

# L V Srinivasan & Associates

*Chartered Accountants*

Bldg No: 38, Flat No: 106, Kripanilaya CHS, Tilak Nagar, Mumbai 400089. Tel No: 2528 9079. Email: lvsrini@gmail.com.

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## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Aqua Investments (India) Limited**

**Report on the Audit of the Standalone Ind AS financial statements**

### **Opinion**

We have audited the standalone Ind AS financial statements of Aqua Investments (India) Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

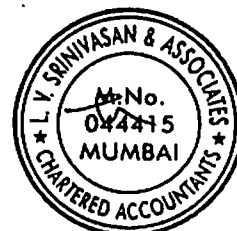
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, profit, total comprehensive income, changes in equity and cash flows for the year ended on that date.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not determined any key audit matters.



## **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholders Information but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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



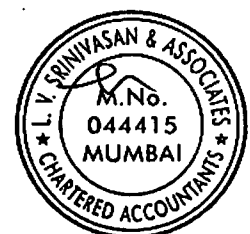
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

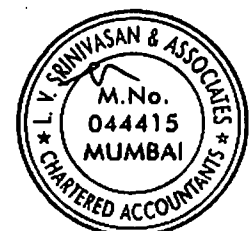


From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the financial statements.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose or preparation of the financial statements.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid remuneration to its directors during the year and hence reporting under this clause is not applicable.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:




- i. There are no pending litigations that may have an impact on the Company's financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Mumbai.  
Dated: 21-May-19.

For L V Srinivasan & Associates,  
Chartered Accountants  
(FRN 113830W)



  
L. V Srinivasan  
M.No. 044415

## **Annexure A to Auditor's Report**

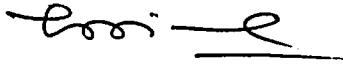
### **Annexure referred to in our report of even date to the members of Aqua Investments (India) Limited on the accounts for the year ended 31<sup>st</sup> March 2019.**

- i.
  - a. According to the information and explanations given to us, the company has not granted any loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
  - b. The company has not granted any loans, guarantees or security and has not made investments to which the provisions of section 185 and 186 of the Companies Act, 2013 apply.
- ii. In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public during the year.
- iii. In respect of statutory dues:
  - a. The Company did not have any employee on its payroll and hence depositing of statutory dues viz PF, ESIC do not apply to the company.
  - b. According to the records of the Company examined by us, there were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty, Value Added Tax, GST, Cess and other statutory dues outstanding as at 31<sup>st</sup> March, 2019 for a period of more than six months from the date they became payable.
- iv. According to the information and explanations given to us and the records of the company, the company has not raised money by way of initial public offer or further public offer or raised any term loans during the year.
- v. According to the information and explanations given to us and based on audit procedures performed and representations obtained from the management, we report that no fraud on or by the company, has been noticed or reported during the year under audit.
- vi. The Company is not a Nidhi Company and hence clause (xii) of the order is not applicable.
- vii. According to the information and explanations given to us the transaction entered into with the related parties were in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by Indian Accounting Standard 24 – Related Party Disclosures.
- viii. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- ix. According to the information and explanations given to us and based on verification of records, the company has not entered into any non-cash transactions with directors or persons connected with him.

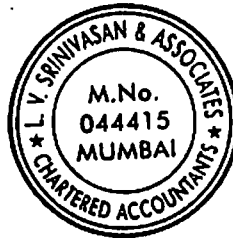


- x. The Company holds not less than 90% of its net assets in the form of investment in group companies; does not trade in the investments in group companies and does not carry on any other financial activity referred to in Section 45 1( c) and (f) of the Reserve Bank of India Act, 1934. Hence, the company is a Core Investment Company (CIC) in terms of RBI circular No. DNBS (PD) CC. No. 206/03.10.001/2010-11 dated 5<sup>th</sup> January, 2012 which does not require registration of the company with RBI. The company has also not accepted deposits from the public.
- xi. According to the information and explanations given to us and taking into consideration the nature of the business of the Company, clauses (I), (II), (VI), (VIII), (XI) & (XIII) of the Companies (Auditors' Report) Order, 2016 are not applicable.

**For L V Srinivasan & Associates.,  
Chartered Accountants  
(Firm's Registration No. 113830W)**



**L V Srinivasan.  
Proprietor  
(Membership No. 044415)  
Place: Mumbai  
Date: 21-May-19.**



**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE  
IND AS FINANCIAL STATEMENTS OF AQUA INVESTMENTS (INDIA) LIMITED.**

**Report on the Internal Financial Controls under Clause (l) of Sub-section 3 of Section 143 of the  
Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Aqua Investments (India) Limited ("the Company") as of March 31<sup>st</sup>, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

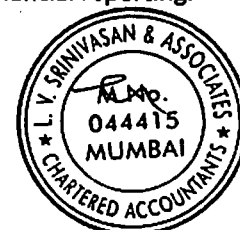
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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





### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Ind AS prescribed under section 133 of the Act. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Ind AS prescribed under section 133 of the Act and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

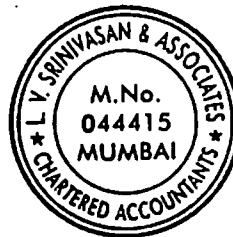
### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For L V Srinivasan & Associates,  
Chartered Accountants  
(Firm's Registration No. 113830W)**



**L V Srinivasan.  
Proprietor  
(Membership No. 044415)  
Place: Mumbai  
Date: 21-May-19.**



**Aqua Investment (India) Limited**  
**Balance sheet as at 31st March 2019**

	Notes	As at 31st March 2019 INR	As at 31st March 2018 INR
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>(a) Financial assets</b>			
(i) Investments	2	9,60,16,970	12,63,47,063
<b>(b) Non current tax assets</b>			
	3	25,739	1,70,623
<b>Total non-current assets</b>		<b>9,60,42,709</b>	<b>12,65,17,686</b>
<b>Current assets</b>			
(i) Cash and cash equivalents	4	2,68,780	3,36,715
(ii) Bank balances other than (iii) above	5	1,02,30,397	1,05,74,640
(iii) Loans & advances	6	60,50,000	39,25,000
(iv) Others	7	1,71,804	3,33,332
<b>Total current assets</b>		<b>1,67,20,981</b>	<b>1,51,69,687</b>
<b>Total assets</b>		<b>11,27,63,690</b>	<b>14,16,87,373</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	8	1,77,02,000	1,77,02,000
(b) Other equity	9	9,50,10,310	12,37,78,086
<b>Total equity</b>		<b>11,27,12,310</b>	<b>14,14,80,086</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
(a) Other current liabilities	10	39,875	42,460
(b) Liabilities for current tax (Net)	11	11,505	1,64,827
<b>Total current liabilities</b>		<b>51,380</b>	<b>2,07,287</b>
<b>Total liabilities</b>		<b>51,380</b>	<b>2,07,287</b>
		<b>11,27,63,690</b>	<b>14,16,87,373</b>
Significant accounting policies		1	
See accompanying notes to the financial statements			

As per our report of even date

For L V Srinivasan & Associates  
Chartered Accountants  
Firm's Registration No.: 113830W



L. V. Srinivasan  
Proprietor  
Membership no.: 44415

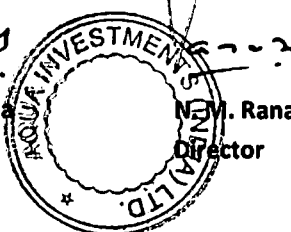


Place : Mumbai  
Date : 21st May 2019

For and on behalf of the board of directors of  
Aqua Investment (India) Limited



Rajesh Sharma  
Director



N. M. Ranadive  
Director

Place : Mumbai  
Date : 21st May 2019

**Aqua Investment (India) Limited**

**Statement of profit and loss for the year ended 31st March 2019**

	Notes	Year ended 31st March 2019 INR	Year ended 31st March 2018 INR
<b>Income</b>			
Revenue from operations		-	-
Other income	12	20,53,909	18,98,039
<b>Total Income</b>		<b>20,53,909</b>	<b>18,98,039</b>
<b>Expenses</b>			
Other expenses	13	65,833	57,728
<b>Total expenses</b>		<b>65,833</b>	<b>57,728</b>
<b>Profit before tax</b>		<b>19,88,076</b>	<b>18,40,310</b>
<b>Tax expense</b>			
Current tax		3,00,000	2,60,000
(Excess) / Short provision earlier years		1,25,759	(2,12,232)
<b>Total tax expense</b>		<b>4,25,759</b>	<b>47,768</b>
<b>Profit after tax</b>		<b>15,62,317</b>	<b>17,92,542</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
(a) Equity instruments through other comprehensive income		(3,03,30,093)	2,76,39,147
<b>Total Other Comprehensive Income</b>		<b>(3,03,30,093)</b>	<b>2,76,39,147</b>
<b>Total Comprehensive Income</b>		<b>(2,87,67,777)</b>	<b>2,94,31,689</b>
<b>Earnings per equity share:</b> [Nominal value of shares INR 10 (2017-18: INR 10)]			
Basic		0.88	1.01
Diluted		0.88	1.01

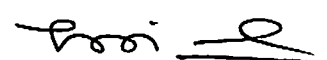
Significant accounting policies

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See accompanying notes to the financial statements

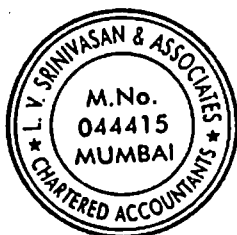
As per our report of even date

For L. V. Srinivasan & Associates  
Chartered Accountants  
Firm's Registration No.: 113830W




L. V. Srinivasan  
Proprietor  
Membership no.: 44415

Place : Mumbai  
Date : 21st May 2019

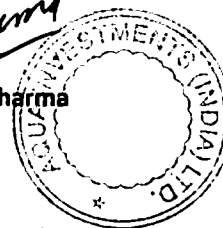
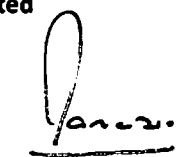


For and on behalf of the board of directors of  
Aqua Investment (India) Limited



Rajesh Sharma  
Director

Place : Mumbai  
Date : 21st May 2019

N. M. Ranadive  
Director

**Aqua Investment (India) Limited**  
**Cash flow statement for the year ended 31st March 2019**

	Year ended 31st March 2019 INR	Year ended 31st March 2018 INR
<b>A. Cash flow from operating activities:</b>		
Net profit before tax as per statement of profit and loss	19,88,076	18,40,310
Adjustment to reconcile profit before tax to net cash flows:		
Dividend received	(8,88,311)	(8,88,311)
Interest received	(7,72,906)	(6,22,126)
Cash generated from operations before working capital changes	3,26,859	3,29,874
Movements in working capital:		
(Increase) / Decrease in other current assets	1,61,528	(1,06,757)
(Decrease) / Increase in other liabilities	(2,585)	(1,59,646)
Cash generated from operations	4,85,802	63,471
Taxes paid	(4,34,197)	(53,564)
Net cash generated from operating activities (A)	51,605	9,907
<b>B. Cash flow from investing activities:</b>		
Investments made in others	(60,50,000)	(23,39,252)
Investments matured in others	39,25,000	-
Bank deposit made during the year (with maturity more than three months)	(16,53,871)	-
Bank deposit matured during the year (with maturity more than three months)	19,98,114	-
Dividend received	8,88,311	8,88,311
Interest received	7,72,906	6,22,126
Net cash used in investing activities (B)	(1,19,541)	(8,28,816)
<b>C. Cash flow from financing activities:</b>		
Net cash generated / (used) in financing activities (C)	-	-
Net Increase in cash and cash equivalents (A)+(B)+(C)	(67,936)	(8,18,909)
Cash and cash equivalents as at the beginning of the year	3,36,715	11,55,624
Cash and cash equivalents as at the end of the year	2,68,780	3,36,715

D The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting at Standard (Ind AS-7) - Statement of Cash Flow

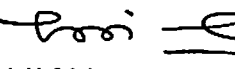
2 Cash and cash equivalents excludes the following balances with bank:

	Year ended 31st March 2019 INR	Year ended 31st March 2018 INR
Cash and cash equivalents disclosed under current assets (Note 4)	2,68,780	3,36,715
Other bank balances disclosed under current assets (Note 5)	1,02,30,397	1,05,74,640
Total cash and cash equivalents as per Balance Sheet	1,04,99,177	1,09,11,355
Less: (ii) Other bank balances disclosed under current assets (Note 5)	1,02,30,397	1,05,74,640
Total cash and cash equivalents as per Statement of Cash Flows	2,68,780	3,36,715

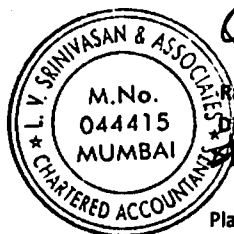
4 Previous year's figures have been regrouped/reclassified wherever applicable

As per our report of even date

For L. V Srinivasan & Associates  
Chartered Accountants  
Firm's Registration No.: 113830W

  
L. V. Srinivasan  
Proprietor  
Membership no.: 44415

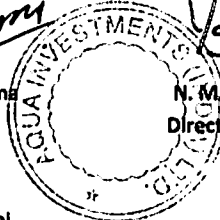
Place : Mumbai  
Date : 21st May 2019



For and on behalf of the board of directors of  
Aqua Investment (India) Limited

  
Rajesh Sharma  
Director

  
N. M. Ranadive  
Director



Place : Mumbai  
Date : 21st May 2019

**Aqua Investment (India) Limited**

**Statement of changes in Equity for the year ended 31st March 2019**

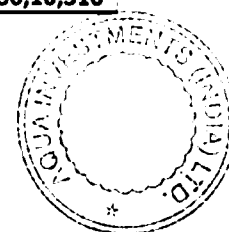
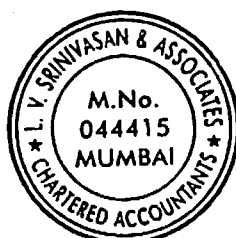
**A. Equity share capital**

	2018-19		2017-18	
	Number of shares	INR	Number of shares	INR
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	17,70,200	1,77,02,000	17,70,200	1,77,02,000
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	17,70,200	1,77,02,000	17,70,200	1,77,02,000

**B. Other equity**

	Reserve and Surplus		Total other equity
	General reserve	Retained earnings	
	INR	INR	INR
Balance as at 31st March 2017	-	9,43,46,397	9,43,46,397
Profit for the year (c)	-	17,92,542	17,92,542
Other Comprehensive Income (d)	-	2,76,39,147	2,76,39,147
Total comprehensive income for the year (c+d)	-	2,94,31,689	2,94,31,689
Dividend paid for the previous year	-	-	-
Tax on Dividend paid for the previous year	-	-	-
Balance as at 31st March 2018	-	12,37,78,086	12,37,78,086
Profit for the year (c)	-	15,62,317	15,62,317
Other Comprehensive Income (d)	-	(3,03,30,093)	(3,03,30,093)
Total comprehensive income for the year (c+d)	-	(2,87,67,777)	(2,87,67,777)
Dividend paid for the previous year	-	-	-
Tax on Dividend paid for the previous year	-	-	-
Balance as at 31st March 2019	-	9,50,10,310	9,50,10,310

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**Aqua Investment (India) Limited**
**Notes to financial statements for the year ended 31st March 2019 (contd.)**
**2. Non-current investments**

	As at 31st March 2019		As at 31st March 2018	
	Units	INR	Units	INR
<b>Investments measured at fair value through other comprehensive income</b>				
<b>Quoted, fully paid-up</b>				
Equity shares of Ion Exchange (India) Ltd of INR 10 each	253,803	95,974,970	253,803	126,305,063
<b>(A)</b>		<b>95,974,970</b>		<b>126,305,063</b>
<b>At cost in equity shares of associates</b>				
<b>Unquoted, fully paid-up</b>				
Ion Exchange Enviro Farms Ltd of INR 10 each	3,000	30,000	3,000	30,000
Ion Exchange Financial Products Pvt Ltd of INR 10 each	1,200	12,000	1,200	12,000
<b>(B)</b>		<b>42,000</b>		<b>42,000</b>
<b>Total non current investments (A+B)</b>		<b>96,016,970</b>		<b>126,347,063</b>
Aggregate amount of quoted Investments		95,974,970		126,305,063
Aggregate amount of unquoted Investments		42,000		42,000

**3. Tax assets**

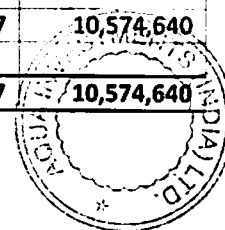
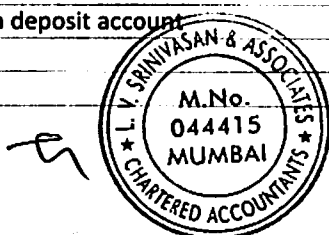
	Non-current		Current	
	As at	As at	As at	As at
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
	INR	INR	INR	INR
Income tax paid	25,739	170,623	-	-
	<b>25,739</b>	<b>170,623</b>	-	-

**4. Cash and cash equivalents**

	As at	As at
	31st March 2019	31st March 2018
	INR	INR
<b>Balances with banks</b>		
On current accounts	268,780	336,715
<b>Cash on hand</b>	-	-
	<b>268,780</b>	<b>336,715</b>

**5. Bank balances other than cash and cash equivalents**

	As at	As at
	31st March 2019	31st March 2018
	INR	INR
<b>Balances with banks</b>		
On deposit account	10,230,397	10,574,640
	<b>10,230,397</b>	<b>10,574,640</b>



**Aqua Investment (India) Limited**  
**Notes to financial statements for the year ended 31st March 2019 (contd.)**

**6. Loans**

	Non-current		Current	
	As at 31st March 2019 INR	As at 31st March 2018 INR	As at 31st March 2019 INR	As at 31st March 2018 INR
Loans and advances to related parties				
(a) Unsecured, considered good	-	-	60,50,000	39,25,000
(b) Unsecured, considered doubtful	-	-	-	-
	-	-	60,50,000	39,25,000
Less: Provision for doubtful advances	-	-	-	-
(A)	-	-	60,50,000	39,25,000
Claims receivables (B)	-	-	-	-
(A+B+C)	-	-	60,50,000	39,25,000

**7. Others**

	As at 31st March 2019 INR	As at 31st March 2018 INR
Interest accrued on Inter Corporate Deposit	4,044	-
Interest accrued on deposit account	1,67,760	3,33,332
	1,71,804	3,33,332

**8. Equity share capital**

	As at 31st March 2019		As at 31st March 2018	
	No of shares	INR	No of shares	INR
Authorised capital				
Equity shares of INR 10 each.	30,00,000	3,00,00,000	30,00,000	3,00,00,000
Issued, subscribed and fully paid-up capital				
Equity shares of INR 10 each.	17,70,200	1,77,02,000	17,70,200	1,77,02,000
	17,70,200	1,77,02,000	17,70,200	1,77,02,000

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the year**

	As at 31st March 2019		As at 31st March 2018	
	No of shares	INR	No of shares	INR
At the beginning of the year	17,70,200	1,77,02,000	17,70,200	1,77,02,000
Add: Issued during the year	-	-	-	-
At the end of the year	17,70,200	1,77,02,000	17,70,200	1,77,02,000

**(b) Terms/rights attached to equity shares**

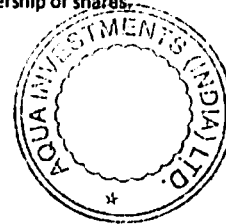
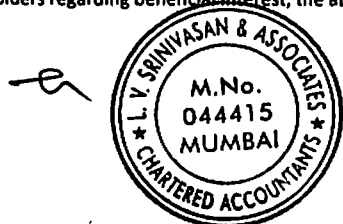
The company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders 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 amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

**(c) Details of shareholders holding more than 5% shares in the company \***

	As at 31st March 2019		As at 31st March 2018	
	No of shares	% holding	No of shares	% holding
Ion Exchange (India) Ltd The Holding Company	17,60,000	99.42%	17,60,000	99.42%

\* As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



**Aqua Investment (India) Limited**

**Notes to financial statements for the year ended 31st March 2019 (contd.)**

**9. Other equity**

	As at 31st March 2019 INR	As at 31st March 2018 INR
<b>Retained earnings</b>		
Balance as at April 1	12,37,78,086	9,43,46,397
Profit for the year	15,62,317	17,92,542
<b>Other Comprehensive income</b>		
Net fair value gain on investment in equity instruments at FVTOCI	(3,03,30,093)	2,76,39,147
Income tax on net fair value gain on investment in equity	-	-
	<b>9,50,10,310</b>	<b>12,37,78,086</b>
	<b>9,50,10,310</b>	<b>12,37,78,086</b>

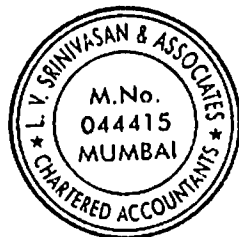
**10. Other current liabilities**

	As at 31st March 2019 INR	As at 31st March 2018 INR
<b>Others liabilities</b>	39,875	42,460
	<b>39,875</b>	<b>42,460</b>

**11. Liabilities for tax**

	Non - Current		Current	
	As at 31st March 2019 INR	As at 31st March 2018 INR	As at 31st March 2019 INR	As at 31st March 2018 INR
<b>Provision for income tax</b>	-	-	11,505	1,64,827
	-	-	<b>11,505</b>	<b>1,64,827</b>

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**Aqua Investment (India) Limited**

**Notes to financial statements for the year ended 31st March 2019 (contd.)**

**12. Other income**

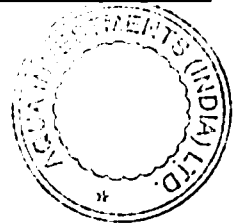
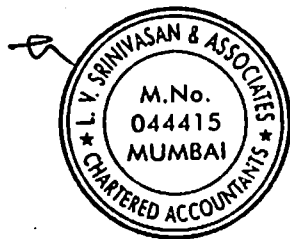
	Year ended 31st March 2019 INR	Year ended 31st March 2018 INR
Interest income on		
- Bank deposit	7,72,906	6,22,126
- Inter corporate deposit	3,92,692	3,71,854
Dividend income on		
- Investment in holding company	8,88,311	8,88,311
Prior period items	-	15,748
	<b>20,53,909</b>	<b>18,98,039</b>

**13. Other expenses**

	Year ended 31st March 2019 INR	Year ended 31st March 2018 INR
Rates and taxes	28,368	9,896
Legal and professional charges	14,205	22,174
Auditors' remuneration (Refer note 13.1)	18,580	18,500
Bank charges	4,680	7,158
	<b>65,833</b>	<b>57,728</b>

**13.1 Auditors' remuneration (excluding taxes)**

	Year ended 31st March 2019 INR	Year ended 31st March 2018 INR
As auditor:		
- Audit fees	18,000	18,000
Reimbursement of expenses	580	500
	<b>18,580</b>	<b>18,500</b>



**Aqua Investment (India) Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March 2019**

**1. Significant accounting policies**

**1.1. Corporate Information**

Aqua Investment (India) Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company has main source of revenue are from Dividend received from Equity Shares held in holding company and interest from Inter Corporate Deposit and Bank Deposits.

**1.2. Basis of Preparation**

**a) Statement of compliance**

The company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs in respect of sections 133 read with sub-section (1) of Section 210A of the Companies Act, 1956 (1 of 1956). In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

These standalone financial statements have been approved for issue by the Board of Directors at their meeting held on 21<sup>st</sup> May 2019.

**b) Functional and presentation currency**

These financial statements are presented in Indian rupees, which is also the Company's functional currency.

**c) Basis of measurement**

These financial statements have been prepared on a historical cost convention.

**1.3. Use of estimates**

The preparation of the standalone financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**1.4. Measurement of fair values**

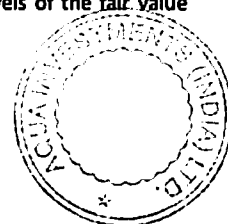
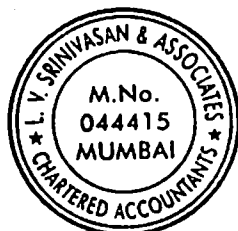
The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)."

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.



**Aqua Investment (India) Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March 2019**

**1. Significant accounting policies (contd...)**

**1.5. Summary of significant accounting policies**

**a) Financial Instruments**

Financial assets and financial liabilities are recognised in the Balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

**A. Financial assets**

**(i) Initial recognition and measurement**

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

The financial assets include debt instruments, equity investments, loans, cash and bank balances.

**(ii) Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified in the following categories:

**a) At amortised cost,**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

**b) At fair value through other comprehensive income (FVTOCI), and**

A financial asset is measured at FVTOCI if it is held within a business model 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.

**c) At fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are measured at FVTPL

**(iii) Equity investments**

All equity investments in the scope of Ind AS 109 are measured at fair value.

Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in profit or loss. The Company may make an irrevocable election to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI.

**(iv) Impairment of financial assets**

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

**(v) De-recognition**

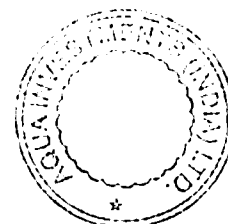
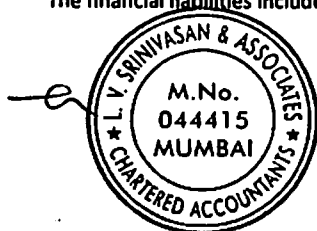
The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

**B. Financial liabilities**

**(i) Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities classified at amortised cost, net of directly attributable transaction costs.

The financial liabilities include trade and other payables, loans and borrowings etc.



**Aqua Investment (India) Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March 2019**

**2. Significant accounting policies (contd...)**

(ii) Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(iii) De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

**b) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest:

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends:

Revenue is recognized when the shareholders' right to receive payment is established by the Balance Sheet date.

**c) Taxation**

- i. Provision for current taxation has been made in accordance with the Indian Income tax laws prevailing for the relevant assessment years.
- ii. Deferred tax is recognized, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits.

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

At each Balance Sheet date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

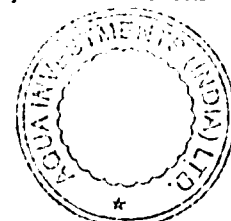
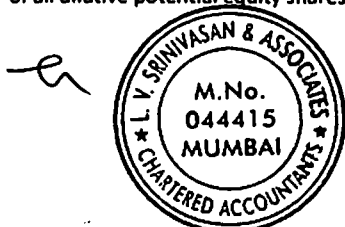
**d) Contingent Liabilities**

Contingent Liabilities are disclosed when the company has possible or present obligation and it is probable that cash outflow will not be required to settle that obligation.

**e) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



**Aqua Investment (India) Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March 2019**

**1. Significant accounting policies (contd..)**

**f) Segment reporting policies**

The company operates in single business segment. Hence Ind AS 108 on segment reporting is not applicable.

**g) Cash and cash equivalents**

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand (if any).

**14. Financial Instruments**

Financial instruments – Fair values and risk management

**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets, including their levels are presented below. It does not include the fair value information for financial assets not measured at fair value if their carrying amount is a reasonable approximation of fair value.

(INR)

	As at 31st March 2019			As at 31st March 2018		
	Carrying amount	Fair value		Carrying amount	Fair value	
		Level of input used in			Level of input used in	
		Level 1	Level 2		Level 1	Level 2
<b>Financial assets – Non-Current</b>	-	-	-	-	-	-
<b>Financial assets - Current *</b>						
<b>At amortised cost</b>						
Cash and cash equivalents	2,68,780			3,36,715		
Bank Balances other than Cash and cash equivalents	1,02,30,397			1,05,74,640		
Loans and Advances	60,50,000			39,25,000		
Others	1,71,804			3,33,332		
<b>Financial Liabilities - Current *</b>						
<b>At amortised cost</b>						
Other current liabilities	39,875			42,460		

\* The Company has not disclosed the fair value of current financial instruments such as cash and cash equivalent, bank balances others than cash and cash equivalent, Loans and Advances, Others Financial Assets and Other Current Liabilities because their carrying amounts are a reasonable approximation of fair value.

**B. Measurement of fair values**

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

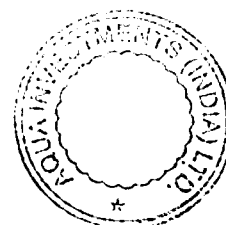
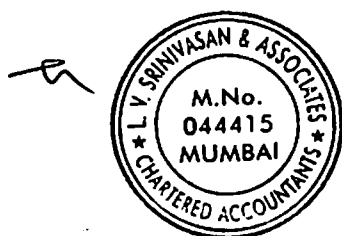
Financial instruments measured at fair value

Type	Valuation technique
Non-current financial assets measured at amortised cost	Discounted cash flow technique: The valuation model considers present value of expected payments discounted using an appropriate discounting rate.

**C. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk



**Aqua Investment (India) Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March 2019**

**14. Financial Instruments (contd..)**

**(i) Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

**(ii) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investment securities.

***Cash and cash equivalents***

The Company held cash and cash equivalents of INR 2,68,780 as at 31st March 2019 (as at 31st March 2018: INR 3,36,715). The cash and cash equivalents are held with banks with good credit ratings.

***Other bank balances***

The Company held other bank balances equivalents of INR 1,02,30,397 as at 31st March 2019 (as at 31st March 2018: INR 1,05,74,640). The other bank balances are mainly surplus fund invested in bank fixed deposits.

***Loans and Advances***

Loans and advances comprises of Inter Corporate Deposit and MAT Credit of INR 60,50,000 as at 31st March 2019 (as at 31st March 2018: INR 39,25,000). The Inter Corporate Deposit is held with Ion Exchange India Ltd., holding company of the Company.

***Investments***

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

***Other financial assets***

Other financial assets comprises of interest accrued on fixed deposits.

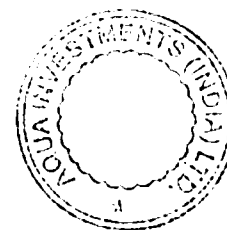
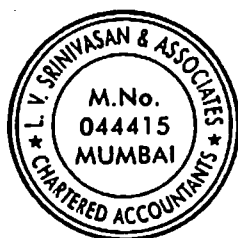
**(iii) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Since the Company does not have contractual maturities of financial liabilities at the reporting date, there is not liquidity risk at the reporting date.

**(iv) Market risk**

The Company is not exposed to any currency risk since no business operations in other countries. The functional currency of the Company is Indian Rupee.

*e*



**Aqua Investment (India) Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March 2019**

**15. Earning per Share (EPS)**

Particulars		31 <sup>st</sup> March 2019 INR	31 <sup>st</sup> March 2018 INR
I	Profit Computation for both Basic and Diluted Earnings per Share of INR 10 each Net Profit / (Loss) as per Profit and Loss Account available for Equity Shareholders (In INR)	15,62,317	17,92,542
II	Weighted average number of equity shares for Earnings per Share computation		
	A) For Basic Earnings per Share	17,70,200	17,70,200
	B) For Diluted Earnings per Share		
	No. of shares for Basic EPS as per IIA	17,70,200	17,70,200
	Add: Weighted Average outstanding employee stock options deemed to be issued for no consideration	Nil	Nil
	No. of Shares for Diluted Earnings per Share	17,70,200	17,70,200
III	Earnings per Share in Rupees (Weighted Average)		
	Basic	0.88	1.01
	Diluted	0.88	1.01

**16. Related Party Transactions**

<b>Where control exists</b>		
a)	Holding Company	Ion Exchange (India) Limited
Others		
b)	Associates	Ion Exchange Enviro Farms Limited Ion Exchange Financial Products Private Limited
Key Management Personnel		
c)	Key Management Personnel	Mr. Rajesh Sharma - Director Mr. Ajay Popat - Director Mr. N. M. Ranadive - Director

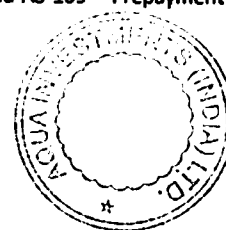
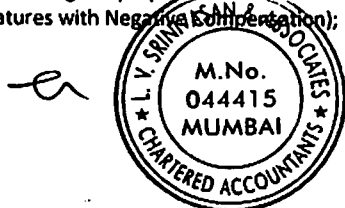
**i. Transactions during the year with Related Parties**

Nature of transaction	(INR)					
	Parties referred to in (a) above		Parties referred to in (b) & (c) above		Total	
	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018
<b>Dividend Received</b>						
Ion Exchange (India) Limited	8,88,311	8,88,311	Nil	Nil	8,88,311	8,88,311
<b>Total</b>	<b>8,88,311</b>	<b>8,88,311</b>	<b>Nil</b>	<b>Nil</b>	<b>8,88,311</b>	<b>8,88,311</b>
<b>Interest on Inter Corporate Deposit</b>						
Ion Exchange (India) Limited	3,92,692	3,71,854	Nil	Nil	3,92,692	3,71,854
<b>Total</b>	<b>3,92,692</b>	<b>3,71,854</b>	<b>Nil</b>	<b>Nil</b>	<b>3,92,692</b>	<b>3,71,854</b>
<b>Inter Corporate Deposit Outstanding</b>						
Ion Exchange (India) Limited	60,50,000	39,25,000	Nil	Nil	60,50,000	39,25,000
<b>Total</b>	<b>60,50,000</b>	<b>39,25,000</b>	<b>Nil</b>	<b>Nil</b>	<b>60,50,000</b>	<b>39,25,000</b>

**17. Other Amendments on the existing standard but not effective**

A number of other accounting standards have been modified on miscellaneous issues with effect from April 1, 2019. Such changes include clarification/guidance on:

- Income tax consequences in case of dividends (Ind AS 12 – Income Taxes (amendments relating to income tax consequences of dividend));
- Accounting for income tax when there is uncertainty over income tax treatment of an item by tax authorities (Ind AS 12 – Income Taxes (amendments relating to uncertainty over income tax treatments));
- Accounting treatment for specific borrowings post capitalization of corresponding qualifying asset (Ind AS 23 – Borrowing Costs);
- Accounting for prepayment features with negative compensation in case of debt instruments (Ind AS 109 – Prepayment Features with Negative Compensation);



**Aqua Investment (India) Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March 2019**

- e) Accounting for plan amendment, curtailment or settlement occurring in-between the reporting periods in case of long-term employee benefit plans (Ind AS 19 – Plan Amendment, Curtailment or Settlement);
- f) Ind AS 116 Leases - On 30 March 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, 'Leases' as part of the Companies (Indian Accounting Standards (Ind AS) Amendment Rules, 2019. Ind AS 116 replaces existing standard on leases i.e. Ind AS 17, Leases with effect from accounting periods beginning on or after 1 April 2019.

It eliminates the classification of leases as either finance leases or operating leases for a lessee as required by Ind AS 17. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Requirements with regard to lessor accounting are substantially similar to accounting requirements contained in Ind AS 17. Accordingly, a lessor will continue to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The Company's operating leases mainly relate to real estate assets such as house property which are on short term lease. The Company has completed its preliminary evaluation of the possible impact of Ind AS 116 and has concluded that the standard.

The above amendments will come into force from April 1, 2019. The company does not expect the effect of this on the financial statements to be material, based on preliminary evaluation. The Company does not have any leases during the financial year ended 31<sup>st</sup> March 2019.

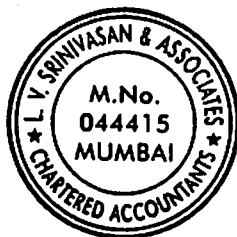
18. Previous year figures have been regrouped / reclassified wherever necessary, to confirm to current year's classification.

As per our report of even date  
For L. V. Srinivasan & Associates  
Firm registration No.113830W  
Chartered Accountants


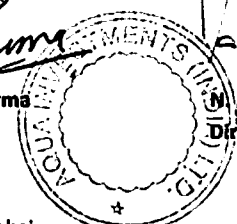


L. V. Srinivasan  
Proprietor  
Membership No. 44415

Place : Mumbai  
Date : 21<sup>st</sup> May 2019



For and on behalf of the board of directors  
Aqua Investment (India) Limited

Rajesh Sharma  
Director

M. Ranadive  
Director

Place : Mumbai  
Date : 21<sup>st</sup> May, 2019