



Head Office : 6, Omkar Co op. Hsg. Soc., Kherwadi Road, Near Nirmal Nagar Police Station, Bandra (E), Mumbai - 400 051.
Ph. : 022-2647 1181 / 1191 • Email : office@cakarambelkar.com • Website : www.cakarambelkar.com

INDEPENDENT AUDITOR'S REPORT

To,
THE MEMBERS OF ION EXCHANGE PURIFIED DRINKING WATER PRIVATE LIMITED,

We have audited the accompanying standalone Financial Statements of ION EXCHANGE PURIFIED DRINKING WATER PRIVATE LIMITED ("the company"), which comprise the Balance Sheet as at 31st March, 2017, the statement of Profit and Loss Account and the cash flow statement of the Company for the year ended on that date and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

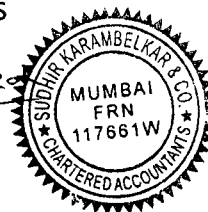
- a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2017
- b) In the case of statement of Profit and Loss, of the Loss for the year ended on that date.
- c) In the case of Cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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.
 - (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 these books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of accounts;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards 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 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 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 control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company does not have any pending litigations which would impact its position.
 - b. The Company did not have any long-term contracts including derivatives contracts of which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (h) The requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 is not applicable to the Company and these are in accordance with the books of accounts maintained by the Company. Refer Note no (XI) of the Notes to the Accounts to the standalone financial statements.

PLACE: MUMBAI
DATE : 23rd MAY 2017

FOR SUDHIR KARAMBELKAR & CO.
CHARTERED ACCOUNTANTS
FIRM REGN NO: 117661W
RMKarambelkar
RAHUL KARAMBELKAR
PARTNER
MEMBERSHIP NO: 114907





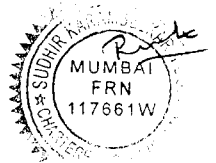
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Annexure 1 to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) There are no immovable properties during the year held in the name of the Company.
- (ii) (a) The Management of the Company has physically verified all the inventories at suitable intervals,
 - (b) The Company has maintained proper records showing physical inventories as on 31.03.2017. Material discrepancies observed during the Physical verification have been properly dealt with in the books of account.
- (iii) The Company has not granted any loans to any Companies, firms, LLP's or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, investment, guarantees and/or security in terms of Section 185 and 186 of the Companies Act, 2013. Therefore reporting under this clause is not applicable to the Company.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the companies Act, 2013 for the product of the company.
- (vii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, service tax, value added tax, Excise Duty and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, excise duty, value added tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of dues to banks, financial institutions or government during the year.
- (ix) The Company has not raised any money either by way of an IPO or further public offer (including debt instruments) during the financial year.



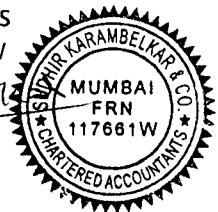
- (x) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) During the year there is no Managerial Remuneration paid or provided. Hence the reporting under this clause is not applicable to the Company.
- (xii) According to the information and explanations given to us the Company is not a Nidhi Company. Hence the reporting under this clause is not applicable to the Company.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the standalone Financial Statements etc., as required by the applicable accounting standards;
- (xiv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Therefore the provisions of Section 192 of Companies Act, 2013 is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

PLACE: MUMBAI
DATE : 23rd MAY 2017.

FOR SUDHIR KARAMBELKAR & CO.
CHARTERED ACCOUNTANTS
FIRM REGN NO: 117661W

RMKarambelkar

RAHUL KARAMBELKAR
- - PARTNER
MEMBERSHIP NO: 114907





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**"ANNEXURE A" REFERRED TO IN THE AUDITOR'S REPORT TO THE MEMBERS OF
ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017.**

Report on the Internal Financial Controls under Clause (i) 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 **ION EXCHANGE PURIFIED DRINKING WATER PRIVATE LIMITED** as of March 31st, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

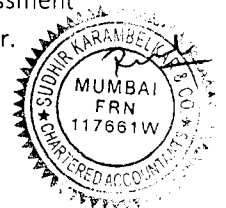
Management's Responsibility for Internal Financial Controls

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, both 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 was 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 generally accepted accounting principles. 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 generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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

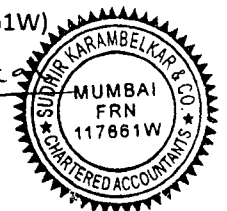
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017 based on 'the internal control over financial reporting criteria 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'.

Place: Mumbai
Date: 23rd May 2017

For Sudhir Karambelkar & Co.
Chartered Accountants
(Firm's Registration No.117661W)

R Karambelkar

Rahul Karambelkar
Partner
Membership No. 114907



Ion Exchange Purified Drinking Water Private Limited

Balance sheet as at 31st March 2017

(Currency: Indian Rupees)

	Notes	31st March 2017 Rupees	31st March 2016 Rupees
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	3	100,000	100,000
(b) Reserves and surplus	4	(1,440,361)	841,367
		<u>(1,340,361)</u>	<u>941,367</u>
Non-current liabilities			
(a) Long-term borrowings	5	22,172,469	41,177,349
(b) Deferred tax liabilities (Net)	6	-	346,001
		<u>22,172,469</u>	<u>41,523,350</u>
Current liabilities			
(a) Short-term borrowings	8	122,578,170	57,798,907
(b) Trade payables	9 (a)	21,577,613	37,926,132
(c) Other current liabilities	9 (b)	26,190,518	26,349,946
(d) Short-term provisions	7	29,455	45,933
		<u>170,375,756</u>	<u>122,120,918</u>
TOTAL		<u>191,207,864</u>	<u>164,585,635</u>
ASSETS			
Non-current assets			
(a) Fixed assets			
(i) Tangible Assets	10	107,131,095	104,284,856
(b) Long-term loans and advances	11	568,550	500,400
(c) Deferred Tax Assets (Net)	6	657,519	-
		<u>108,357,164</u>	<u>104,785,256</u>
Current assets			
(a) Inventories	13	11,908,156	7,695,374
(b) Trade receivables	12	55,183,857	44,145,652
(c) Cash and Bank balances	14	5,639,343	2,658,417
(d) Short-term loans and advances	11	10,119,344	5,300,936
		<u>82,850,700</u>	<u>59,800,379</u>
TOTAL		<u>191,207,864</u>	<u>164,585,635</u>

Summary of significant accounting policies 1,2
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Sudhir Karambelkar & Co.

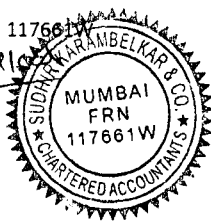
Chartered Accountants

ICAI Firm registration No. : 117661W

Rahul Karambelkar

Partner

Membership No. 114907



For and on behalf of the Board of Directors of
Ion Exchange Purified Drinking Water Private Limited
CIN No. : U41000MH2013PTC248560

Dipesh Sadashivan

Director

DIN : 01688840

N. M. Ranadive

Director

DIN : 00274887

Place : Mumbai

Date : 23 May 2017

Place : Mumbai

Date : 23 May 2017



Ion Exchange Purified Drinking Water Private Limited
Statement of Profit and Loss Account for the Year ended 31st March 2017
(Currency: Indian Rupees)

	Notes	31st March 2017 Rupees	31st March 2016 Rupees
Revenue			
Revenue from operations (Gross)	15	139,964,526	95,208,436
Other income		474,072	-
Less: Excise Duty		21,107,191	14,236,943
Revenue from operations (Net)		119,331,407	80,971,493
Service Income		22,600,431	15,609,128
Total Revenue	15	141,931,838	96,580,621
Expenses			
Cost of raw material and components consumed	16	69,127,152	45,369,199
(Increase) in inventories of Finished Goods, Work-in-Progress and Traded Goods	17	(3,419,331)	(3,535,574)
Employee benefits expense	18	753,614	741,797
Finance costs	19	18,927,504	10,545,251
Depreciation and amortization	20	5,971,333	4,933,101
Other expenses	21	53,856,814	36,446,758
Total Expenses		145,217,086	94,500,532
(Loss) / Profit Before Tax		(3,285,248)	2,080,089
Tax expense			
Current tax		-	11,542
Deferred Tax		(1,003,520)	342,427
Total Tax Expense		(1,003,520)	353,969
(Loss) / Profit After Tax		(2,281,728)	1,726,120
Earnings per equity share: [Nominal value of shares Rs. 10 (2015-2016 : Rs. 10)]			
Basic / Diluted		(228.17)	172.61

Summary of significant accounting policies 1,2
 The accompanying notes are an integral part of the financial statements.

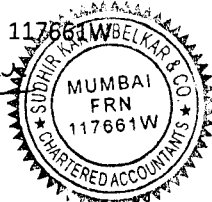
As per our report of even date

For Sudhir Karambelkar & Co.

Chartered Accountants

ICAI Firm registration No. : 117661W

RMKalanbulkar



Rahul Karambelkar

Partner

Membership No. 114907

For and on behalf of the Board of Directors of
Ion Exchange Purified Drinking Water Private Limited

CIN No. : U41000MH2013PTC248560

Dinesh Sadashivan
 Director

DIN : 01688840

N. M. Ranadive
 Director

DIN : 00274887

Place : Mumbai

Date : 23 May 2017

Place : Mumbai

Date : 23 May 2017

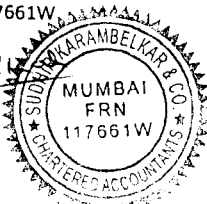


	31st March 2017 Rupees	31st March 2017 Rupees	31st March 2016 Rupees	31st March 2016 Rupees
A) Cash flow from operating activities				
Net (Loss) / Profit before tax as per Profit and Loss Account				
Adjustment for:		(3,285,248)		2,080,089
Depreciation	5,971,333		4,933,101	
Finance Cost	18,927,504		10,545,251	
Operating Profit before working capital Changes		24,898,837		15,478,352
		21,613,589		17,558,441
Movements in working capital :				
(Increase) in Trade Receivables	(11,038,205)		(44,145,652)	
(Increase) in Inventories	(4,212,781)		(7,695,374)	
(Increase) in Loans and advances	(4,886,558)		(821,709)	
(Decrease) / Increase in Trade Payables	(16,348,519)		17,792,281	
(Decrease) / Increase in Other Liabilities	26,196		6,189,189	
Increase in Provisions	(16,478)	(36,476,346)	45,933	(28,635,332)
Cash Generated from Operations		(14,862,757)		(11,076,891)
Taxes (Refund Received) / Paid		-		
Net Cash Generated (Used) in Operating Activities	(A)	(14,862,757)		(11,076,891)
B) Cash flow from Investing activities				
Purchase of Fixed Assets	(8,817,573)		(8,144,501)	
Net cash flow Generated (Used) from Investing activities	(B)	(8,817,573)		(8,144,501)
C) Cash flow from financing activities				
Repayment of Borrowings	(19,004,880)		(15,837,903)	
Loan from Holding Company	64,779,263		46,804,006	
Finance Cost	(19,113,128)	26,661,255	(9,946,961)	21,019,142
Net cash flow Generated from financing activities	(C)	26,661,255		21,019,142
Net increase in cash and cash equivalents	(A+B+C)	2,980,926		1,797,750
Cash and cash equivalent at the beginning of the year		2,658,417		860,667
Cash and cash equivalent at the end of the year		5,639,343		2,658,417
Cash and Cash Equivalents Comprise of:- (Note 14)				
Cash in hand		-		
Balance with bank		5,639,343		2,658,417
Total		5,639,343		2,658,417
Diff		5,639,343		2,658,417

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Notified Accounting Standard - 3 on Cash Flow Statements.

As per our report of even date

For Sudhir Karambelkar & Co.
 Chartered Accountants
 ICAI Firm registration No. : 117661W



Partner
 Membership No. 114907

Place : Mumbai
 Date : 23 May 2017

For and on behalf of the Board of Directors of
 Ion Exchange Purified Drinking Water Private Limited
 CIN No. : U41000MH2013PTC248560

Director Sadashivan
 Director
 DIN : 01688840

N. M. Ranadive
 Director
 DIN : 002748R7



Place : Mumbai
 Date : 23 May 2017

Ion Exchange Purified Drinking Water Private Limited

Notes to financial statements for the Year ended 31st March 2017 (contd.)

(Currency: Indian Rupees)

1. Basis of Preparation:

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act, to the extent applicable.

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

2. Significant accounting policies:

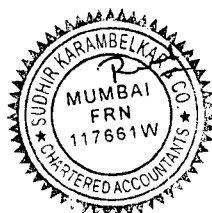
(i) Fixed Assets, depreciation and impairment:

Fixed assets are stated at historical cost of acquisition less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation on fixed assets is provided on the straight-line method over the useful lives of assets estimated by the Management. The Management estimates the useful lives for the other fixed assets as follows :

Assets	Useful lives
Plant and Machinery	15 Years
Factory Building	30 Years
Furniture and Fixtures	10 Years
Office Equipments	5 Years
Computer	3 Years

Impairment loss, if any, is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Carrying amount of assets are reviewed at each Balance Sheet date for any indication of impairment based on internal/external factors. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at end of its useful life. In assessing value in use, the present value is discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Net selling price is the amount obtainable from sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.



Ion Exchange Purified Drinking Water Private Limited

Notes to financial statements for the Year ended 31st March 2017 (contd.)

(ii) Inventories:

Inventories are valued at lower of Cost and Net Realisable Value.

Cost for raw materials and components are computed on a weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of finished goods includes cost of raw materials, cost of conversion, other cost including manufacturing overheads incurred in bringing the inventories to their present location / condition and excise duty. Cost is computed on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(iii) Accounting of CENVAT:

The company follows on a consistent basis, the "non-inclusive" method of accounting for CENVAT under Central Excise Act with regards to its inventories, purchases and consumption.

(iv) Retirement and Other Employee Benefits:

a) Retirement Benefits in the form of Provident Fund are defined contribution schemes and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable.

b) Gratuity Liability is defined benefit obligation and is provided on undiscounted basis as per the provision of Gratuity Act, 1972.

c) Short Term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered. Long term compensated absences are provided on undiscounted basis at the end of each financial year. The company presents these leave liability as current liability in balance sheet.

(v) 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.

Sales are accounted for exclusive of Excise duty and Sales tax. Sale of goods is recognized when the property and all significant risks and reward of ownership is transferred to the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from the sale of goods.

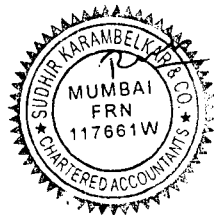
Income from Services:

Revenue from Service is recognized on completion of services. Service income is accounted net of service tax.

(vi) Taxation:

a) Provision for current taxation has been made in accordance with the Indian Income tax laws prevailing for the relevant assessment years.

b) 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.



Ion Exchange Purified Drinking Water Private Limited
Notes to financial statements for the Year ended 31st March 2017 (contd.)

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.

(vii) Provisions and Contingent Liabilities:

Provisions are recognized when the Company has a present obligation as a result of past event for which it is probable that an outflow of resources will be required and a reliable estimate can be made of the amount of obligation. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates (without discounting to its present value)

(viii) Earnings Per Share:

Basic earnings per share is 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.

(ix) Cash and cash equivalents:

Cash and Cash equivalents in the Cash Flow statement comprise Cash at Bank and in hand.

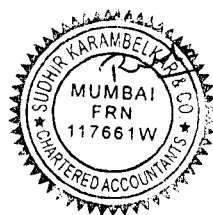
(x) Use of estimates:

The preparation of financial statements in conformity with Indian GAAP requires Management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates.

(xi) Specified Bank Note (SBN) :

The Company has the policy to provide the amount on imprest basis through banking channels to the designated personnel of the Company for the day to day requirements. Therefore the Company does not hold physical cash.

As a result, the requisite reporting requirements of disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 is not applicable to the Company.



Exchange Purified Drinking Water Private Limited
Notes to financial statements for the Year ended 31st March 2017 (contd.)
 (Currency: Indian Rupees)

3. Share Capital

	31st March 2017 Rupees	31st March 2016 Rupees
Authorised shares 10,000 (2015-2016: 10,000) Equity Shares of Rs.10/- each.	100,000	100,000
Issued, Subscribed and fully paid-up shares: 10,000 (2015-2016: 10,000) Equity Shares of Rs.10/- each.	100,000	100,000
	100,000	100,000

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	31st March 2017		31st March 2016	
	No. of shares	Rupees	No. of shares	Rupees
At the beginning of the period	10,000	100,000	-	-
Issued during the year (see note below)	-	-	10,000	100,000
Outstanding at the end of the period	10,000	100,000	10,000	100,000

(b) Terms / rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

	31st March 2017 Rupees	31st March 2016 Rupees
Ion Exchange (India) Ltd., the holding Company and its nominees 10,000 Equity Shares of Rs.10 each fully paid	100,000	100,000

(d) Details of Shareholders holding more than 5% shares in the company

	31st March 2017		31st March 2016	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity Shares of Rs.10/- each fully paid Ion Exchange (India) Ltd., the holding Company	10,000	100%	10,000	100%

As per records of the company, including its register of share holders/members and other declarations received from shareholders regarding beneficial interest, the above holding represents both legal & beneficial ownership of shares



Ion Exchange Purified Drinking Water Private Limited
Notes to financial statements for the Year ended 31st March 2017 (contd.)
(Currency: Indian Rupees)

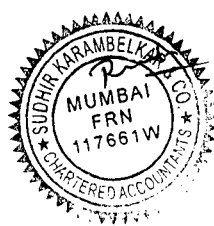
4. Reserves and surplus

	31st March 2017 Rupees	31st March 2016 Rupees
(Deficit) / Surplus in the statement of Profit and Loss		
Balance as per last financial statement	841,367	(884,753)
(Loss) / Profit for the Year	(2,281,728)	1,726,120
Net (Deficit) / Surplus in the statement of Profit and Loss	(1,440,361)	841,367
Total Reserves and Surplus	(1,440,361)	841,367

5. Long-term borrowings

	Non-current portion		Current maturities	
	31st March 2017 Rupees	31st March 2016 Rupees	31st March 2017 Rupees	31st March 2016 Rupees
Term Loans from Banks (Secured)				
Term Loan from Bank (Secured) (Refer note below)	22,172,469	41,177,349	19,004,880	19,004,880
Amount disclosed under the head			(19,004,880)	(19,004,880)
Other current Liabilities (refer note 9)				
	22,172,469	41,177,349	-	-

Note : Indian rupee loan taken from bank for a specific project carrying interest @11.50% p.a.The loan is repayable in equal installment within a period of 60 months from the date of first disbursement 22.05.2014, with a initial moratorium of 12 months.The loan is secured by charge on receivables, current assets and movable fixed assets.
It is also secured by corporate gurantee of Rs. 7,60,20,000 and lien marked fixed deposit of Rs. 50,00,000 placed with Yes bank by holding company Ion Exchange (India) Limited.



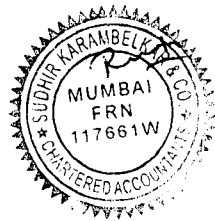
Ion Exchange Purified Drinking Water Private Limited
Notes to financial statements for the Year ended 31st March 2017 (contd.)
(Currency: Indian Rupees)

6. Deferred Tax Liability (net)

		31st March 2017		31st March 2016	
		Deferred Tax Liability	Deferred Tax Assets	Deferred Tax Liability	Deferred Tax Assets
Deferred Tax Liability (Ref Note 25)		-	657,519	346,001	-
		-	657,519	346,001	-
		-	657,519	346,001	-

7. Short Term Provisions

		Long-term		Short-term	
		31st March 2017	31st March 2016	31st March 2017	31st March 2016
		Rupees	Rupees	Rupees	Rupees
Provision for employees benefits - Compensated absences		-	-	29,455	45,933
		-	-	-	-
		-	-	29,455	45,933



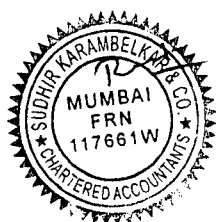
Ion Exchange Purified Drinking Water Private Limited
Notes to financial statements for the Year ended 31st March 2017 (contd.)
(Currency: Indian Rupees)

8. Short - Term Borrowings

	31st March 2017 Rupees	31st March 2016 Rupees
Loan from Holding Company (unsecured)	122,578,170	57,798,907
	<u>122,578,170</u>	<u>57,798,907</u>
The above amount includes Unsecured borrowings	<u>122,578,170</u>	<u>57,798,907</u>
	<u>122,578,170</u>	<u>57,798,907</u>

9. Other Current Liabilities

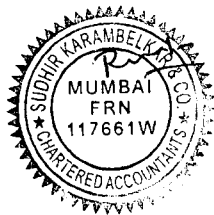
	31st March 2017 Rupees	31st March 2016 Rupees
9 (a) Trade payable	21,577,613	37,926,132
	<u>21,577,613</u>	<u>37,926,132</u>
9 (b) Other Current Liabilities		
Current maturities of long term borrowings	19,004,880	19,004,880
Employee Benefit Payable	172,349	150,718
Audit Fees Payable	30,000	37,500
Deposits	4,884,500	5,087,710
Interest Accrued but not due	412,667	598,290
Prov for MAT	-	396,262
Statutory dues payable (Service tax, Sales Tax, TDS)	1,686,122	1,074,586
	<u>26,190,518</u>	<u>26,349,946</u>
	<u>47,768,131</u>	<u>64,276,078</u>



Ion Exchange Purified Drinking Water Private Limited
Notes to financial statements for the Year ended 31st March 2017 (contd.)
(Currency: Indian Rupees)

10. Tangible Assets

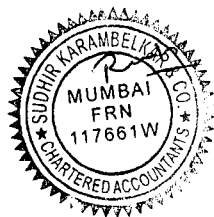
	Plant & Machinery	Furniture & Fixtures	Computers	Office Equipments	Factory Building	Rupees Total
Gross Block						
As at 1st April 2015		200,000	101,161	200,000	-	501,161
Addition during the year	65,176,630	28,000	71,643	91,713	43,349,323	108,717,310
Disposal during the year						
As at 31st March 2015	65,176,630	228,000	172,804	291,713	43,349,323	109,218,471
Gross Block						
As at 1st April 2016	65,176,630	228,000	172,804	291,713	43,349,323	109,218,471
Addition during the year	8,574,374	212,284		30,915		8,817,573
Disposal during the year						
As at 31st March 2017	73,751,004	440,284	172,804	322,628	43,349,323	118,036,044
Depreciation / Amortisation						
As at 1st April 2015						
Depreciation during the year	3,620,014	20,343	47,362	41,748	1,204,148	4,933,615
Deduction during the year						
As at 31st March 2016	3,620,014	20,343	47,362	41,748	1,204,148	4,933,615
As at 1st April 2016						
Depreciation during the year	3,620,014	20,343	47,362	41,748	1,204,148	4,933,615
Deduction during the year	4,350,991	38,414	65,517	71,434	1,444,977	5,971,334
As at 31st March 2017	7,971,005	58,758	112,879	113,182	2,649,125	10,904,949
Net Block						
As at 31st March 2016	61,556,616	207,657	125,442	249,965	42,145,176	104,284,856
As at 31st March 2017	65,779,999	381,526	59,925	209,446	40,700,199	107,131,095



Ion Exchange Purified Drinking Water Private Limited
Notes to financial statements for the Year ended 31st March 2017 (contd.)
(Currency: Indian Rupees)

11. Loans and Advances

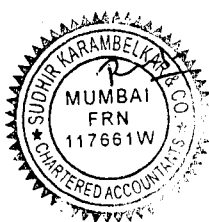
	Non-current		Current	
	31st March 2017 Rupees	31st March 2016 Rupees	31st March 2017 Rupees	31st March 2016 Rupees
Tender, Security and other Deposits				
Unsecured, considered good	568,550	500,400	-	-
Doubtful	-	-	-	-
	568,550	500,400	-	-
Less: Provision for doubtful deposits	-	-	-	-
(A)	568,550	500,400	-	-
Advance to suppliers				
Unsecured, considered good	-	-	3,450,508	46,824
Unsecured, considered good - related parties [refer note 27(I)]	-	-	-	-
Unsecured, considered doubtful	-	-	-	-
	-	-	3,450,508	46,824
Less: Provision for doubtful advances	-	-	-	-
(B)	-	-	3,450,508	46,824
Other Loans and advances (Unsecured, considered good unless otherwise stated)				
- Prepaid Expenses	-	-	5,116,342	4,305,104
- Claims Receivables	-	-	102,843	182,176
- Balances with Statutory Authorities	-	-	472,860	236,038
- Loans & Advance to Employees	-	-	105,000	14,265
- MAT Credit	-	-	384,720	384,720
- IT Deducted at Source	-	-	487,071	131,809
(C)	-	-	6,668,836	5,254,112
Total (A+B+C)	568,550	500,400	10,119,344	5,300,936



Ion Exchange Purified Drinking Water Private Limited
Notes to financial statements for the Year ended 31st March 2017 (contd.)
(Currency: Indian Rupees)

12. Trade Receivables

	Non-current		Current	
	31st March 2017 Rupees	31st March 2016 Rupees	31st March 2017 Rupees	31st March 2016 Rupees
Outstanding for a period exceeding six months from the date they are due for payment				
- Unsecured Considered good	-	-	18,086,033	3,122,475
- Doubtful	-	-	-	-
	-	-	18,086,033	3,122,475
Less: Provision for doubtful receivables	-	-	-	-
Total (A)	-	-	18,086,033	3,122,475
Other Receivable				
- Unsecured Considered good	-	-	37,097,824	41,023,177
- Doubtful	-	-	-	-
	-	-	37,097,824	41,023,177
Less: Provision for doubtful receivables	-	-	-	-
Total (B)	-	-	37,097,824	41,023,177
Total (A + B)	-	-	55,183,857	44,145,652



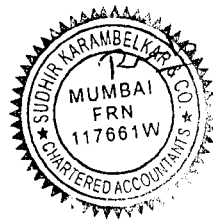
Ion Exchange Purified Drinking Water Private Limited
Notes to financial statements for the Year ended 31st March 2017 (contd.)
(Currency: Indian Rupees)

13. Inventories (valued at lower of cost and net realizable value)

	31st March 2017 Rupees	31st March 2016 Rupees
Raw materials	4,406,047	4,159,800
Finished Goods	6,954,905	3,535,574
Spares (Engineering Items)	547,203	-
	11,908,156	7,695,374

14. Cash and bank balances

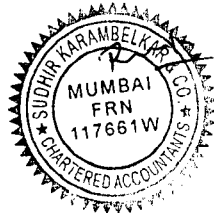
	Non-current		Current	
	31st March 2017 Rupees	31st March 2016 Rupees	31st March 2017 Rupees	31st March 2016 Rupees
Cash and Cash Equivalents				
Balances with banks:				
On current accounts	-	-	5,639,343	2,658,417
	-	-	5,639,343	2,658,417



Ion Exchange Purified Drinking Water Private Limited
Notes to financial statements for the Year ended 31st March 2017 (contd.)
(Currency: Indian Rupees)

15. Revenue from Operations

	31st March 2017 Rupees	31st March 2016 Rupees
Revenue from Operations		
Sale of Finished Goods Gross)		
Packaged Drinking Water	139,964,526	95,208,436
Less: Excise Duty	21,107,191	14,236,943
Sales of Finished Goods (Net)	118,857,335	80,971,493
Services Rendered		
CFA Services	14,330,096	10,002,407
Transportation	8,270,335	5,606,721
Revenue from Operations (Net)	22,600,431	15,609,128
Other Income		
Scrap Sale	474,072	



Ion Exchange Purified Drinking Water Private Limited
Notes to financial statements for the Year ended 31st March 2017 (contd.)
(Currency: Indian Rupees)

16. Cost of raw material consumed

	31st March 2017 Rupees	31st March 2016 Rupees
Inventory at the beginning of the year	4,159,800	
Add: Purchases	69,373,399	49,528,999
Less: Inventory at the end of the year	(4,406,047)	(4,159,800)
Cost of Raw Material consumed **	<u>69,127,152</u>	<u>45,369,199</u>

Details of Raw Materials Consumed

Preform	43,763,105	27,397,333
Caps	6,538,722	4,819,243
Labels	3,096,792	2,393,767
LDPE Shrink Wrap	11,926,157	7,449,208
Corrugated Box Carton	823,610	92,480
Others #	2,978,765	3,217,168
	<u>69,127,152</u>	<u>45,369,199</u>

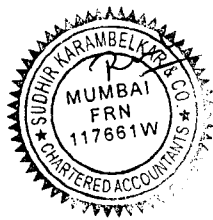
Inventory Details

Raw Materials

Preform	862,626	712,461
Caps	619,835	697,043
Labels	359,707	34,025
LDPE Shrink Wrap	2,011,706	1,753,207
Corrugated Box Carton	15,359	839,149
Others #	536,812	123,915
	<u>4,406,046</u>	<u>4,159,800</u>

** The value of raw materials consumed has been arrived at on basis of opening stocks plus purchases less closing stock. The consumption therefore included adjustments for materials sold, shortage/excess and obsolescence

It is not practicable to furnish information in view of the large number of items which differ in size and nature; each being less than 10% in value of the total



Ion Exchange Purified Drinking Water Private Limited
Notes to financial statements for the Year ended 31st March 2017 (contd.)
(Currency: Indian Rupees)

17. (Increase) in Inventories

	31st March 2017 Rupees	31st March 2016 Rupees
Inventories at the end of the year		
Finished Goods	6,954,905	3,535,574
	<u>6,954,905</u>	<u>3,535,574</u>
Inventories at the beginning of the year		
Finished Goods	3,535,574	-
	<u>3,535,574</u>	<u>-</u>
	<u>(3,419,331)</u>	<u>(3,535,574)</u>

18. Employee Benefits Expense

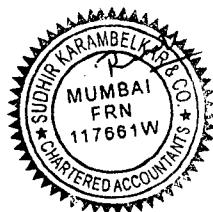
	31st March 2017 Rupees	31st March 2016 Rupees
Salaries, wages and bonus	639,970	662,800
Contribution to provident and other funds	33,433	14,223
Gratuity expenses	9,873	11,779
Employee Compensation Expense / (Income)	-	-
Staff welfare expenses	70,338	52,995
	<u>753,614</u>	<u>741,797</u>

19. Finance Costs

	31st March 2017 Rupees	31st March 2016 Rupees
Interest	17,864,449	10,545,251
Other borrowing costs	1,063,055	-
	<u>18,927,504</u>	<u>10,545,251</u>

20. Depreciation and amortization expense

	31st March 2017 Rupees	31st March 2016 Rupees
Depreciation of tangible assets	5,971,333	4,933,101
	<u>5,971,333</u>	<u>4,933,101</u>



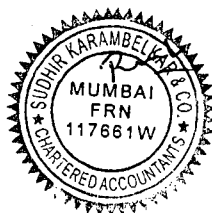
Ion Exchange Purified Drinking Water Private Limited
Notes to financial statements for the Year ended 31st March 2017 (contd.)
(Currency: Indian Rupees)

21. Other expenses

	31st March 2017	31st March 2016
	Rupees	Rupees
Stores and Spare Parts consumed	580,645	-
Power and fuel	18,221,617	11,659,594
Repairs and Maintenance - Plant and Machinery	163,995	38,747
Repairs and Maintenance - others	34,433	7,250
Rent	4,137,916	3,498,571
Rates and taxes	28,049	5,561
Insurance	69,729	69,195
Travelling and conveyance	75,575	118,426
Freight	8,184,315	6,023,347
CFA Charges	11,503,600	7,501,804
Legal and Professional charges	141,719	25,500
Telephone and telex	129,029	44,248
Auditors' remuneration	51,000	46,500
Bank charges	16,917	3,168
Service Charges	9,179,216	6,143,693
Licence & Registration	63,179	268,372
Security Charges	857,979	820,768
Establishment and other miscellaneous expenses	417,901	172,014
	53,856,814	36,446,758

Auditors Remuneration (excluding service tax)

As Auditor		
- Audit fees	22,500	22,500
- Tax audit fees	15,000	15,000
In other Capacity:		
- Other Services (Certification fees)	13,500	9,000
	51,000	46,500



Ion Exchange Purified Drinking Water Private Limited
Notes to financial statements for the Year ended 31st March 2017 (contd.)
(Currency: Indian Rupees)

22. Related Party Disclosure (As Identified by the Management)

Where control exists

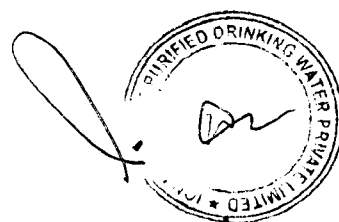
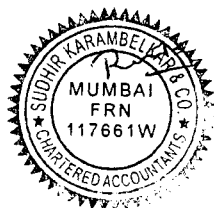
a) Holding Company	Ion Exchange (India) Limited
b) Key management Personnel	Mr. Dinesh Sadashivan Mr. N. M. Ranadive Mr. A. K. Bharati

Transactions during the year with Related Parties (Referred to in (a) above :

Nature of Transactions	2016-2017	Amount in Rs.	
		2015-2016	
Interest paid on Loans & Advances			
Ion Exchange (India) Limited	11,972,044	4,069,817	
Total	11,972,044	4,069,817	
Loans & Advances Received			
Ion Exchange (India) Limited	190,887,573	95,792,657	
Total	190,887,573	95,792,657	
Loans & Advances Repaid			
Ion Exchange (India) Limited	118,755,946	48,816,420	
Total	118,755,946	48,816,420	
Loans & Advances (Outstanding)			
Ion Exchange (India) Limited	122,578,170	57,798,907	
Total	122,578,170	57,798,907	
Outstanding Payables excluding Loans & Advances			
Ion Exchange (India) Limited	-	7,352,364	
Total	-	7,352,364	
Corporate Gurantee given by the holding company			
Ion Exchange (India) Limited	76,020,000	76,020,000	
Total	76,020,000	76,020,000	
Corporate Gurantee outstanding			
Ion Exchange (India) Limited	76,020,000	76,020,000	
Total	76,020,000	76,020,000	

23. In view of the loss as per the provision of IT Act, there is no current tax liability.,

24. Since the company operates only one segment i.e. manufacturing, selling and distribution of packaged drinking water to IRCTC, separate information for segment reporting is not given.



Ion Exchange Purified Drinking Water Private Limited
Notes to financial statements for the Year ended 31st March 2017 (contd.)
(Currency: Indian Rupees)

25. Deferred Tax Liability

	31st March 2017		31st March 2016	
	Rupees Deferred Tax (Liability)	Rupees Deferred Tax Assets	Rupees Deferred Tax (Liability)	Rupees Deferred Tax Assets
Difference between book and tax depreciation	8,749,792	-	6,921,306	-
Provision for Bonus and Gratuity	-	15,792	-	4,938
Carried forward business loss	-	286,561	-	286,561
Unabsorbed depreciation	-	9,101,616	-	6,277,121
Effect of Expenditure allowable for tax purpose	-	3,342	-	6,685
	8,749,792	9,407,311	6,921,306	6,575,305
NET		657,519	346,001	

26. EARNING PER SHARE

	31st March 2017	
	Rupees	Rupees
I Net Profit / (Loss) as per the statement of profit and loss available for equity shareholders for Basic EPS (in Rupees)	(2,281,728)	1,726,120
II Number of equity shares for earnings per share computation		
A) For basic earnings per share		
No. of equity share outstanding	10,000	10,000
B) For diluted earnings per share		
No. of equity share outstanding	10,000	10,000
III Earnings per share in Rupees		
Basic	(228.17)	172.61
Diluted	(228.17)	172.61

For Sudhir Karambelkar & Co.

Chartered Accountants

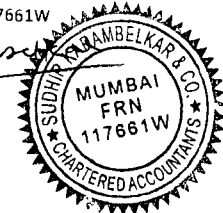
ICAI Firm registration No. : 117661W

R M Karambelkar

Rahul Karambelkar

Partner

Membership No. 114907



For and on behalf of the Board of Directors of
 Ion Exchange Purified Drinking Water Private Limited
 CIN No. : U41000MH2013PTC248560

Dinesh Sadashivan

Dinesh Sadashivan N. M. Ranadive
 Director Director
 DIN : 01688840 DIN : 00274887

Place : Mumbai
 Date : 23 May 2017

Place : Mumbai
 Date : 23 May 2017

