



# MOHAN NAGPURKAR & ASSOCIATES

CHARTERED ACCOUNTANTS

43/2153, Shant Sadan CHSL, Gandhi Nagar, Bandra (East), Mumbai - 400 051.  
M : 93240 89040 Tel.: 022-2645 7172 E-mail : casantoshchande@gmail.com

## Independent Auditor's Report

### To the Members Total Water Management Services (India) Limited

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Total Water Management Services (India) Limited ('the Company'), which comprise the balance sheet as at 31 March 2017 and the statement of profit and loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

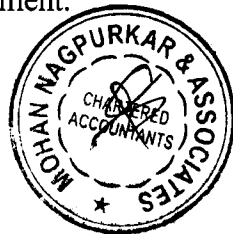
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position and financial performance 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 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.

#### 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 thereunder.

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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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.

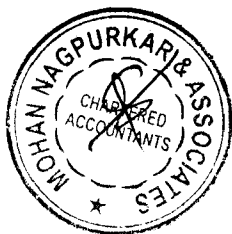
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **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, of the state of affairs of the Company as at 31 March 2017 and its profit for the year ended on that date.

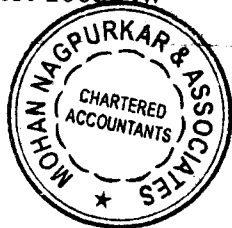
### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order 2016 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 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.
  - (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 and the statement of profit and loss dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone 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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
3. As required by notification No 308(E) (F No 17/62/2015-CL-V-(Vol .I)) dated 30.03.2017, we hereby report that the company had not transacted in Specified Bank Notes during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016

**For Mohan Nagpurkar & Associates**  
**Chartered Accountants**  
**Firm's registration number: 106524w**



**Santosh Chande**  
**Partner**  
**Membership number: 121365**

**Place: Mumbai**

**Date: 18.05.2017**

### **Annexure A 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 does not hold any immovable property in its name.
- (c) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, 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;
- (ii) The Company is a service company, primarily rendering consultancy services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- (iii) The Company has granted deposit to its holding company covered in the registered maintained under section 189 of the Companies Act, 2013 ('the Act').
  - (a) In our opinion, the rate of interest and other terms and conditions on which the deposit had been granted to the holding company listed in the registered maintained under section 189 of the Act, were not, prima facie, prejudicial to the interest of the company
  - (b) In the case of the deposit granted to the holding company listed in the registered maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
  - (c) There are no overdue amounts in respect of the deposit granted to holding company listed in the registered maintained under section 189 of the Act,
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and Investments made
- (v) The Company has not accepted any deposits from the public.
- (vi) The company is not required to maintain Cost records as prescribed by Central Govt. under Section 148(1) of Act.



- (vii) (a) 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 and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, value added tax, customs duty and excise duty which have not been deposited on account of any disputes.
- (viii) The Company does not have any loan or borrowings from financial institutions, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The company did not raise any money by way of public offer or further public offer (including debt instruments) & term loans during the year. Accordingly, paragraph 3(ix) of the order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to information and explanation given to us, the Company has not been paid or provided any Managerial Remuneration.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

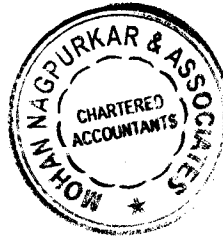


- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Mohan Nagpurkar & Associates.**

**Chartered Accountants**

**FRN: 106524w**



*Santosh K. Chande*

**Santosh K. Chande  
(Partner)**

**Membership No. : 121365**

**Place: Mumbai  
Date: 18.05.2017**

## **Annexure - B to the Independent Auditors' Report**

### **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 Formertron Engineering India Private Limited ("the Company") as of 31 March 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 ('ICAI'). 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 judgment, 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

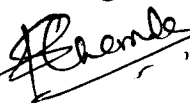
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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 31 March 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.

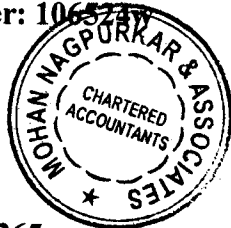
**For Mohan Nagpurkar & Associates**  
**Chartered Accountants**

Firm's registration number: 1065287



**Santosh Chande**  
**Partner**

Membership number: 121365



**Place: Mumbai**  
**Date: 18.05.2017**



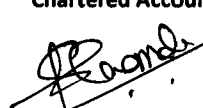
**TOTAL WATER MANAGEMENT SERVICES (INDIA) LTD**  
**Balance Sheet as at 31 st March, 2017**

		<u>31 st March 2017</u>	<u>31st March 2016</u>
		<u>Rupees</u>	<u>Rupees</u>
<b>Shareholders' funds</b>			
Share Capital	3	5,00,000	5,00,000
Reserves and Surplus	4	37,37,272	25,79,859
		<u>42,37,272</u>	<u>30,79,859</u>
<b>Non-current liabilities</b>			
Long-term Borrowings		Nil	Nil
Long-term provisions		Nil	Nil
<b>Current liabilities</b>			
Short-term Borrowings	5	2,12,354	2,57,309
Other Current Liabilities	6	6,79,669	4,01,437
		<u>8,92,023</u>	<u>6,58,746</u>
<b>Total Liabilities</b>		<u><u>51,29,295</u></u>	<u><u>37,38,605</u></u>

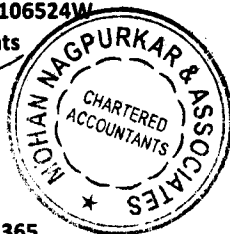
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible Assets	7	-	10,430
Non-current investments	8	20	20
Deferred tax Asset (Net)	9	2,91,936	2,90,276
Long-term loans and advances	12	5,76,872	1,00,647
		<u>8,68,828</u>	<u>4,01,373</u>
<b>Current assets</b>			
Trade Receivables	10	6,72,231	15,21,072
Cash and cash equivalents	11	7,88,547	16,85,841
Short-term loans and advances	12	27,99,690	1,30,320
		<u>42,60,467</u>	<u>33,37,233</u>
<b>Total Assets</b>		<u><u>51,29,295</u></u>	<u><u>37,38,605</u></u>

Summary of significant accounting policies 2.1  
The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For Mohan Nagpurkar & Associates  
Firm registration No.106524W  
Chartered Accountants

  
Santosh Chande  
Partner  
Membership No. 121365

Place : Mumbai  
Date : 18th May 2017

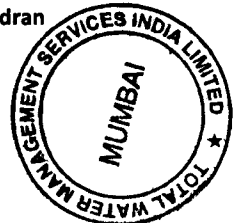


For Total Water Management Services (India)  
Ltd.

  
Dinesh Sadasivan  
Director

Place : Mumbai  
Date : 18th May 2017

  
N. Ramchandran  
Director

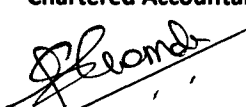


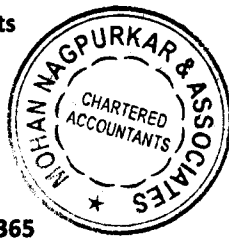
**TOTAL WATER MANAGEMENT SERVICES (INDIA) LTD**  
**Profit and Loss Account for the year ended 31 st March, 2017**

		<u>31 st March 2017</u> Rupees	<u>31st March 2016</u> Rupees
<b>Income</b>			
Revenue from operations (Gross)	13	26,72,890	37,41,780
Less: Excise Duty		Nil	Nil
Revenue from operations (Net)	13	<u>26,72,890</u>	<u>37,41,780</u>
Other income	14	60,514	Nil
<b>Total Revenue</b>		<u><u>27,33,404</u></u>	<u><u>37,41,780</u></u>
<b>Expenses</b>			
Employee Benefits Expense	15	6,44,174	6,62,845
Finance Costs		Nil	Nil
Depreciation and amortization		10,430	10,430
Other expenses	16	3,73,047	7,84,920
<b>Total expenses</b>		<u><u>10,27,651</u></u>	<u><u>14,58,195</u></u>
<b>Profit/(Loss) before tax</b>		<u>17,05,753</u>	<u>22,83,585</u>
<b>Tax Expense</b>			
Current Tax		5,50,000	5,00,000
Deferred Tax		(1,660)	(186)
<b>Total Tax Expense</b>		<u>5,48,340</u>	<u>4,99,814</u>
<b>Profit/(Loss) before tax from continuing operations</b>		<u><u>11,57,413</u></u>	<u><u>17,83,771</u></u>
<b>Earnings per equity share [nominal vaule of shares Rs.10/- (31st March, 2016 : Rs.10/-)]</b>	19		
Basic		23.15	35.68
Diluted		23.15	35.68

Summary of significant accounting policies 2.1  
The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For Mohan Nagpurkar & Associates  
Firm registration No.106524W  
Chartered Accountants

  
Santosh Chande  
Partner  
Membership No. 121365



Place : Mumbai  
Date : 18th May 2017

For Total Water Management Services (India) Ltd.

  
Dinesh Sadasivan  
Director

  
N. Ramchandran  
Director

Place : Mumbai  
Date : 18th May 2017



**TOTAL WATER MANAGEMENT SERVICES (INDIA) LTD**  
(Company Limited by Shares u/s 25 of the Companies Act,1956)

**Cash flow statement for the year ended 31st March 2017**

	31 st March 2017 Rupees	31st March 2016 Rupees
<b>Cash flow from operating activities :</b>		
Profit before tax from continuing operations	17,05,753	22,83,585
Depreciation/ amortization on continuing operation	10,430	10,430
(Profit)/Loss on Assets Sold/discarded (Net)	-	-
<b>Cash generated from Operating profit before working capital changes</b>	<b>17,16,183</b>	<b>22,94,015</b>
<b>Movements in working capital :</b>		
Increase/ (decrease) in other current liabilities	2,33,277	3,11,670
Decrease / (increase) in other current assets	1,660	186
Decrease / (increase) in trade receivables	8,48,841	(3,25,553)
Decrease / (increase) in short term loans and advances	(31,45,595)	(1,14,861)
<b>Cash generated from operations</b>	<b>(3,45,635)</b>	<b>21,65,458</b>
Taxes Paid	(5,51,660)	(5,00,186)
<b>Net cash generated from operating activities (A)</b>	<b>(8,97,295)</b>	<b>16,65,272</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	Nil	Nil
Proceeds from sale of Fixed Assets	Nil	Nil
<b>Net cash used in investing activities (B)</b>	<b>-</b>	<b>-</b>
<b>Cash flows from financing activities ( C )</b>		
Issue of Share Capital	-	-
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(8,97,295)</b>	<b>16,65,272</b>
Cash and cash equivalents at the beginning of the year	16,85,841	20,569
<b>Cash and cash equivalents at the end of the year</b>	<b>7,88,547</b>	<b>16,85,841</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	-	-
With banks- on current account	7,88,547	16,85,841
<b>Total cash and cash equivalents</b>	<b>7,88,547</b>	<b>16,85,841</b>

Summary of significant accounting policies

1

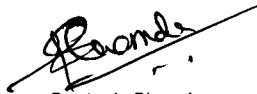
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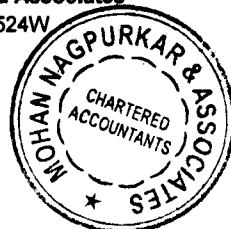
As per our report of even date

**For Mohan Nagpurkar & Associates**

Firm registration No.106524W

Chartered Accountants

  
Santosh Chande  
Partner  
Membership No. 121365



Place: Mumbai

Date : 18th May 2017

For and on behalf of the board of directors of  
**For Total Water Management Services (India)**

  
Dinesh Sadasivan  
Director

  
N. Ramchandran  
Director



**TOTAL WATER MANAGEMENT SERVICES (INDIA) LTD**  
Notes to financial statements for the year ended 31 st March 2017

	31 st Mar 2017 Rupees	31st Mar 2016 Rupees
<b>3. SHARE CAPITAL</b>		
<b>Authorised Shares</b>		
50,000 (2015-2016: 50,000) Equity Shares of Rs.10/- each.	5,00,000	5,00,000
<b>Issued, Subscribed and fully paid-up shares</b>		
50,000 (2015-2016: 50,000) Equity Shares of Rs.10/- each, fully paid up	5,00,000	5,00,000

	31 st March 2017		31st March 2016	
	No. of shares	Rupees	No. of shares	Rupees
<b>Equity shares</b>				
At the beginning of the period	50,000	5,00,000	50,000	5,00,000
Issued during the period – Bonus issue	Nil	Nil	Nil	Nil
Issued during the period – ESOP	Nil	Nil	Nil	Nil
<b>Outstanding at the end of the period</b>	<b>50,000</b>	<b>5,00,000</b>	<b>50,000</b>	<b>5,00,000</b>

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

	31 st Mar 2017 Rupees	31st Mar 2016 Rupees
<b>Ion Exchange (India) Ltd., the holding Company</b>		
49,993 (2015-2016: 49,993) Equity Shares of Rs.10/- each fully paid	4,99,930	4,99,930

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

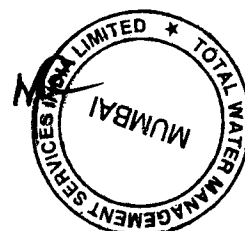
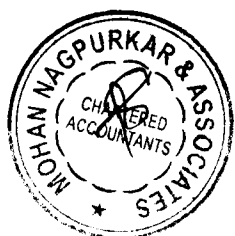
	31 st March 2017		31st March 2016	
	No. of shares	% holding in the class	No. of shares	% holding in the class
<b>Equity Shares of Rs.10/- each fully paid</b>				
Ion Exchange (India) Ltd., the holding company	4,99,930	99.99%	4,99,930	99.99%

**4. RESERVES AND SURPLUS**

	31 st Mar 2017 Rupees	31st Mar 2016 Rupees
<b>Surplus in the statement of Profit and Loss Account</b>		
Balance as per last financial statements	25,79,859	7,96,088
Profit for the year	11,57,413	17,83,771
<b>Net Surplus in the statement of Profit and Loss Account</b>	<b>37,37,272</b>	<b>25,79,859</b>
<b>Total Reserves and Surplus</b>	<b>37,37,272</b>	<b>25,79,859</b>

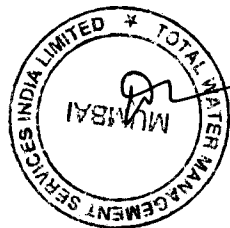
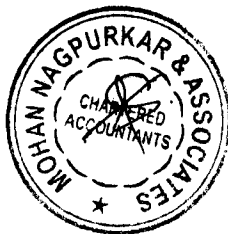
**5. SHORT TERM BORROWINGS**

	31 st Mar 2017 Rupees	31st Mar 2016 Rupees
<b>Loans and advances from related party repayable on demand (unsecured)</b>		
	2,12,354	2,57,309
	<b>2,12,354</b>	<b>2,57,309</b>
<b>The above amount includes</b>		
Unsecured borrowings	2,12,354	2,57,309



	31 st Mar 2017 Rupees	31st Mar 2016 Rupees
<b>6. OTHER CURRENT LIABILITIES</b>		
<b>Others</b>		
Provision for taxation (net of advance income-tax)	5,50,000	2,37,959
Professional Fee payable	29,648	14,448
Audit Fees payable	12,000	22,000
TDS Payable	88,021	1,27,030
	<b>6,79,669</b>	<b>4,01,437</b>

	(Amount in Rupees)			
	Plant and Machinery	Office Equipment	Furniture & Fixtures	Total
<b>7. TANGIBLE ASSETS</b>				
<b>Cost or valuation</b>				
At 1st April, 2015	35,266	3,63,130	43,797	4,42,193
Additions	Nil	31,290	Nil	31,290
Disposals	Nil	Nil	Nil	Nil
Other adjustments	Nil	Nil	Nil	Nil
At 31st March, 2016	<b>35,266</b>	<b>3,94,420</b>	<b>43,797</b>	<b>4,73,483</b>
Additions	Nil	Nil	Nil	Nil
Acquisitions through amalgamation	Nil	Nil	Nil	Nil
Disposals	Nil	Nil	Nil	Nil
Other adjustments	Nil	Nil	Nil	Nil
At 31 st March, 2017	<b>35,266</b>	<b>3,94,420</b>	<b>43,797</b>	<b>4,73,483</b>
<b>Depreciation</b>				
At 1st April, 2015	35,266	3,73,560	43,797	4,52,623
Charge for the year	Nil	10,430	Nil	10,430
Disposals	Nil	Nil	Nil	Nil
At 31st March, 2016	<b>35,266</b>	<b>3,83,990</b>	<b>43,797</b>	<b>4,63,053</b>
Charge for the year	Nil	10,430	Nil	10,430
Disposals	Nil	Nil	Nil	Nil
At 31 st March, 2017	<b>35,266</b>	<b>3,94,420</b>	<b>43,797</b>	<b>4,73,483</b>
<b>Impairment loss</b>				
At 1st April, 2014	Nil	Nil	Nil	Nil
At 31st March, 2015	Nil	Nil	Nil	Nil
Charge for the year	Nil	Nil	Nil	Nil
At 31st March, 2016	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Net Block</b>				
At 31st March, 2016	Nil	10,430	Nil	10,430
At 31 st March, 2017	Nil	-	Nil	-

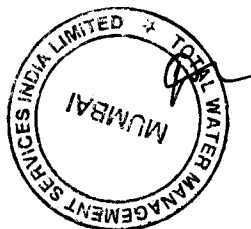
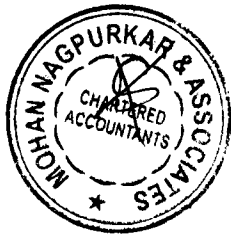


	31 st Mar 2017 Rupees	31st Mar 2016 Rupees
<b>8. NON CURRENT INVESTMENTS</b>		
Trade Investments (valued at cost unless stated otherwise)		
Unquoted Equity Instruments		
Investment in associates		
1 (2015-2016: 1) Equity Shares of Rs.10/- each fully paid up in Aqua Investments (India) Ltd.	10	10
1 (2015-2016: 1) Equity Shares of Rs.10/- each fully paid up in Watercare Investments (India) Ltd.	10	10
	<u>20</u>	<u>20</u>

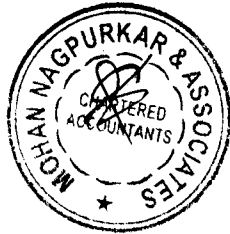
	31 st Mar 2017 Rupees	31st Mar 2016 Rupees
<b>9. DEFERRED TAX ASSET (NET)</b>		
Deferred tax liability	Nil	Nil
Deferred tax asset		
Fixed Assets : Difference Book & Tax Depreciation	5,740	4,080
Provision for doubtful debts	2,86,195	2,86,195
	<u>2,91,936</u>	<u>2,90,276</u>

	Non-current		Current	
	31 st Mar 2017 Rupees	31st Mar 2016 Rupees	31 st Mar 2017 Rupees	31st Mar 2016 Rupees
<b>10. TRADE RECEIVABLES AND OTHER ASSETS</b>				
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment				
Secured, considered good	Nil	Nil	Nil	Nil
Unsecured, considered good	Nil	Nil	5,37,681	6,13,022
Doubtful	9,26,199	9,26,199	Nil	Nil
	<u>9,26,199</u>	<u>9,26,199</u>	<u>5,37,681</u>	<u>6,13,022</u>
Provision for doubtful receivable	9,26,199	9,26,199	Nil	Nil
(A)	<u>Nil</u>	<u>Nil</u>	<u>5,37,681</u>	<u>6,13,022</u>
Other receivables				
Unsecured, considered good	Nil	Nil	1,34,550	9,08,050
Doubtful	Nil	Nil	Nil	Nil
	<u>Nil</u>	<u>Nil</u>	<u>1,34,550</u>	<u>9,08,050</u>
Provision for doubtful receivables	Nil	Nil	Nil	Nil
(B)	<u>Nil</u>	<u>Nil</u>	<u>1,34,550</u>	<u>9,08,050</u>
Total (A+B)	<u>Nil</u>	<u>Nil</u>	<u>6,72,231</u>	<u>15,21,072</u>

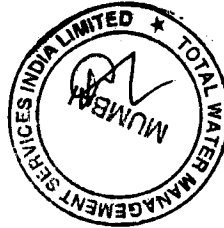
	Non-current		Current	
	31 st Mar 2017 Rupees	31st Mar 2016 Rupees	31 st Mar 2017 Rupees	31st Mar 2016 Rupees
<b>11. CASH &amp; BANK BALANCE</b>				
Balances with bank:				
On current accounts	Nil	Nil	7,88,547	16,85,841
	<u>Nil</u>	<u>Nil</u>	<u>7,88,547</u>	<u>16,85,841</u>



	Non-current		Current	
	31 st Mar 2017	31st Mar 2016	31 st Mar 2017	31st Mar 2016
	Rupees	Rupees	Rupees	Rupees
<b>12. LOANS &amp; ADVANCES</b>				
<b><u>Security &amp; Tender Deposits</u></b>				
Secured, considered good	Nil	Nil	20,000	20,000
Unsecured, considered good	Nil	Nil	Nil	Nil
Doubtful	Nil	Nil	Nil	Nil
	Nil	Nil	20,000	20,000
Provision for doubtful security deposit	Nil	Nil	Nil	Nil
(A)	Nil	Nil	20,000	20,000
<b><u>Advances to Suppliers</u></b>				
Unsecured, considered good			1,51,379	Nil
			1,51,379	-
Provision for doubtful advances	Nil	Nil	Nil	Nil
(B)	-	-	1,51,379	-
<b><u>Advances recoverable in cash or kind</u></b>				
Secured, considered good				
unutilised service tax credit	Nil	Nil	1,28,311	1,10,320
Unsecured, considered good	Nil	Nil	Nil	Nil
Doubtful	Nil	Nil	Nil	Nil
	Nil	Nil	1,28,311	1,10,320
Provision for doubtful advances	Nil	Nil	Nil	Nil
(C)	Nil	Nil	1,48,311	1,30,320
<b><u>Other loans and advances</u></b>				
Advance Income-tax (net of provision for taxation)	5,76,872	1,00,647	Nil	Nil
Inter Corporate Deposit	Nil	Nil	25,00,000	Nil
(D)	5,76,872	1,00,647	25,00,000	0
<b>Total (A+B+C+D)</b>	<b>5,76,872</b>	<b>1,00,647</b>	<b>27,99,690</b>	<b>1,30,320</b>



	31st Mar 2017 Rupees	31st Mar 2016 Rupees
<b>13. REVENUE FROM OPERATIONS</b>		
Revenue from operations		
Sales of Products	Nil	Nil
Sales of Services	26,72,890	36,91,400
Other operating revenue	Nil	50,380
<b>Revenue from operations (gross)</b>	<b>26,72,890</b>	<b>37,41,780</b>
Less : Excise duty	Nil	Nil
<b>Revenue from operations (net)</b>	<b>26,72,890</b>	<b>37,41,780</b>
<b>14. Other Income</b>		
Interest Income		
From Others	60,514	-
	<b>60,514</b>	<b>-</b>
<b>15. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, wages and Bonus	6,44,174	6,62,845
Staff Welfare	Nil	Nil
	<b>6,44,174</b>	<b>6,62,845</b>
<b>16. OTHER EXPENSES</b>		
Ananytical Testing Charges	1,293	76,125
Travelling and conveyance	2,40,224	6,24,067
Interest - Others	44,843	Nil
Bank Charges	223	950
Printing & Stationery	80	Nil
Telephone Expenses	750	Nil
Payment to auditor (Refer details below)	12,000	22,000
Professional Fees	33,165	16,236
Rates & Taxes	5,000	6,328
Data Processing Expenses	23,743	29,040
Bad Debts W/off	7,113	Nil
Miscellaneous expenes	4,614	10,174
	<b>3,73,047</b>	<b>7,84,920</b>
<b>Payment to Auditor</b>		
<b>As Auditor :</b>		
Audit Fee	12,000	22,000
Other Services (Certification fees)	3,000	-
	<b>15,000</b>	<b>22,000</b>





**Total Water Management Services (India) Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March 2017**

**1. Corporate Information**

Total Water Management Services (India) Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are neither listed in any stock exchanges in India nor outside India. The Company is engaged in the field of providing consultancy in the area of water management, treatment, recycling, pollution control, recovery of waste water, corrosion prevention, environment pollution abatement and control. Further, it is also providing engineering and other services related with provision, use, circulation, reuse of water and environment pollution abatement and control. The company caters to both domestic and international market.

**2. Basis of Preparation**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) & provision of companies act, 2013. The financial statements have been prepared under historical cost convention on accrual basis accounting on a going concern concept. Accounting policies are suitably disclosed as notes annexed to the Balance Sheet and Profit & Loss Account.

**2.1 Summary of significant accounting policies**

The Financial statements are prepared to comply in all material aspects with the applicable accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of "The Companies Act, 2013". The Significant Accounting Policies are as follows:-

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

**(a) Use of estimates:**

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting year.

**(b) Tangible fixed assets**

Fixed Assets are stated at cost of acquisition, including any cost attributable for bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment loss, if any..

**(c) Depreciation on tangible fixed assets**

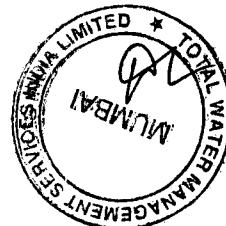
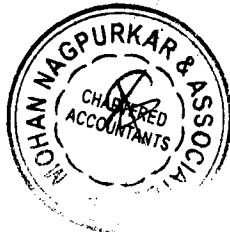
Depreciation on fixed assets is provided on the straight-line method over the useful lives of assets estimated by the Management.

**(d) Investments:**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost.

**(e) Foreign Currency Transactions:**

Transactions in foreign exchange are accounted for at the exchange rates prevailing on the date of transaction. Current Assets and Current liabilities are translated at the year-end rate. The difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of current assets and current liabilities at the end of the year is recognized as income or expense as the case may be.



**Total Water Management Services (India) Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March 2017**

**(f) 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.

**Income from Services:**

Revenue from Consultancy services are recognized pro-rata over the period of the contract as and when services are rendered.

**(g) 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.

**(h) 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.

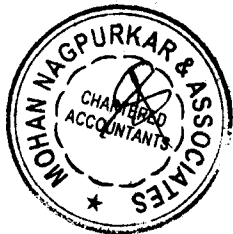
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**(j) Provision:**

Provisions are recognized when the company has legal and constructive obligation as a result of past event for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of obligation.

**(k) 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.



**Total Water Management Services (India) Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March 2017**

**17. Related Party Transactions**

<b>Where control exists</b>		
a)	<b>Holding Companies</b>	Ion Exchange (India) Limited
<b>Others</b>		
b)	<b>Key Management Personnel</b>	Mr. M. C. Dave – Director
		Mr. N. Ramchandran - Director
		Mr. Dinesh Sadasivan - Director

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

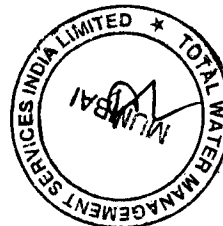
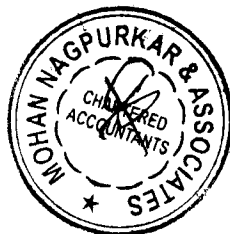
(Amount in Rs.)

Nature of transaction	Parties referred to in (a) above		Parties referred to in (b) above		Total	
	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
<b>Consultancy Services Rendered</b>						
Ion Exchange (India) Limited	18,75,600	12,50,916	Nil	Nil	18,75,600	12,50,916
<b>Total</b>	<b>18,75,600</b>	<b>12,50,916</b>	<b>Nil</b>	<b>Nil</b>	<b>18,75,600</b>	<b>12,50,916</b>
<b>Services Received *</b>						
Ion Exchange (India) Limited	8,86,521	12,70,299	Nil	Nil	8,86,521	12,70,299
<b>Total</b>	<b>8,86,521</b>	<b>12,70,299</b>	<b>Nil</b>	<b>Nil</b>	<b>8,86,521</b>	<b>12,70,299</b>
<b>Loans and Advances Taken</b>						
Ion Exchange (India) Limited	10,24,514	3,70,400	Nil	Nil	10,24,514	3,70,400
<b>Total</b>	<b>10,24,514</b>	<b>3,70,400</b>	<b>Nil</b>	<b>Nil</b>	<b>10,24,514</b>	<b>3,70,400</b>
<b>Loans and Advances Repaid</b>						
Ion Exchange (India) Limited	20,00,000	17,10,000	Nil	Nil	20,00,000	17,10,000
<b>Total</b>	<b>20,00,000</b>	<b>17,10,000</b>	<b>Nil</b>	<b>Nil</b>	<b>20,00,000</b>	<b>17,10,000</b>
<b>Inter Corporate Deposit Given</b>						
Ion Exchange (India) Limited	25,00,000	Nil	Nil	Nil	25,00,000	Nil
<b>Total</b>	<b>25,00,000</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>25,00,000</b>	<b>Nil</b>
<b>Interest on Inter Corporate Deposit</b>						
Ion Exchange (India) Limited	60,514	Nil	Nil	Nil	60,514	Nil
<b>Total</b>	<b>60,514</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>60,514</b>	<b>Nil</b>
<b>Inter Corporate Deposit Outstanding</b>						
Ion Exchange (India) Limited	25,00,000	Nil	Nil	Nil	25,00,000	Nil
<b>Total</b>	<b>25,00,000</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>25,00,000</b>	<b>Nil</b>
<b>Outstanding (Payables)/Receivables</b>						
Ion Exchange (India) Limited	1,54,742	(13,064)	Nil	Nil	1,54,742	(13,064)
<b>Total</b>	<b>1,54,742</b>	<b>(13,064)</b>	<b>Nil</b>	<b>Nil</b>	<b>1,54,742</b>	<b>(13,064)</b>

\*excludes taxes thereon as applicable

**18. Deferred Tax Liability (net)**

<b>Deferred Tax Liability</b>	<b>31<sup>st</sup> March 2017</b>	<b>31<sup>st</sup> March 2016</b>
Fixed Assets : Difference book & tax depreciation	Nil	Nil
<b>Gross deferred tax liability</b>	<b>Nil</b>	<b>Nil</b>
<b>Deferred Tax Assets</b>	<b>31<sup>st</sup> March 2017</b>	<b>31<sup>st</sup> March 2016</b>
Provision for doubtful debts	2,86,195	2,86,195
Fixed Assets : Difference book & tax depreciation	5,741	4,081
Business Loss Carried Forward	-	-
<b>Gross deferred tax assets</b>	<b>2,91,936</b>	<b>2,90,276</b>
<b>Net deferred tax Asset (net)</b>	<b>2,91,936</b>	<b>2,90,276</b>



**Total Water Management Services (India) Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March 2017**

**19. Earnings per Share (EPS)**

Particulars		31 <sup>st</sup> March 2017	31 <sup>st</sup> March 2016
I	Profit Computation for both Basic and Diluted Earnings per Share of Rs. 10 each Net Profit / (Loss) as per Profit and Loss Account available for Equity Shareholders (In Rupees)	11,57,413	17,83,771
II	Weighted average number of equity shares for Earnings per Share computation		
	A) For Basic Earnings per Share	50,000	50,000
	B) For Diluted Earnings per Share		
	No. of shares for Basic EPS as per IIA	50,000	50,000
	Add: Weighted Average outstanding employee stock options deemed to be issued for no consideration	Nil	Nil
	No. of Shares for Diluted Earnings per Share	50,000	50,000
III	Earnings per Share in Rupees (Weighted Average)		
	Basic	23.15	35.68
	Diluted	23.15	35.68


**20. Expenditure in Foreign Currency (accrual basis)**

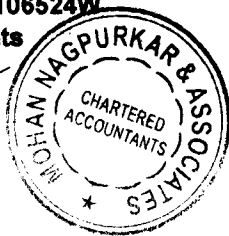
Particulars	31 <sup>st</sup> March 2017	31 <sup>st</sup> March 2016
Foreign Travels	Nil	Nil
	Nil	Nil

**21. Earning in Foreign Currency (accrual basis)**

Particulars	31 <sup>st</sup> March 2017	31 <sup>st</sup> March 2016
Consultancy Services	Nil	10,92,000
	Nil	10,92,000


As per our report of even date  
For Mohan Nagpurkar & Associates  
Firm registration No.106524W  
Chartered Accountants

  
CA Santosh Chande  
Partner  
Membership No. 121365



For Total Water Management Services (India) Ltd.

  
Dinesh Sadasivan  
Director

  
N. Ramachandran  
Director

Place : Mumbai  
Date : 18<sup>TH</sup> May 2017

Place : Mumbai  
Date : 18<sup>TH</sup> May 2017

