,267
Advance to suppliers	4,965,275	3,421,475
VAT receivables	3,019,407	-
Other receivables	2,706,591	5,370,482
	15,798,395	16,195,720

10 DEPOSIT WITH BANKS

	31.03.21	31.03.20
	Rupee	Rupee
Fixed deposits with National Bank of Fujairah, Sharjah	41,786,437	39,861,000
	41,786,437	39,861,000

The fixed deposit mentioned above is under lien with the bank.

11 BANK BALANCES AND CASH

	31.03.21	31.03.20
	Rupee	Rupee
Cash in hand	307,056	372,798
Cash at bank in current accounts	3,130,177	12,674,150
	3,437,233	13,046,948

12 PROPERTY, PLANT AND EQUIPMENTS (NET)

Please refer annexure - 1

13 LOANS AND BORROWINGS FROM BANKS

	31.03.21 Rupee	31.03.20 Rupee
Medium term maturity:		
Business loan - National Bank of Fujairah	-	23,691,813
Vehicle loan - RAK Bank, Dubai	-	777,238
	<hr/>	<hr/>
	24,469,051	
Current maturity:		
Vehicle loan - ADCB Bank, Dubai	-	262,114
Vehicle loan - RAK Bank, Dubai	759,307	346,039
Business loan - National Bank of Fujairah	-	7,999,680
Bank Overdraft - National Bank of Fujairah	734,530	3,015,799
Trust receipts - National Bank of Fujairah	110,743,171	74,993,764
	<hr/>	<hr/>
	112,237,007	86,617,397

Business loans and overdraft facility from National Bank of Fujairah and vehicle loan from RAK Bank are secured by the following:

- * Personal guarantee by Mr. Suresh Kumar Bhatia and Mr. Prerak Goel for the full loan amount.
- * Cross Corporate Guarantees between M/s Blue Water Trading & Treatment FZE and M/s Concord Enviro FZE, SAIF Zone, Sharjah, UAE.
- * Pledge over fixed deposit of Rs. 3,73,75,313/- in the name of Blue Water Trading & Treatment FZE, in favour of National Bank of Fujairah, Sharjah.
- * Pledge over fixed deposit of Rs. 26,91,023/- in the name of Blue Water Trading & Treatment FZE, in favour of National Bank of Fujairah, Sharjah. Pledge amount to be built upto Rs. 35,88,030/- by monthly deposit of Rs. 2,99,003.
- * Settlement cheque covering total facility amount (less fixed deposit under pledge) drawn on National Bank of Fujairah PJSC, in favour of the bank.
- * Assignment of insurance policy covering stocks of Rs. 14,35,21,200/- in favour of National Bank of Fujairah.
- * Un-dated security cheque for Rs. 99,66,750/- in favour of National Bank of Fujairah, Dubai.

14 TRADE ACCOUNTS PAYABLES

	31.03.21 Rupee	31.03.20 Rupee
Trade creditors	<hr/>	<hr/>
	66,673,651	109,949,122
	<hr/>	<hr/>
	66,673,651	109,949,122

14 TRADE ACCOUNTS PAYABLES (Contd.)

	31.03.21 Rupee	31.03.20 Rupee
The ageing of trade creditors is as follows:		
Less than 3 months	55,931,129	83,385,051
3 to 6 months	1,283,658	10,310,300
6 to 12 months	1,043,100	6,564,128
Above 12 months	8,415,764	9,689,643
	66,673,651	109,949,122

15 ACCRUALS AND OTHER PAYABLES

	31.03.21 Rupee	31.03.20 Rupee
Accrued expenses		
	27,212,935	22,972,152
	27,212,935	22,972,152

16 UN-SECURED LOAN

	31.03.21 Rupee	31.03.20 Rupee
AF Holdings, Mauritius		
	73,155,945	226,806,000
	73,155,945	226,806,000

17 SHARE CAPITAL

Authorized, issued and fully paid up share capital of the Establishment is Rs 1,87,000 divided into one share of Rs. 1,87,000.

	31.03.21 Rupee	31.03.20 Rupee
Concord Enviro (FZE), SAIF Zone, Sharjah		
	187,000	187,000
	187,000	187,000

18 OPERATING INCOME

	31.03.21 Rupee	31.03.20 Rupee
Sales		
	796,038,438	882,160,549
	796,038,438	882,160,549

19 OPERATING COST

	31.03.21 Rupee	31.03.20 Rupee
Materials consumed		
	497,453,166	538,929,826
Direct expenses	36,072,269	35,579,124
	533,525,435	574,508,950

20 SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	31.03.21	31.03.20
	Rupee	Rupee
Payroll and related expenses	50,256,719	54,497,788
Immigration and visa expenses	1,517,882	1,222,498
Postage, telephone & fax	2,507,510	2,056,219
Printing & stationery	374,672	467,441
Professional charges	391,149	10,595,293
License fees	304,002	296,024
Insurance	4,454,987	3,587,055
Freight outward expenses	14,121,785	17,931,249
Travelling expenses	1,350,377	2,432,800
Advertisement & sales promotion expenses	7,289,603	12,113,341
Sundry balances written off	-	8,783,491
Bank charges	1,552,133	2,246,522
Others	2,736,160	6,009,040
	86,856,979	122,238,760

21 OTHER INCOME

	31.03.21	31.03.20
	Rupee	Rupee
Interest received	5,958,338	10,150,389
Exchange rate difference	720,890	-
Other income	1,517,659	-
	8,196,887	10,150,389

22 RISK MANAGEMENT

Liquidity risk

The Establishment limits its liquidity risk by ensuring that adequate funds are available.

Credit risk

The Establishment seeks to limit its credit risk by setting limits for individual customers and monitoring outstanding receivable balances. As at March 31, 2021 top one trade receivable balance represents 100% (previous year: nil) of the total trade receivable balances outstanding.

All the trade receivable balances are concentrated in UAE.

Exchange rate risk

Exchange rate risk, if any, in respect of foreign currency exposure is closely monitored by the Management.

Interest rate risk

The vehicle loans, term loans and working capital loans are carrying interest at the rate prevailing in the market. The term deposits with bank are at fixed rate. Other financial instruments and assets and liabilities of the Establishment as at the statement of financial position date are not interest based.

22 RISK MANAGEMENT (contd.)

Supplier concentration risk

As March 31, 2021 top five trade payable balances represent 94.36 % (previous year: 96%) of the total value of trade payable balances outstanding.

Country-wise concentration of trade payable balances are as follows:

Country	31.03.21	31.03.20
Korea	28.00%	28.00%
Singapore	29.00%	45.00%
Netherlands	5.00%	-
UAE	29.00%	21.00%
India	1.00%	1.40%
Other	8.00%	4.60%

23 FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets, financial liabilities and equity instruments. Financial assets consist of accounts receivables, inventory, due from related parties, prepayment, deposits and other receivables, deposit with banks and bank balances and cash. Financial liabilities consist of due to a related party, accounts payable balances, un-secured loans, loans and borrowings and accruals & other payable balances.

The fair values of financial instruments are not materially different from their carrying values.

24 SIGNIFICANT EVENTS AFTER THE COMBINED STATEMENT OF FINANCIAL POSITION DATE

There were no significant events occurring after the combined statement of financial position date which require disclosure in the combined financial statements.

25 COVID 19 IMPACT

The COVID 19 pandemic has developed rapidly in 2020, with a significant number of cases. Measures taken by various Governments to limit the spread and contain the virus have affected economic activity worldwide. The Company has taken a number of measures to monitor and mitigate the effects of COVID 19 and implemented health and safety measures to protect the staff and such as reduced travel, providing option to work from home.

Management is actively monitoring the global situation on its financial condition, liquidity position, operations and workforce. Given the daily evolution of the COVID19 outbreak and the global responses to curb its spread, the Company is not able to estimate the effect of COVID 19 on its result of operations, financial condition or its liquidity for the year 2020.

As the global pandemic continues to evolve, full assessment of the economic impact and any expected end state is still not determinable, but the Company assumes that it will continue in the following year and beyond. At this stage the impact on the Company and its results has not been significant.

26 In the opinion of the management all the assets shown in the financial statements are existing and realizable at the amounts shown against them and there are no liabilities against the Company, contingent or otherwise, not included in the above financial statements.

27 NUMBER OF PERSONNEL

There were thirty one employees (previous year: thirty three) as at the date of the statement of financial position.

28 In the opinion of the management all the assets shown in the financial statements are existing and realizable at the amounts shown against them and there are no liabilities against the Establishment, contingent or otherwise, not included in the above financial statements.

29 GENERAL

a) These audited financial statements are issued by the Management of the Establishment, covering the period from April 01, 2020 to March 31, 2021.

b) The comparative figures as at March 31, 2020 have been reclassified wherever necessary to conform with the presentation of the current year. Such reclassification do not affect previously reported net profit or shareholder's equity.

c) The figures in the financial statements are rounded to the nearest INR as per the exchange rates mentioned in Note 32

30 The sole purpose of preparation of these financial statements is to comply with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 wherein, if any material subsidiary of a Holding Company has prepared the financial statements that are reported in any currency other than Indian Rupee, it has to be translated into Indian Rupee in accordance with Ind AS 21, "The Effects of Changes in Foreign Exchange Rates" and uploaded on the website of the Holding Company.

31 According to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the financial statements of foreign subsidiaries may be acceptable in a GAAP other than Ind AS, if local laws require application of local GAAP. This financial statement had been prepared in accordance with International Financial Reporting Standard.

32 Currency Rates taken for the purpose of conversion of the financial statements are as follows:

Closing Rate : 1 AED = Rs.19.9335

Average Rate : 1 AED = Rs.20.2668

ANNEXURE - 1

12 PROPERTY, PLANT AND EQUIPMENTS (NET)

Fixed assets are stated at cost, less accumulated depreciation as follows:

	Capital work in progress Rupee	Plant & machinery Rupee	Vehicles Rupee	Office equipments Rupee	Furniture & fixtures Rupee	Total Rupee
Cost						
As at April 01, 2020	52,806,802	487,598,127	6,377,554	7,173,600	13,785,499	567,741,583
Additions	35,448,979	149,645,210	-	600,895	35,521	185,730,606
Effect of Foreign Currency Translation	(1,708,531)	(15,775,930)	(206,342)	(232,097)	(446,021)	(18,368,921)
As at March 31, 2021	<u>86,547,250</u>	<u>621,467,407</u>	<u>6,171,212</u>	<u>7,542,398</u>	<u>13,375,000</u>	<u>735,103,267</u>
Depreciation						
As at April 01, 2020	-	297,612,567	1,935,700	5,389,825	9,632,251	314,570,343
Charge for the year	-	40,646,506	514,817	852,199	988,898	43,002,421
Effect of Foreign Currency Translation	-	(10,297,524)	(71,095)	(188,399)	(327,908)	(10,884,926)
As at March 31, 2021	-	<u>327,961,550</u>	<u>2,379,422</u>	<u>6,053,625</u>	<u>10,293,241</u>	<u>346,687,837</u>
Net Book Value						
As at March 31, 2021	<u>86,547,250</u>	<u>293,505,857</u>	<u>3,791,790</u>	<u>1,488,773</u>	<u>3,081,759</u>	<u>388,415,430</u>
As at March 31, 2019	<u>52,806,802</u>	<u>189,985,560</u>	<u>4,441,854</u>	<u>1,783,775</u>	<u>4,153,248</u>	<u>253,171,240</u>