GMJ & Co
Chartered Accountants
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INDEPENDENT AUDITORS' REPORT

To
The Members of
ION EXCHANGE ENVIRO FARMS LIMITED

Report on Indian Accounting Standards ("Ind AS") Financial Statements

We have audited the accompanying Ind AS financial statements of ION EXCHANGE ENVIRO FARMS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as Ind AS Financial Statements)

Management's Responsibility for the IndAS 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 of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS 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 Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to

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fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS 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 Ind AS 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 Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 financial position of the Company as at 31st March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of matter

We draw attention to the following matters in Notes to the financial statements:

a) Note 35.1 regarding the appropriateness of the "Going Concern" basis used for the preparation of this accounts even through the net worth of the company has been completely eroded as at 31st March 2018 and the validity of the "going concern" basis would depend upon the continuance of the existing financial support by the holding company. The accounts do not include adjustment, if any, that may result from discontinuances of the funding by the holding company.

b) Note 35.2 regarding the fact that the Hon'ble Supreme Court of India has dismissed the company's appeal against the order of securities appellate tribunal for refunding monies to investors with return and for winding up of scheme. Further the company has submitted relevant details to SEBI and have initiated actions in line with the details submitted to SEBI which in December,2015 had asked the company to pre deposit amount due to farm owners and close the scheme. The company has submitted that it shall get discharge certificates from balance farm owners within a period of two years from March 2016. As SEBI refused to accede to Company's request, company has preferred a fresh appeal at Securities Appellate Tribunal(SAT) on 9th February 2017 Appeal No. (I)40 of 2017-citing practical difficulties in execution of the SEBI order for refund to all investors as investors have already received their lands/refunds as per the agreement. Appeal has been already admitted by SAT and the matter is pending before it.

c) Note 35.3 regarding maintenance expenses recoverable aggregating Rs. 2,68,59.558/- (net of provision) considered as fully recoverable by the management from future crop sales/ land sales. In view of this no provision is considered necessary by the management.
Our opinion is not modified in respect of these matters.

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 sub-section (11) of Section 143 of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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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 purpose of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   (c) The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and statement of changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with the relevant rules issued thereunder;

   (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, from being appointed as a director in terms of Section 164(2) of the Act;

   (f) With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"** ; and

   (g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS Financial Statements. Refer Note No. 35.2 to the Ind AS Financial Statements

      ii. The Company has made provision, as required under the applicable law or accounting standard, for material foreseeable losses if any, on long term contracts.

      iii. The company has no amount to be transferred to the Investor Education and Protection Fund by the Company.

For GMJ & Company
Chartered Accountants
FRN : 103429W

(CA Atul Jain)
Partner
M.No. 37097
Place: Mumbai
Date : 22nd May 2018

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ANNEXURE A

The Annexure referred to in paragraph 1 of the Independent Auditors' under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the members of ION EXCHANGE ENVIRO FARMS LIMITED on the Ind AS financial statements as of and for the year ended March 31, 2018

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

(i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Some of the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties are held in the name of the company.

(ii) According to the information and explanations given to us,
Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such physical verification during the year;

(iii) According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company;

(iv) According to information and explanations given to us, the Company has not granted any loans or made any investments, or provided any guarantee or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company;

(v) According to information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed there under to the extent notified;

(vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act'2013;

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities;

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, goods and service tax, value added tax which have not been deposited with the appropriate authorities on account of any dispute;

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(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in respect of dues to debenture holder during the year;

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year;

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management;

(xi) During the year, the company has not paid managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company;

(xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the Provision of Clause 3(xii) of the Order is not applicable to the Company;

(xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Ind AS Financial Statements etc., as required by the applicable accounting standards;

(xiv) During the year, the company has not made preferential allotment of shares as such clause 3(xiv) is not applicable to the company;

(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. Accordingly, paragraph 3(xv) of the Order is not applicable;

(xvi) The company is not required to be registered under Section 45-IA for the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For GMJ & Company
Chartered Accountants
FRN : 103429W

GMJ & CO. MUMBAI FRN No. 103429W CHARTERED ACCOUNTANTS

(CA Atul Jain)
Partner
M.No. 37097
Place: Mumbai
Date : 22nd May 2018

ANNEXURE B

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of ION EXCHANGE ENVIRO FARMS LIMITED ("the Company") as of 31st March, 2018 in conjunction with our audit of the Ind AS 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 Act.

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 deemed to be prescribed under section 143(10) of the Act, 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 ICAI. 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 auditors' judgment, including the assessment of the risks of material misstatement of the IndAS 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 Ind AS 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

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transactions and dispositions of the assets of the company; (2)provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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 Ind AS 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 31st March, 2018, 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 GMJ & Company
Chartered Accountants
FRN : 103429W

GMJ & CO. MUMBAI FRN No. 103429W CHARTERED ACCOUNTANTS

(CA Atul Jain)
Partner
M.No. 37097
Place: Mumbai
Date : 22nd May 2018

ION EXCHANGE ENVIRO FARMS LIMITED
BALANCE SHEET AS AT MARCH 31, 2018

(Amount in INR)

Particulars	Notes	March 31, 2018	March 31, 2017	April 1, 2016
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	4	12,244,285	12,952,878	13,535,414
(b) Financial Assets				
(i) Other Financial Assets	5	30,519,548	30,519,548	399,548
(c) Other Non-Current Assets	10	77,731,926	78,640,235	79,506,484
		120,495,759	122,112,660	93,441,445
Current assets				
(a) Inventories	6	748,719	755,345	755,345
(b) Financial Assets				
(i) Trade Receivables	7	86,660	206,660	206,610
(ii) Cash and Cash Equivalents	8	957,014	381,070	2,304,065
(c) Other Current Assets	10	709,946	2,029,223	254,857
		2,502,338	3,372,298	3,520,877
		2,502,338	**3,372,298**	**3,520,877**
TOTAL		**122,998,097**	125,484,959	96,962,323
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	11	6,947,000	6,947,000	6,947,000
(b) Other Equity	12	(276,060,991)	(238,081,107)	(208,978,985)
		(269,113,991)	(231,134,107)	(202,031,985)
Liabilities				
Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	150,000,000	150,000,000	150,000,000
(b) Provisions	17	858,016	783,204	701,278
(c) Other Non-Current Liabilities	16	5,788,226	5,788,226	5,788,226
		156,646,242	**156,571,430**	**156,489,504**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	217,885,088	186,170,042	133,908,658
(ii) Trade Payables	15			
Micro, Small and Medium Enterprises		-	-	-
Others		6,210,240	3,589,094	3,364,945
(iii) Other Financial Liabilities	14	6,661,191	6,121,191	2,121,191
(b) Other Current Liabilities	16	4,629,788	4,097,189	3,047,243
(c) Provisions	17	79,540	70,121	62,767
		235,465,847	200,047,637	142,504,804
		235,465,847	200,047,637	142,504,804
TOTAL		122,998,097	125,484,959	96,962,323
Significant accounting policies and notes forming part of the financial statements	1 to 35			

As per our report of even date
For GMJ & Co
Chartered Accountants
Firm No. 103429W

CA Atul Jain
Partner
M. No. 37097

GMJ & CO. MUMBAI FRN No. 103429W CHARTERED ACCOUNTANTS

Place : Mumbai
Dated : 22nd May 2018

For and on behalf of the Board of Directors

Rajesh Sharma
Director
DIN 00515486

P.M.Nawathe
Director
DIN 06582114

ION EXCHANGE ENVIRO FARMS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(Amount in INR)

Particulars	Notes	2017-18	2016-17
REVENUE			
Revenue from operations (net)	18	6,940,403	7,102,428
Other income	19	3,925,377	5,304,280
Total Revenue (I)		10,865,780	12,406,708
EXPENSES			
Cost of materials consumed	20	-	-
Purchases of stock-in-trade	21	4,728,760	5,063,481
Changes in inventories of finished goods, work-in-process and Stock-in-Trade	22	6,627	(0)
Employee benefits expense	23	1,086,271	960,791
Finance costs	24	34,291,105	29,146,876
Depreciation and amortization expense	25	615,014	610,086
Other expenses	26	8,122,027	5,721,691
Total Expenses (II)		**48,849,803**	41,502,925
(loss) before exceptional items and tax (I-II)		(37,984,023)	(29,096,217)
Exceptional Items		-	-
(loss) before tax		(37,984,023)	(29,096,217)
Tax expense:			
Current tax		-	-
Profit/(loss) for the period		(37,984,023)	(29,096,217)
OTHER COMPREHENSIVE INCOME			
Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:			
Remeasurement of gains (losses) on defined benefit plans		4,140	(5,901)
Other Comprehensive income for the year, net of tax		4,140	(5,901)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		(37,979,883)	(29,102,118)
Earnings per share attributable to equity shareholders	27		
Basic and Diluted		(54.68)	(41.88)
Significant accounting policies and notes forming part of the financial statements	1 to 35		

As per our report of even date
For GMJ & Co
Chartered Accountants
Firm No. 103429W

CA Atul Jain
Partner
M. No. 37097

GMJ & CO. MUMBAI FRN No. 103429W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Rajesh Sharma
Director
DIN 00515486

P.M.Nawathe
Director
DIN 06582114

Place : Mumbai
Dated : 22nd May 2018

ION EXCHANGE ENVIRO FARMS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

(Amount in INR)

Particulars	Notes	2017-18	2016-17
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit/(Loss) before Income tax from:			
Business operations		(37,984,023)	(29,096,217)
Profit before income tax including discontinued operations		(37,984,023)	(29,096,217)
Adjustments for:			
Depreciation and amortisation expense		615,014	610,086
Employee share-based payment expense		88,371	83384
Finance costs		34,291,105	29,146,876
Change in operating assets and liabilities:			
(Increase)/Decrease in trade receivables		120,000	(50)
(Increase)/Decrease in inventories		6,627	-
Increase/(decrease) in trade payables		2,621,146	224,149
(Increase) in other financial assets		-	(30,120,000)
(Increase)/decrease in other non-current assets		908,309	866,249
(Increase)/decrease in other current assets		1,319,277	(1,774,366)
Increase/(decrease) in Other Financial Liabilities		540,000	4,000,000
Increase in other current liabilities		532,600	1,049,946
Cash generated from operations		3,058,425	(25,009,943)
Less: Income taxes paid			
Net cash inflow from operating activities		3,058,425	(25,009,943)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payment for acquisition of subsidiary, net of cash acquired			
Payments for property, plant and equipment		93,578	(27,560)
Net cash outflow from investing activities		93,578	(27,560)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		31,715,046	52,261,384
Interest paid		(34,291,105)	(29,146,876)
Net cash inflow (outflow) from financing activities		(2,576,059)	23,114,508
Net increase (decrease) in cash and cash equivalents		575,944	(1,922,995)
Cash and Cash Equivalents at the beginning of the financial year		381,070	2,304,065
Cash and Cash Equivalents at end of the year		957,014	381,070
Reconciliation of cash and cash equivalents as per the cash flow statement:			
Cash and cash equivalents as per above comprise of the following:			
Cash and cash equivalents		31,076	32,183
Bank overdrafts		925,938	348,888
Balances per statement of cash flows		957,014	381,070
Significant accounting policies and notes forming part of the financial statements	1 to 35		

As per our report of even date
For GMJ & Co
Chartered Accountants
Firm No. 103429W

GMJ & CO. MUMBAI FRN No. 103429W CHARTERED ACCOUNTANTS

CA Atul Jain
Partner
M. No. 37097

Place : Mumbai
Dated : 22nd May 2018

For and on behalf of the Board of Directors

Rajesh Sharma
Director
DIN 00515486

P.M.Nawathe
Director
DIN 06582114

ION EXCHANGE ENVIRO FARMS LIMITED
STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2018

A Equity Share Capital

Particulars	Balance at the Beginning of the period	Changes in Equity share capital during the year	Balance at the end of the period
March 31, 2016			
Numbers	694,700	-	694,700
Amount	6,947,000	-	6,947,000
March 31, 2017			
Numbers	694,700	-	694,700
Amount	6,947,000	-	6,947,000

B **Other Equity**

	Reserves and Surplus	
Particulars	**Retained Earnings**	**Total**
As at April 1, 2016	**(208,978,985)**	**(208,978,985)**
Profit for the period	(29,096,217)	(29,096,217)
Other comprehensive income	(5,901)	(5,901)
Total comprehensive income for the year	(238,081,103)	(238,081,103)
As at March 31, 2017	**(238,081,103)**	**(238,081,103)**
Profit for the period	(37,984,023)	(37,984,023)
Other comprehensive income	4,140	4,140
Total comprehensive income for the year	(276,060,986)	(276,060,986)
As at March 31, 2018	**(276,060,986)**	**(276,060,986)**

GMJ & CO. MUMBAI FRN No. 103429W CHARTERED ACCOUNTANTS

ION EXCHANGE ENVIRO FARMS LTD. MUMBAI

ION EXCHANGE ENVIRO FARMS LIMITED

Notes to financial statements for the year ended 31/03/2018

1. **Significant Accounting Policies**

Overview of the Company

ION EXCHANGE ENVIRO FARMS LIMITED (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in the the business of (1) Developing, cultivating & maintaining large farms at various places in India mainly Maharashtra, Tamilnadu & Goa. (2) Contract farming for supply of Organic Certified produce for local as well as International market (3) Agri Inputs manufacturing & marketing.

2. **Basis of preparation**

Statement of compliance

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

These standalone financial statements are the first standalone financial statements prepared in accordance with Ind AS. For all periods upto and including the year ended March 31, 2017, the Company reported its Financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'IGAAP'). The Financial statements for the year ended 31st March 2017 and the opening Balance Sheet as at 1st April 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from IGAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in note 34.

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

a) Functional and presentation currency

The standalone financial statements are presented in Indian rupees, which is also the Company's functional currency. All amounts have been rounded off to the nearest INR, unless otherwise indicated.

b) Basis of measurement

The standalone financial statements have been prepared on a historical cost convention, except for the following:

- certain financial assets and liabilities that are measured at fair value; and
- net defined benefit (asset)/ liability that are measured at fair value of plan assets less present value of defined benefit obligations.

Use of estimates

The preparation of the standalone financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2018 are as follows:

a) Property, plant and equipment

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalised. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

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b) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

Measurement of fair values

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

The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

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

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

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

3. Summary of significant accounting policies

a) Property, plant and equipment and depreciation

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses directly related to acquisition/construction and installation of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation is provided on straight line basis based on life assigned to each asset in accordance with Schedule II of the Act or as per life estimated by the Management, whichever is lower, as stated below.

Assets	Useful lives
Building - Office buildings	60 years
- Other than Office buildings	30 years
Plant and machinery	15 years
Furniture and fixtures	10 years
Office equipments/ Computers	3 – 5 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

An item of property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the Statement of Profit and Loss.

The Company has elected to continue with the carrying value of all its property, plant and equipment as recognized in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

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b) Impairment

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 amounts 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.

c) Inventories

"Work-in-progress - Project Development" cost includes direct and other administrative expenses incurred in developing these projects.

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

Cost of Raw Material and Packing Material is determined at Weighted Average Cost.

Finished Goods – Contract Farming inventory comprises of trading inventory of the Company. Cost of Inputs comprises of material cost and cost of conversion

d) Project Development Expenses

All expenses, which are directly related to a project, are treated as "Development Expenses". Expenses incurred on incomplete stages of ongoing projects are carried forward in the Balance Sheet as "Work-in-progress - Project Development" under the head Inventories.

e) Financial instruments

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

A. Financial assets

(i) Initial recognition and measurement

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

The financial assets include debt instruments, equity investments, trade and other receivables, loans, cash and bank balances and derivative financial instruments.

(ii) Subsequent measurement

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

a) At amortised cost
A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) At fair value through other comprehensive income (FVTOCI), and
A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) At fair value through profit or loss (FVTPL).
A financial asset which is not classified in any of the above categories are measured at FVTPL.

(iii) Impairment of financial assets

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

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(iv) De-recognition

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

B. Financial liabilities

(i) Initial recognition and measurement

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

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

(ii) Subsequent measurement

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

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

g) Retirement and other employee benefits

(i) Retirement benefit in the form of provident fund managed by Government Authorities and Superannuation Fund are defined contribution scheme and the contribution is charged to the statement of profit and loss of the year when the contribution to the respective fund is due. There is no other obligation other than the contribution payable.

(ii) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit method made at the end of each financial year. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI

(v) 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 for based on actuarial valuation. The actuarial valuation is done as per Projected Unit Credit method made at the end of each financial year. The company presents the leave liability as non-current in the balance sheet, to the extent it has an unconditional right to defer its settlement for a period beyond 12 months, balance amount is presented as current.

h) 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 excluding sales tax, VAT & GST. 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 Projects is recognised on completion of identifiable stages thereof. Income from sale of inputs, intercrops, contract farming and produce marketing activities are recognised excluding sales tax, where applicable, when the property and all significant risks and rewards of ownership are transferred to the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from the sale of goods.

Interest:

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included in finance income in the statement of profit and loss.

i) Taxation

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

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(ii) Deferred Tax is recognised, 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 Asset is not recognised unless there are timing difference, the reversal of which, will result in sufficient income or there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

k) Provisions and contingent liabilities

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

l) 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.

n) Segment reporting policies

<u>Identification of segments</u>
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Director who makes strategic decisions.

<u>Inter-segment Transfers</u>
The Company accounts for inter-segment sales and transfers at cost plus appropriate margin.

<u>Allocation of common costs</u>
Common allocable costs are allocated to each segment according to the turnover of the respective segments.

<u>Unallocated costs</u>
The unallocated segment includes general corporate income and expense items which are not allocated to any business segment.

<u>Segment policies</u>
The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

The sales of Organic Agriculture goods and Inputs are in India and also, the assets of the Company are situated in India

a) The Company is engaged into two main business segments namely:
   Organic Agriculture goods and Organic Inputs
b) Segment Revenue, Results, Assets and Liabilites include the respective amounts indentifiable to each segment and amounts allocated on a reasonable basis.

o) Cash and cash equivalents:

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

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p) Leases:

<u>Where the company is the lessor</u>

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets given on operating leases by the company are included in fixed assets. Lease income is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

.q) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset till such time that it is required to complete and prepare the assets to get ready for its intended use. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

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4. PROPERTY, PLANT AND EQUIPMENT

(Amount in INR)

Particulars	Buildings	Plant and Equipments	Furniture and Fixtures	Office Equipments	Computer Hardwares	Total
GROSS CARRYING VALUE						
As at April 1, 2016	9,653,409	3,453,274	366,871	28,066	61340	13,562,960
Additions						-
Disposals						-
As at March 31, 2017	9,653,409	3,453,274	366,871	28,066	61,340	13,562,960
Additions						-
Disposals		(111,807)				(111,807)
As at March 31, 2018	**9,653,409**	**3,341,467**	**366,871**	**28,066**	**61,340**	**13,451,153**
ACCUMULATED DEPRECIATION/IMPAIRMENT						
s at April 1, 2016						
Depreciation for the year	263,942	283,950	39,111		12,751	599,754
Deductions\Adjustments during the period						-
As at March 31, 2017	263,942	283,950	39,111	-	12,751	599,754
Depreciation for the year	263,942	291,846	39,111		20,115	615,014
Deductions\Adjustments during the period		(7,896)				(7,896)
As at March 31, 2018	**527,884**	**567,899**	**78,222**	**-**	**32,866**	**1,206,871**
Net Carrying value as at March 31, 2018	9,125,525	2,773,568	288,649	28,066	28,474	12,244,285
Net Carrying value as at March 31, 2017	9,389,467	3,169,324	327,760	28,066	48,589	12,963,206
Net Carrying value as at April 1, 2016	9,653,409	3,453,274	366,871	28,066	61,340	13,562,960

Notes:

Property mortgage as security against borrowings by the company

Refer to Note 33 for information on property mortgage as security by the company

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8. CASH AND CASH EQUIVALENTS

(Amount in INR)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Balances with banks:			
- On current accounts	925,938	348,888	2,245,628
Cash on hand	31,076	32,183	58,438
	957,014	**381,070**	**2,304,065**

10. OTHER ASSETS

(Amount in INR)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Non Current			
Advances other than Capital advances			
Security Deposits for Land	23,887,894	23,887,894	24,126,736
Less: Provision for Security Deposit for land	(5,582,922)	(5,582,922)	(5,582,922)
	18,304,972	**18,304,972**	**18,543,814**
Advances for Re-purchase	31,931,392	32,031,392	32,055,103
Maintenance Expense Recoverable	38,284,558	39,022,691	39,691,499
Less: Provision for Maintenance Expense Recoverable	(11,425,000)	(11,425,000)	(11,425,000)
	26,859,558	**27,597,691**	**28,266,499**
Advances recoverable in cash or kind	2,306,556	2,376,732	2,311,620
Less: Provision for Advances recoverable in cash or kind	(1,670,552)	(1,670,552)	(1,670,552)
	636,004	**706,180**	**641,068**
Total	77,731,926	78,640,235	79,506,484
Current			
Others			
- Balances with Statutory, Government Authorities	697,706	567,013	242,940
- Other current assets	12,240	1,462,210	11,917
Total	**709,946**	**2,029,223**	**254,857**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

11. SHARE CAPITAL

i. Authorised Share Capital (Amount in INR)

	Equity Share	
	Number	Amount
At April 1, 2016	2,000,000	20,000,000
Increase/(decrease) during the year	-	-
At March 31, 2017	2,000,000	20,000,000
Increase/(decrease) during the year	-	-
At March 31, 2018	2,000,000	20,000,000

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

ii. Issued Capital

	Number	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2016	694,700	6,947,000
Issued during the period		
At March 31, 2017	694,700	6,947,000
Issued during the period		
At March 31, 2018	**694,700**	**6,947,000**

iii. Shares held by holding/ ultimate holding company and / or their subsidiaries / associates

Out of equity shares issued by the company, shares held by its holding company are as below:

	March 31, 2018	March 31, 2017
Ion Exchange (India) Limited Holding Company Equity shares	547,000	547,000

iv. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2018		As at March 31, 2017	
	Number	% holding	Number	% holding
Equity shares of INR 10 each fully paid Ion Exchange (India) Limited Holding Company	547,000	78.74%	547,000	78.74%

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12. OTHER EQUITY

Reserves and Surplus

(Amount in INR)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Retained Earnings	(276,060,991)	(238,081,107)	(208,978,985)
	(276,060,991)	(238,081,107)	(208,978,985)

13. BORROWINGS

(Amount in INR)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Non Current Borrowings			
Secured			
7%, 1500000 Secured RedeemableNon-convertible Debentures of Rs.100 each	150,000,000	150,000,000	150,000,000
Total	150,000,000	150,000,000	150,000,000
Current Borrowings			
secured			
Loans repayable on demand from Related Parties	217,885,088	186,170,042	133,908,658
Total	**217,885,088**	**186,170,042**	**133,908,658**

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Non Current Borrowings			
Secured			
Debentures	150,000,000	150,000,000	150,000,000
Gross Non Current Borrowings	**150,000,000**	**150,000,000**	**150,000,000**
Less: Current maturity			
Net Non Current Borrowings (as per Balance sheet)	150,000,000	150,000,000	150,000,000

Rollover of 7% Debenture has been made to Ion Exchange (India) Limited on 31st March 2017

Secured by way of First Charge on immovable property situated at Mumbai.

Redeemable on or before 31st March, 2024 and the Debentures shall have a call and put option after end of 6 months from the date of allotment).

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14. OTHER FINANCIAL LIABILITIES

(Amount in INR)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Current			
Financial Liabilities at amortised cost			
Interest Free Deposits	6,661,191	6,121,191	2,121,191
	6,661,191	**6,121,191**	**2,121,191**
Total	6,661,191	6,121,191	2,121,191

15. TRADE PAYABLES

(Amount in INR)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Current			
Trade Payables to Others	6,210,240	3,589,094	3,364,945
Total	6,210,240	3,589,094	3,364,945

16. OTHER LIABILITIES

(Amount in INR)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Non Current			
Advance from Customer (Projects)	5,788,226	5,788,226	5,788,226
Total	**5,788,226**	**5,788,226**	**5,788,226**
Current			
Advance received from Customers	1,743,034	1,643,034	1,057,034
Statutory Liabilities	2,886,754	2,454,155	1,990,209
Total	**4,629,788**	**4,097,189**	**3,047,243**

17. PROVISIONS

(Amount in INR)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Non Current			
Provision for employee benefits			
Gratuity (*Refer Note 28*)	427,769	376,236	316,938
Leave encashment	430,247	406,968	384,340
Total	858,016	783,204	701,278
Current			
Provision for employee benefits			
Gratuity	49,987	42,274	36,675
Leave encashment	29,553	27,847	26,092
Total	**79,540**	**70,121**	**62,767**

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18. REVENUE FROM OPERATIONS

(Amount in INR)

Particulars	2017-18	2016-17
Sale of products		
Traded goods- Sale of Organo world	6,940,403	7,102,428
	6,940,403	7,102,428

19. OTHER INCOME

(Amount in INR)

Particulars	2017-18	2016-17
Interest income on Others	1,795	1,380
Other Non Operating Income		-
Rent received	349,272	349,272
Miscellaneous Income	3,574,310	4,953,628
	3,925,377	5,304,280

20. COST OF MATERIALS CONSUMED

(Amount in INR)

Particulars	2017-18	2016-17
As at beginning of the year	15,923	15,923
Add: Purchases	-	
Less : As at end of the year	(15,923)	(15,923)
	-	-

21. PURCHASES OF STOCK-IN-TRADE

(Amount in INR)

Particulars	2017-18	2016-17
Enviro Reach, Dry fruits & Packing Material	4,728,760	5,063,481
	4,728,760	5,063,481

22. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Amount in INR)

Particulars	2017-18	2016-17
Inventories as at the beginning of the year		
Work - in - process	712,916	712,916
Finished goods	26,506	26,506
Total	739,422	739,422
Less : Inventories as at the end of the year		
Work - in - process	712,916	712,916
Finished goods	19,880	26,506
Total	732,796	739,422
Net decrease / (increase) in inventories	6,627	(0)

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23. EMPLOYEE BENEFITS EXPENSE

(Amount in INR)

Particulars	2017-18	2016-17
Salaries, wages and bonus	970,616	820,479
Contribution to provident and other funds	28,676	25,212
Staff welfare expenses	23,593	56,104
Gratuity Expense	63,386	58,996
	1,086,271	960,791

24. FINANCE COST

(Amount in INR)

Particulars	2017-18	2016-17
Interest expense on debts and borrowings	34,291,105	29,146,876
	34,291,105	29,146,876

25. DEPRECIATION AND AMORTISATION EXPENSE

(Amount in INR)

Particulars	2017-18	2016-17
Depreciation on tangible assets	615,014	610,086
	615,014	610,086

26. OTHER EXPENSES

(Amount in INR)

Particulars	2017-18	2016-17
Clearing,Forwarding,Labour and Packing Charges	201,925	60,163
Payments to auditors (Refer note below)	167,500	135,900
Bad Debts written off	120,000	-
Postage,Stamp & courier Charges	30	14,633
Legal and professional fees	3,769,250	2,197,173
Net loss on disposal of property, plant and equipment	8,832	-
Printing and Stationery	14,051	36,190
Rates and taxes	1,125,166	755,130
Project Maintenance Expenses	2,548,829	2,351,621
Service Charges	-	120,000
Telephone and internet expenses	8,613	2,882
Travelling & conveyance expenses	154,938	37,551
Bank charges	2,893	10,448
	8,122,027	5,721,691
Total	8,122,027	5,721,691

(a) Details of Payments to auditors

(Amount in INR)

	2017-18	2016-17
As auditor		
Audit Fee	100,000	100,000
Other services	67,500	35,900
	167,500	135,900

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27. EARNINGS PER SHARE

(Amount in INR)

Particulars	March 31, 2018	March 31, 2017
(a) Basic earnings per share		
From continuing operations attributable to the equity holders of the company	(54.68)	(41.88)
Total basic earnings per share attributable to the equity holders of the company	**(54.68)**	**(41.88)**
(b) Reconciliations of earnings used in calculating earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	(37,984,023)	(29,096,217)
	(37,984,023)	**(29,096,217)**
Weighted average number of equity shares used as the denominator in calculating dilluted earnings per share	694,700	694,700

The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

28. EMPLOYEE BENEFIT OBLIGATIONS

(Amount in INR)

	March 31, 2018			March 31, 2017		
	Current	Non Current	Total	Current	Non Current	Total
Leave obligations	29,553	430,247	459,800	27,847	406,968	434,815
Gratuity	49,987	427,769	477,756	42,274	376,236	418,510
Total Employee Benefit Obligation	79,540	858,016	937,556	70,121	783,204	853,325

(i) Leave Obligations
The leave obligations cover the company's liability for sick and earned leave.

The amount of the provision of INR 29553 (March 31, 2017: INR 27847) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

(ii) Post Employement obligations
a) Gratuity
The company provides for gratuity for employees in india as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows

	Present value of obligation	Fair value of plan assets	Impact of asset ceiling	Net amount
As at April 1, 2016	353,613			353,613
Current service cost	31,375			31,375
Interest expense/(income)	27,621			27,621
Total amount recognised in profit or loss	412,609	-	-	412,609
Remeasurements				
(Gain)/Loss from change in financial assumptions	18,731			18,731
Experience (gains)/losses	(12,830)			(12,830)
Total amount recognised in other comprehensive income	5,901	-	-	5,901
As at March 31, 2017	418,510	-	-	418,510
Current service cost	33,207			33,207
Interest expense/(income)	30,179			30,179
Total amount recognised in profit or loss	63,386	-	-	63,386
Remeasurements				
(Gain)/Loss from change in financial assumptions	(29,413)			(29,413)
Experience (gains)/losses	25,273			25,273
Total amount recognised in other comprehensive income	(4,140)	-	-	(4,140)
As at March 31, 2018	477,756	-		477,756

The significant actuarial assumptions were as follows:

	March 31, 2018	March 31, 2017	April 1, 2016
Discount rate	7.80%	7.29%	7.87%
Expected return on plan assets	NA	NA	NA
Salary growth rate	8%	8%	0.08
Life expectation for			
Male	58	58	58
Female	58	58	58

Sensitivity Analysis

(Amount in INR)

	March 31, 2018
Projected Benefit Obligation on Current Assumptions	477,756
Delta Effect of +1% Change in Rate of Discounting	(30,831)
Delta Effect of -1% Change in Rate of Discounting	33,181
Delta Effect of +1% Change in Rate of Salary Increase	29,354
Delta Effect of -1% Change in Rate of Salary Increase	(27,832)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined beenfit obligation as a result of reasonable changes in key assumptions occuring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

	March 31, 2018
1st Following Year	51,900
2nd Following Year	50,417
3rd Following Year	48,973
4th Following Year	47,564
5th Following Year	46,186
Sum of Years 6 To 10	324,722

(iii) Defined contribution plans
The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any contructive obligation. The expense recognised during the period towards defined contribution plan is included in "Employee benefit Expense".

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(Amount in INR)

29. RELATED PARTY TRANSACTIONS

Related party transaction has been identified by the management and relied on by auditors.

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Nature of Relationship	Country of Incorporation
Ion Exchange (India) Limited	Holding Company	India
Aquanomics Systems Pvt.Ltd.	Associates	India
Ion Exchange Projects and Engineering Ltd.	Associates	India
Ion Exchange Waterleau (I)Ltd.	Associates	India

(ii) Transactions with related parties

The following transactions occurred with related parties

Name	Nature of Relationship	Nature of Transaction	March 31, 2018	March 31, 2017
Ion Exchange (India) Limited	Holding Company	Sale of Finished Goods	7,126,224	7,027,921
		Interest (Gross)	34,291,105	29,146,876
		Loan Taken	40,124,274	65,711,749
		Loan Repaid	8,409,228	13,450,365
		Loan O/s	217,885,088	186,170,042

(iii) Loans to/from related parties

Nan	Nature of Relationship	Particulars	March 31, 2018	March 31, 2017
Loans from related parties				
Ion Exchange (India) Limited	Holding Company	Beginning of the year	186,170,042	133,908,658
		Loans received	5,833,169	36,564,873
		Loan repayments made	8,409,228	13,450,365
		Interest charged	34,291,105	29,146,876
		End of the year	217,885,088	186,170,042

(iv) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the yea end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables an payables. For the year ended March 21, 2018, the group has not recorded any impairment of receivables relating to amount owed by related parties . Th assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

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29 (a). SEGMENT REPORTING

For management purposes, the Company is organised into business units based on its products and services and has three reportable segments, as follows:

Agriculture Goods
Inputs
Unallocated

No operating segments have been agrregated to form the above reportable operating segment

The Audit Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.
Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Year ended March 31, 2018

Particulars	Agriculture Goods	Inputs	Unallocated	Total segments
Revenue				
External customers	6,940,403			6,940,403
Other Income	3,486,666	21,831	416,880	3,925,377
Total revenue	10,427,069	21,831	416,880	10,865,780
Segment Result	(929,793)	(104,796)	(2,658,330)	(3,692,919)
Interest Expense	-	-	(34,291,105)	(34,291,105)
Loss before Taxation	(929,793)	(104,796)	(36,949,435)	(37,984,024)
Total Assets	114,269,364	268,730	8,460,003	122,998,097
Total liabilities	18,318,575	611,204	380,129,310	399,059,089
Other Information				
Depreciation	472,764		142,250	615,014

Year ended March 31, 2017

Particulars	Agriculture Goods	Inputs	Unallocated	Total segments
Revenue				
External customers	7,102,428			7,102,428
Other Income	4,950,628		353,652	5,304,280
Total revenue	12,053,056	-	353,652	12,406,708
Segmet Result	1,649,480		(1,598,821)	50,659
Interest Expense	-	-	(29,146,876)	(29,146,876)
Loss before Taxation	1,649,480	-	(30,745,697)	(29,096,217)
Total assets	117,305,535	395,357	7,784,066	125,484,958
Total liabilities	17,150,396	633,035	345,782,635	363,566,067
Other disclosures				
Capital Expenditure			27,560	27,560
Depreciation	467,837		142,250	610,087

Inter-segment revenues are eliminated upon consolidated and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of detailed reconciliaitons presented further below.

Adjustments and eliminations

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property,plant and equipment, intangible assets and investment properties.
Revenue from one customer amounted to Rs. 63,62,700 (March 31, 2017: Rs. 61,92,000), arising from sales in the Segment Agriculture Goods.

29 (c). Lease Disclosure

Details of non-cancelable Lease Arrangement as Leaser

Particulars	Minimum Future Lease Rental			INR
	Due within 1 year	Due later than 1 year and not later than 5 years	Due after 5 years	Recognised During the Year
Office Premises	2,239,272	8,640,000	(-)	349,272
	(349,272)	-	(-)	349,272

Note: Figures shown in the brackets pertain to previous year
In respect of a lessee namely M/s Bakelite Hylam Limited,company's claim of increased rent has been challenged by the lessee and on 24/08/2016 the order has been granted to lessee to handover the premises. The company is entitled to recover the mesne profit from the Lessee.The Recovery is matter of sub judice. Considering the fact, it is not possible to disclose minimum future lease rental.

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30: FAIR VALUE MEASUREMENTS

i. Financial Instruments by Category

(Amount in INR)

Particulars	Carrying Amount			Fair Value		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
FINANCIAL ASSETS						
Amortised cost						
Trade Receivables	86,660	206,660	206,610	86,660	206,660	206,610
Cash and Cash Equivalents	957,014	381,070	2,304,065	957,014	381,070	2,304,065
Other Financial Assets	30,519,548	30,519,548	399,548	30,519,548	30,519,548	399,548
Total	31,563,221	31,107,278	2,910,223	31,563,221	31,107,278	2,910,223

FINANCIAL LIABILITIES						
Amortised cost						
Borrowings	367,885,088	336,170,042	283,908,658	367,885,088	336,170,042	283,908,658
Trade Payables	6,210,240	3,589,094	3,364,945	6,210,240	3,589,094	3,364,945
Other financial liabilities	6,661,191	6,121,191	2,121,191	6,661,191	6,121,191	2,121,191
Total	380,756,519	345,880,327	289,394,794	380,756,519	345,880,327	289,394,794

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. The Company has not disclosed the fair value of current financial instruments such as trade receivables, cash and cash equivalent, bank balances - others, loans, others, borrowings, trade payables and other financial liabilities because their carrying amounts are a reasonable approximation of fair value.

ii. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determing fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Assets and liabilities measured at fair value - recurring fair value measurement:

Particulars	March 31, 2018 Fair value measurement using			Total	March 31, 2017 Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Financial Assets								
Financial Investments at FVTPL								
Quoted equity shares	-			-	-			-
Total Assets	-	-	-	-	-	-	-	-

Particulars	March 31, 2016 Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Financial Assets				
Financial Investments at FVTPL				
Quoted equity shares	-	-	-	-
Total Assets	-	-	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the period

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares, contingent consideration and indemnification assets included in level 3.

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(Amount in INR)

31 FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:
- Credit risk;
- Liquidity risk

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

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.
The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board.

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

Trade receivables
Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. In respect of trade receivables, the company is not exposed to any significant credit risk exposure to any single counter party or any group of counterparties having similar characteristics. Based on historical information about customer default rates management consider the credit quality of trade receivable.

Cash and cash equivalents
The Company held cash and cash equivalents of INR 9.57 Lacs as at 31st March 2018 (as at 31st March 2017: INR 3.81 Lacs, as at 1st April 2016: INR 23.04 Lacs). The cash and cash equivalents are held with banks.

Other financial assets
Security Deposit for Land represents amounts paid by the Company for acquiring agricultural land, inclusive of stamp duty and registration charges, which are unsold as at 31st March 2018. The Company has conducted valuation of land and found the market value are higher than the original cost and hence the company has not made provision for the same.

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(ii) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has obtained fund and non-fund based working capital limits from various banks. The Company invests its surplus funds in bank fixed deposit.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Particulars		Contractual cash flows				
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
As at 31st March 2018						
Financial liabilities						
Long Term Borrowings	15,00,00,000	15,00,00,000	1,05,00,000	2,10,00,000	2,10,00,000	16,05,00,000
Short Term Borrowings	21,78,85,088	21,78,85,088	21,78,85,088	-		
Trade Payables	62,10,240	62,10,240	62,10,240	-		
Other financial liabilities	66,61,191	66,61,191	66,61,191			
	38,07,56,519	**38,07,56,519**	**24,12,56,519**	**2,10,00,000**	**2,10,00,000**	**16,05,00,000**
As at 31st March 2017						
Financial liabilities						
Long Term Borrowings	15,00,00,000	15,00,00,000	1,05,00,000	2,10,00,000	2,10,00,000	17,10,00,000
Short Term Borrowings	18,61,70,042	18,61,70,042	18,61,70,042	-	-	
Trade Payables	35,89,094	35,89,094	35,89,094	-	-	-
Other financial liabilities	61,21,191	61,21,191	61,21,191	-	-	-
	34,58,80,327	**34,58,80,327**	**20,63,80,327**	**2,10,00,000**	**2,10,00,000**	**17,10,00,000**
As at 1st April 2016						
Financial liabilities						
Long Term Borrowings	15,00,00,000	15,00,00,000	16,05,00,000	-	-	-
Short Term Borrowings	13,39,08,658	13,39,08,658	13,39,08,658	-	-	
Trade Payables	33,64,945	33,64,945	33,64,945	-	-	-
Other financial liabilities	21,21,191	21,21,191	21,21,191	-	-	-
	28,93,94,794	**28,93,94,794**	**29,98,94,794**	-	-	-

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises primarily from borrowings. The interest rate profile of the Company's interest-bearing financial instruments is as follows.

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Financial liabilities - measured at amortised cost			
Long term borrowings	15,00,00,000	15,00,00,000	15,00,00,000
Short term borrowings	21,78,85,088	18,61,70,042	13,39,08,658
	(36,78,85,088)	(33,61,70,042)	(28,39,08,658)

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	2017-18		2016-17	
	1% Increase	1% Decrease	1% Increase	1% Decrease
1% Movement	-	-	-	-

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

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(Amount in INR)

32. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

	March 31, 2018	March 31, 2017	April 1, 2016
Borrowings other than convertible preference shares	367,885,088	336,170,042	283,908,658
Trade payables	6,210,240	3,589,094	3,364,945
Other payables	17,079,205	16,006,606	10,956,660
Less: cash and cash equivalents	(957,014)	(381,070)	(2,304,065)
Net Debt	**390,217,519**	**355,384,671**	**295,926,198**
Equity	6,947,000	6,947,000	6,947,000
Other Equity	(276,060,991)	(238,081,107)	(208,978,985)
Total Capital	**(269,113,991)**	**(231,134,107)**	**(202,031,985)**
Capital and net debt	121,103,528	124,250,564	93,894,213
Gearing ratio	322	286	315

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(Amount in INR)

33 **33. ASSETS PLEDGED AS SECURITY**

The carrying amount of assets pledged as security for non current borrowings are:

	March 31, 2018	March 31, 2017	April 1, 2016
NON CURRENT ASSETS			
Buildings	9,125,525	9,389,467	9,653,409
First Charge The security is created on secured non-convertible debentures aggregating to Rs.15,00,00,000 by way of equitable mortgage of deposit of title deeds on the immovable property of company situated at 3rd Floor of Ion House admeasuring 15000 sq. ft together with 20% undivided interest in the said land on which the said building stands and land being plot no 1A plot no 3 of cadastral survey no 69(part) of lower parel division situated at Dr.E.Moses Road,Mahalaxmi ,Mumbai-400011			
Total non current assets pledge as security	9,125,525	9,389,467	9,653,409

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34. FIRST TIME ADOPTION OF IND AS

These are the company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Explanation of transition to Ind AS

In preparing the financial statement, the company has applied the below mentioned optional exemptions and mandatory exceptions.

Property, plant and equipment and Intangible assets exemption:

The company has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its property, plant and equipment, and intangible assets as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2016).

Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Corporation has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

i. Reconciliation of equity as at date of transition (April 1, 2016)

(Amount in INR)

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind-AS
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment		13,535,414		13,535,414
(b) Financial Assets				
(i) Other Financial Assets		399,548		399,548
(c) Other Non-Current Assets		79,506,484		79,506,484
		93,441,445	-	93,441,445
Current assets				
(a) Inventories		755,345		755,345
(b) Financial Assets				-
(i) Trade Receivables		206,610		206,610
(ii) Cash and Cash Equivalents		2,304,065		2,304,065
(c) Other Current Assets		254,857		254,857
		3,520,877	-	3,520,877
		3,520,877	-	3,520,877
TOTAL		96,962,323	-	96,962,323
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		6,947,000		6,947,000
(b) Other Equity		(208,978,985)		(208,978,985)
		(202,031,985)	-	(202,031,985)
Liabilities				
Non Current Liabilities				
(a) Financial Liabilities		150,000,000		150,000,000
(i) Other Financial Liabilities		701,278		701,278
(b) Other Non-Current Liabilities		5,788,226		5,788,226
		156,489,504	-	156,489,504
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		133,908,658		133,908,658
(ii) Trade Payables				-
Micro, Small and Medium Enterprises		-		-
Others		3,364,945		3,364,945
(iii) Other Financial Liabilities		2,121,191		2,121,191
(b) Other Current Liabilities		3,047,243		3,047,243
(c) Provisions		62,767		62,767
		142,504,804	-	142,504,804
			-	-
TOTAL		96,962,323	-	96,962,323

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ION EXCHANGE ENVIRO FARMS LTD. MUMBAI

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

ii. Reconciliation of equity as at March 31, 2017

(Amount in INR)

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind-AS
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment		12,952,878	-	12,952,878
(b) Financial Assets				
(i) Other Financial Assets		30,519,548	-	30,519,548
(c) Other Non-Current Assets		78,640,235	-	78,640,235
		122,112,660	-	122,112,660
Current assets				
(a) Inventories		755,345	-	755,345
(b) Financial Assets				
(i) Trade Receivables		206,660	-	206,660
(ii) Cash and Cash Equivalents		381,070	-	381,070
(c) Other Current Assets		2,029,223	-	2,029,223
		3,372,298	-	3,372,298
		125,484,959	-	125,484,959
TOTAL		247,597,619		247,597,619
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		6,947,000		6,947,000
(b) Other Equity		(238,081,107)		(238,081,107)
		(231,134,107)	-	(231,134,107)
Liabilities			-	-
Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		150,000,000	-	150,000,000
(b) Provisions		783,204	-	783,204
(c) Other Non-Current Liabilities		5,788,226	-	5,788,226
		156,571,430	-	156,571,430
Current Liabilities			-	
(a) Financial Liabilities				
(i) Borrowings		186,170,042	-	186,170,042
(ii) Trade Payables			-	
Micro, Small and Medium Enterprises		-	-	-
Others		3,589,094	-	3,589,094
(iii) Other Financial Liabilities		6,121,191		6,121,191
(b) Other Current Liabilities		4,097,189		4,097,189
(c) Provisions		70,121		70,121
		200,047,637	-	200,047,637
		200,047,637	-	200,047,637
TOTAL		125,484,959	-	125,484,959

iii. Reconciliation of total comprehensive income for the year ended March 31, 2017

(Amount in INR)

Particulars	Notes	IGAAP	Adjustments	IND AS Balance
CONTINUING OPERATIONS				
REVENUE				
Revenue from operations (net)		7,102,428	-	7,102,428
Other income		5,304,280	-	5,304,280
Total Revenue (I)		12,406,708		12,406,708
EXPENSES			-	
Purchases of stock-in-trade		5,063,481	-	5,063,481
Employee benefits expense	1	966,692	(5,901)	960,791
Finance costs		29,146,876	-	29,146,876
Depreciation and amortization expense		610,086		610,086
Other expenses		5,721,691	-	5,721,691
Total Expenses (II)		41,508,826	(5,901)	41,502,925
(loss) before exceptional items and tax from continuing operations (I-II)		(29,102,118)	5,901	(29,096,217)
Exceptional Items				
(loss) before tax from continuing operations		(29,102,118)	5,901	(29,096,217)
Tax expense:				
Current tax				
(loss) for the period from continuing operations		(29,102,118)	5,901	(29,096,217)
Profit/(loss) for the period		(29,102,118)	5,901	(29,096,217)

GMJ & CO. MUMBAI FRN No. 103429W CHARTERED ACCOUNTANTS

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

OTHER COMPREHENSIVE INCOME				
Other Comprehensive Income not to be reclassified to profit and loss in subsequent periods:				
Remeasurement of gains (losses) on defined benefit plans	1		(5,901)	(5,901)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		(29,102,118)	-	(29,102,118)

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

iv. Reconciliation of total equity as at March 31, 2017 and April 1, 2016 (Amount in INR)

Particulars	March 31, 2017	April 1, 2016
Total equity (shareholder's funds) as per previous GAAP	(231,134,107)	(202,031,985)
Adjustments:	-	-
Total adjustments	-	-
Total equity as per Ind AS	(231,134,107)	(202,031,985)

v. Reconciliation of total comprehensive income for the year ended March 31, 2016 (Amount in INR)

Particulars	Note	March 31, 2017
Profit after tax as per previous GAAP		(29,102,118)
Adjustments:		
Remeasurements of post-employment benefit obligations	1	5,901
Total adjustments		5,901
Profit after tax as per Ind AS		(29,096,217)
Other comprehensive income		(5,901)
Total comprehensive income as per Ind AS		(29,102,118)

Notes to first-time adoption:

In preparing the financial statement, the company has applied the below mentioned optional exemptions and mandatory exceptions.

1. Employee benefits:

Both under Indian GAAP and Ind-AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind-AS, re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

35 Notes to Accounts

35.1 **Net Worth**

The net worth of the Company has been eroded completely as at 31st March 2018. The Management has undertaken various cost reduction programs during the year and it expects better returns in the coming years from its organic farming activities, bio-pesticides and bio-fertilizers marketing. The Holding Company has assured financial support to the Company. It has provided funds aggregating Rs 36,78,85,088/- up to March 31, 2018 In view of these, the accounts of the Company have been prepared on a 'going concern' basis.

35.2 **Provisional registration by SEBI**

In response to the SEBI (Collective Investment Schemes) Regulations, 1999 (the "Guidelines"), notified by Securities and Exchange Board of India (SEBI) on 15th October 1999, the Company had applied for registration to SEBI on 14th December 1999. In response, SEBI had granted provisional registration to the Company on 13th February 2001, subject to certain conditions. The provisional registration was subsequently extended and expired on 13th February 2003.

The company applied to SEBI seeking exemptions from provisions of the regulations, because it was not able to comply with certain requirements of SEBI (CIS) Regulations, 1999 . The SEBI did not grant exemption and further vide letter dated 7th January, 2003 SEBI called upon the company to show cause why the provisional registration granted to it should not be revoked. After hearing the Company's submission, SEBI vide order dated 27th November, 2003 directed the company to wind up the scheme and refund the monies with returns to investors.

Against the aforesaid order the company filed an appeal before Securities Appellate Tribunal (SAT) which vide its order pronounced on 5th May, 2006 upheld that SEBI order in so far as it relates to refund the monies along with the return to the investors by the company and to wind up of the scheme.

IEEFL had filed appeal against the order of SAT in Hon'ble Supreme Court of India on 4th July, 2006. The Hon'ble Supreme Court of India had dismissed the company's appeal on 26th February, 2013. IEEFL in order to comply with SAT order dated 5th May 2006 has submitted a letter on 17th May 2013 to SEBI seeking its directions to comply with the SAT order.

Subsequent to this there was a meeting with SEBI Officials on 27th November 2013, wherein some additional details about compliance of the Scheme and financial results etc were called for which have been duly complied with vide letter dated 13th December, 2013. Pursuant to this, IEEFL has initiated actions in line with the aforesaid meetings with SEBI Officials & letters submitted to SEBI.

Subsequent to SEBI order of 30th December 2015, for closer of the CIS Scheme (which inter-alia included directions to refund Rs. 20.06 crores to investors,as per the earlier order of 27th November 2003), IEEFL was granted a personal hearing on 3rd February 2016 and additional information called for was submitted on 23rd March 2016IEEFL has requested permission to wind up thew scheme in terms of rule 73(1) to (9) of CIS Regulation as it has completed ass obligations towards the investors ,sale of land and development and maintain the lands thee after as per the agreements.

As SEBI refused to accede to IEEFL's request has preferred a fresh appeal at Securities Appellate Tribunal (SAT) on 9th February 2017 no (1) 40 Of 2017 –citing practical difficulties in execution of the SEBI order to refund to all investors as investors have already received their lands / refunds as per the agreements.

IEEFL's plea in SAT is for issuing suitable directions to SEBI for verifying the documentary proofs submitted by IEEFL for conveying of lands, refunds made and thereafter calling outstanding claims, if any ,and thereafter declaring wind up of the scheme in terms of the CIS Regulations. Appeal has been already admitted by SAT and the matter is pending before it.

35.3 Maintenance expenses recoverable represent expenses incurred on sites sold under the scheme, which are to be recovered from future income generated by sale of inter-crop and main crop. The recovery is dependant on farm activities. The Management expects that there will be sufficient future returns from crop/land sales to completely recover all these expenses.

No provision is considered necessary by the Management for the balance as at the year end of Rs.2,68,59,558 Previous Year - Rs. 2,75,97,691/-) as future returns from crop sales and Sale of land will be available to recover the same.

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35.4 **Security Deposit for Land**

Security Deposit for Land represents amounts paid by the Company for acquiring agricultural land, inclusive of stamp duty and registration charges, which are unsold as at 31st March 2018. The Company has conducted valuation of land and found the market value are higher than the original cost and hence the company has not made provision for the same.

35.5 **Advances for Repurchases**

Advances for repurchase represents amounts paid to investors for purchase of sites sold to them in earlier years, at prices announced by the Company from time to time. These amounts are paid to investors on their execution of an irrevocable Power of Attorney in favour of the Company's nominees for sale thereof at future date.

35.6 **Debenture**

The Company has issued 15,00,000 7% p.a secured redeemable non convertible Debentures of Rs. 100 each to its holding company Ion Exchange (India) Limited on 31st March 2010. On 31st March 2017, the Debenture has been rollover and the company shall redeem the debentures on or before 31st March, 2024.The Debentures shall have a call and put option after end of six months from the date of rollover. The debentures are secured by way of first charge on immovable property situated at 3rd Floor, Ion House, Dr. E. Moses Road, Mahalaxmi, Mumbai – 400 011.

35.7 The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprise development Act 2006 and hence no disclosure required under the said Act can be made.

35.8 In the opinion of the board, there are no amount outstanding and due for more than 30 days in excess of Rs One Lacs to Small Scale undertaking as stipulated by notification issued on 22 February 1999 in the Gazette of India (GSR No 129(E) dated 22 February 1999) issued by the department of Company Affair, Ministry of Law Justice & Company affair, Government of India.

35.9 Previous years figures have been regrouped/ rearranged, wherever necessary.

As per our report of even date
For GMJ & Co
Chartered Accountants
Firm No. 103429W

GMJ & CO. MUMBAI FRN No. 103429W CHARTERED ACCOUNTANTS

CA Atul Jain
Partner
M. No. 37097

Place : Mumbai
Dated : 22nd May 2018

For and on behalf of the Board of Directors

Rajesh Sharma
Director
DIN 00515486

P.M.Nawathe
Director
DIN 06582114