

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2018

Particulars	(Rs. in Lacs)				
	Quarter Ended		Year Ended		
	31.03.2018 Audited (refer note 4)	31.12.2017 Unaudited	31.03.2017 Audited (refer note 4)	31.03.2018 Audited	31.03.2017 Audited
Revenue from operations	32,618	24,294	35,287	99,425	96,263
Other income	929	594	392	3,001	1,846
Total income (I+II)	33,547	24,888	35,679	102,426	98,109
Expenses					
a) Cost of materials consumed	19,847	15,263	24,070	59,784	59,526
b) Purchase of stock-in-trade	1,043	1,127	1,193	4,186	3,890
c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	1,855	(131)	(2,040)	2,205	(2,510)
d) Employee benefits expense	2,847	2,866	2,641	11,549	10,039
e) Finance costs	494	365	312	1,573	1,279
f) Depreciation and amortisation expense	250	298	290	1,193	1,077
g) Other expenses	3,685	3,734	5,530	14,653	17,678
Total expenses (IV)	30,021	23,522	31,996	95,143	90,979
Profit before tax (III - IV)	3,526	1,366	3,683	7,283	7,130
Tax expense					
Current tax	1,186	457	1,440	2,195	2,445
Deferred tax	(29)	24	(168)	313	(15)
	1,157	481	1,272	2,508	2,430
Net profit after tax (V - VI)	2,369	885	2,411	4,775	4,700
Other comprehensive income					
(i) Items that will not be reclassified to profit or loss	23	(17)	(14)	(27)	(56)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(8)	6	5	9	19
Other comprehensive income (Net of tax) (VIII)	15	(11)	(9)	(18)	(37)
Total comprehensive income for the period (VII+VIII)	2,384	874	2,402	4,757	4,663
Paid-up equity share capital (Face value Rs.10 per share)	1,467	1,467	1,467	1,467	1,467
Reserves excluding Revaluation Reserves				29,872	25,622
Earnings per equity share (EPS) [Refer note 5]					
a) Basic EPS (Rs.) [Not annualised]	19.74	7.37	20.11	39.78	39.21
b) Diluted EPS (Rs.) [Not annualised]	19.74	7.37	20.11	39.78	39.21

- Notes**
- The Board of Directors has recommended a dividend of 35% for the year 2017-18.
 - The Company adopted Indian Accounting Standard ("Ind AS") from 1st April 2017 and accordingly financial results have been prepared in accordance with the recognition and measurement principles laid down under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
 - The above results were reviewed by the Audit Committee at a meeting held on 23rd May 2018 and were approved at the meeting of the Board of Directors held on 23rd May 2018.
 - The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the unaudited year to date figures upto the third quarter ended 31st December of the respective years which were subjected to limited review.
 - Earnings per equity share includes impact of consolidation of equity shares held by IEI Shareholding (Staff Welfare) Trusts.
 - Reconciliation of results between previously reported (referred to as 'Previous GAAP') and Ind AS for the quarter and year ended 31st March 2017 are presented as below:

Nature of adjustments	Profit reconciliation		Equity reconciliation
	Quarter ended 31.03.2017	Year ended 31.03.2017	As at 31.03.2017
As per previous GAAP	2,624	4,595	29,591
(a) Timing of revenue recognition	(107)	(105)	(807)
(b) Measurement of revenue	(203)	56	(445)
(c) Adjustments relating to financial instruments including amortised cost, financial guarantees etc.	30	108	147
(d) Re-measurement cost of net defined benefit liability	14	56	-
(e) Others	(33)	3	(1,924)
(f) Deferred tax	86	(13)	527
Total adjustments	(213)	105	(2,502)
As per Ind AS	2,411	4,700	27,089

- Profit reconciliation notes:**
- Pertains to the difference in timing of revenue recognition on account of transition to Ind AS.
 - Under Ind AS, revenue is measured at the fair value of the consideration received or receivable. Accordingly, retention money has been recognised at its present value.
 - Includes impact of amortisation of transaction costs using the effective interest rate method and guarantee commission income recognised for financial guarantees given or issued on behalf of group companies and fair valuation of current investments.
 - The re-measurement cost arising primarily due to changes in actuarial assumptions have been recognised in Other Comprehensive Income (OCI) under Ind AS as compared to Statement of profit and loss under previous GAAP.
 - It includes adjustment on account of consolidation of employee benefit trusts and capitalisation of general borrowing costs pertaining to Capital-Work-in-progress.
 - Impact of transition adjustments together with Ind AS mandate using the balance sheet approach (against the profit and loss approach in the previous GAAP) for computation of deferred taxes.
- 7) Consequent to the introduction of Goods and Services Tax (GST) with effect from 1st July, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Indian Accounting Standard - 18 on Revenue and Schedule III of the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT etc. are not part of Revenue. Accordingly, the figures for the periods upto 30th June, 2017 are not strictly relatable to those thereafter. The following additional information is being provided to facilitate such understanding.

Particulars	Quarter Ended		Year Ended	
	31.03.2018	31.12.2017	31.03.2017	31.03.2017
Revenue from operations (A)	32,618	24,294	35,287	99,425
Excise duty on sale (B)	-	-	1,058	835
Revenue from operations excluding excise duty on sale (A-B)	32,618	24,294	34,229	98,590

8) Previous period figures have been regrouped / reclassified wherever necessary.

Balance sheet - Standalone

Particulars	(Rs. in Lacs)	
	As at 31.03.2018 Audited	As at 31.03.2017 Audited
ASSETS		
Non-current assets		
(a) Property, plant and equipment	13,474	8,869
(b) Capital work-in-progress	658	3,355
(c) Other intangible assets	128	131
(d) Financial assets		
(i) Investments	5,754	5,651
(ii) Trade receivables	358	358
(iii) Loans	3,992	3,620
(e) Deferred tax assets (Net)	-	111
(f) Other non current assets	562	791
(g) Non current tax assets	28	28
Total non-current assets	24,954	22,914
Current assets		
(a) Inventories	7,709	10,394
(b) Financial assets		
(i) Investments	40	32
(ii) Trade receivables	42,970	39,100
(iii) Cash and cash equivalents	6,062	10,823
(iv) Bank balances other than (iii) above	19,024	4,376
(v) Loans	5,537	5,573
(vi) Others	754	76
(c) Other current assets	3,763	4,941
Total current assets	85,859	75,315
Total assets	110,813	98,229
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	1,467	1,467
(b) Other equity	29,872	25,622
Total equity	31,339	27,089
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	3,308	2,747
(ii) Other financial liabilities	886	851
(b) Provisions	1,014	908
(c) Deferred tax liabilities (Net)	193	-
(d) Other non-current liabilities	-	6
(e) Liabilities for non current tax (Net)	174	174
Total non-current liabilities	5,575	4,686
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	8,862	4,842
(ii) Trade payables	34,059	34,559
(iii) Other financial liabilities	3,582	2,678
(b) Other current liabilities	25,864	22,449
(c) Provisions	393	313
(d) Liabilities for current tax (Net)	1,139	1,613
Total current liabilities	73,899	66,454
Total liabilities	79,474	71,140
Total equity and liabilities	110,813	98,229

Balance sheet - Consolidated

Particulars	(Rs. in Lacs)	
	As at 31.03.2018 Audited	As at 31.03.2017 Audited
ASSETS		
Non-current assets		
(a) Property, plant and equipment	14,358	9,765
(b) Capital work-in-progress	658	3,355
(c) Other intangible assets	128	131
(d) Investment accounted using Equity method	298	245
(e) Financial assets		
(i) Investments	70	45
(ii) Trade receivables	1,379	1,754
(iii) Loans	993	641
(iv) Others	754	804
(g) Deferred tax assets (Net)	115	599
(h) Other non current assets	1,525	1,691
(i) Non current tax assets	42	86
Total non-current assets	20,320	19,116
Current assets		
(a) Inventories	10,119	12,895
(b) Financial assets		
(i) Investments	40	32
(ii) Trade receivables	43,710	41,617
(iii) Cash and cash equivalents	6,725	11,710
(iv) Bank balances other than (iii) above	19,593	5,058
(v) Loans	1,688	1,793
(vi) Others	876	194
(c) Current tax assets (Net)	80	55
(d) Other current assets	3,372	4,604
Total current assets	86,203	77,958
Total assets	106,523	97,074
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	1,423	1,423
(b) Other equity	18,588	15,251
Total equity	20,011	16,674
Non Controlling interests	284	386
Total equity	20,295	17,060
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	3,340	2,969
(ii) Other financial liabilities	886	857
(b) Provisions	1,130	999
(c) Deferred tax liabilities (net)	203	414
(c) Other non-current liabilities	58	58
(d) Liabilities for non current tax (Net)	174	174
Total non-current liabilities	5,791	5,471
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	11,254	6,836
(ii) Trade payables	36,389	39,125
(iii) Other financial liabilities	4,188	3,215
(b) Other current liabilities	26,958	23,352
(c) Provisions	453	358
(d) Liabilities for current tax (Net)	1,195	1,657
Total current liabilities	80,437	74,543
Total liabilities	86,228	80,014
Total equity and liabilities	106,523	97,074

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2018

Particulars	(Rs. in Lacs)	
	Year Ended	
	31.03.2018 Audited	31.03.2017 Audited
Revenue from operations	105,486	104,721
Other income	2,109	1,221
Total Income (I+II)	107,595	105,942
Expenses		
a) Cost of materials consumed	61,062	64,669
b) Purchase of stock-in-trade	4,186	3,890
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,311	(2,846)
d) Employee benefits expense	13,697	12,176
e) Finance Costs	1,868	1,627
f) Depreciation and amortisation expense	1,308	1,183
g) Other expenses	16,530	19,873
Total expenses (IV)	100,962	100,572
Profit before tax (III-IV)	6,633	5,370
Share of profit of equity accounted investee (net of income tax)	(11)	(5)
Profit before tax (V+VI)	6,622	5,365
Tax expense		
Current tax	2,273	2,537
Deferred tax	363	(56)
	2,636	2,481
Net profit after tax (VII-VIII)	3,986	2,884
Other Comprehensive Income		
Items that will not be reclassified to profit or loss		
(a) Remeasurement benefit of defined benefit plans	(32)	53
(b) Income tax expense on remeasurement benefit of defined benefit plans	9	(18)
Items that will be reclassified to profit or loss		
(a) Movement in foreign currency translation reserve	(111)	(27)
Total Other Comprehensive Income	(134)	8
Total Comprehensive Income (IX+X)	3,852	2,892
Profit attributable to:		
Owners of the company	4,018	3,041
Non-Controlling Interests	(32)	(157)
Profit for the year	3,986	2,884
Other Comprehensive Income attributable to:		
Owners of the company	(134)	8
Non-Controlling Interests	-	-
Other Comprehensive Income for the year	(134)	8
Total Comprehensive Income attributable to:		
Owners of the company	3,884	3,049
Non-Controlling Interests	(32)	(157)
Total Comprehensive Income for the year	3,852	2,892
Paid-up equity share capital (Face value Rs. 10 per share)	1,423	1,423
Reserves excluding Revaluation Reserves	18,588	15,251
Earnings per equity share (EPS)		
Basic EPS (Rs.)	34.46	24.97
Diluted EPS (Rs.)	34.46	24.97

- Notes**
- The annual consolidated financial results include the results of its subsidiaries - Watercare Investments (India) Limited, Aqua Investments (India) Limited, Ion Exchange Enviro Farms Limited (IEEFL), Ion Exchange Project and Engineering Limited, Total Water Management Services (India) Limited, Global Composite and Structurals Limited, Ion Exchange Purified Drinking Water Private Limited, IEI Environmental Management (M) Sdn. Bhd., Ion Exchange Asia Pacific Pte. Ltd. (Consolidated), Ion Exchange Environment Management (BD) Limited, Ion Exchange WTS (Bangladesh) Limited, Ion Exchange LLC, Ion Exchange and Company LLC and Ion Exchange Safic Pty. Limited.
 - In 2017-18, Astha Technical Services Limited, an associate, has amalgamated with Total Water Management Services (India) Limited, a subsidiary, w.e.f. 1st April 2017 as per order dated 24th August 2017 received from The National Company Law Tribunal, Mumbai Bench. On amalgamation minority interest is included in Reserves and Surplus as an adjustment on change in investments in subsidiaries and associates.
 - With respect to the matter with SEBI of IEEFL (a subsidiary of the Company), in accordance with the directions of the Supreme Court, IEEFL approached SEBI and explained its position vide letter dated 17th May 2013. Accordingly IEEFL has initiated actions in line with the details submitted to SEBI. In December, 2015 SEBI had asked the company to pre deposit amount due to farm owners and close the scheme. The company has submitted that it shall get discharge certificates from balance farm owners within a period of two years from March, 2016. As SEBI refused to accede to Company's request, IEEFL has preferred a fresh appeal at Securities Appellate Tribunal (SAT) on 9th February 2017 citing practical difficulties in execution of the SEBI order and the Appeal has been admitted. IEEFL does not envisage any liability on this account and including the recovery of Rs. 269 Lacs (Previous year Rs. 276 Lacs) towards maintenance expenses. The auditors of the IEEFL has expressed emphasis of matter.
 - Reconciliation of results between previously reported (referred to as 'Previous GAAP') and Ind AS for the year ended 31st March 2017 are presented as below:

Nature of adjustments	(Rs. in Lacs)	
	Year ended 31.03.2017	As at 31.03.2017
As per previous GAAP	2,923	19,792
(a) Timing of revenue recognition	(161)	(807)
(b) Measurement of revenue	188	(792)
(c) Adjustments relating to financial instruments including amortised cost, fair valuation on investments.	12	40
(d) Re-measurement cost of net defined benefit liability	(53)	-
(e) Impact of Service concession arrangement	(79)	(390)
(f) Losses attributable to Non-controlling interest	-	632
(g) Others	30	(1,928)
(h) Deferred tax	24	513
Total adjustments	(39)	(2,732)
As per Ind AS	2,884	17,060

- Profit reconciliation notes:**
- Pertains to the difference in timing of revenue recognition on account of transition to Ind AS.
 - Under Ind AS, revenue is measured at the fair value of the consideration received or receivable. Accordingly, retention money has been recognised at its present value.
 - Includes impact of amortisation of transaction costs using the effective interest rate method.
 - The re-measurement cost arising primarily due to changes in actuarial assumptions have been recognised in Other Comprehensive Income (OCI) under Ind AS as compared to Statement of profit and loss under previous GAAP.
 - Under Ind AS, specific guidance is applicable by private sector operators involved in provision of public sector infrastructure assets and services. Under previous GAAP, there was no authoritative guidance for accounting for such arrangements. Based on the recognition and measurement guidance under Ind AS, the Group has recognised its rights under the service concession as a financial asset receivable.
 - Under previous GAAP, non controlling interest was not considered as part of Total equity and was presented separately. Under Ind AS non controlling interest are considered part of total equity. Further under Ind AS profit or loss is attributed to non controlling interest even if it result in the non controlling interest having deficit balance.
 - It includes adjustment on account of consolidation of employee benefit trusts and capitalisation