Sharda Cropchem Limited

Tel. : +91 22 66782800
FAX : +91 22 66782828 / 66782808
E-mail : shardain@vsnl.com
Regd. Office : Prime Business Park, Dashrathlal Joshi Road, Vile Parle (W),
Mumbai - 400056, India.
www.shardacropchem.com

ISO 9001: 2008 Reg. No: 690257
CIN: L51909MH2004PLC145007

September 25, 2017

To,
National Stock Exchange of India Ltd
Listing Department
Exchange Plaza,
Bandra Kurla Complex
Mumbai - 400 051

Name of the Scrip: Sharda Cropchem Limited

Scrip Code: SHARDACROP/EQ

Dear Sir,

Sub: Annual Report for the Financial Year Ended March 31, 2017

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Annual Report of the Company for the Financial Year Ended March 31, 2017.

We request you to please take the same on record.

Thanking you,

Yours truly,

For SHARDA CROPCHEM LIMITED

Sharda Cropchem Limited MUMBAI 400 056

JETKIN GUDHKA
COMPLIANCE OFFICER

Sharda Cropchem Limited

SAFE.
HEALTHY.
RESPONSIBLE.



Annual Report
2016-17

CONTENTS

SAFE. HEALTY. RESPONSIBLE.	01
AT A GLANCE	02
CORPORATE INFORMATION	04
OUR FINANCIAL SCOREBOARD	05
MESSAGE BY CHAIRMAN AND MANAGING DIRECTOR	06
OUR ASSET-LIGHT BUSINESS MODEL THAT DELIVERS SUPERIOR PERFORMANCE	09
CREATING VALUE FROM OUR DIVERSIFIED PRESENCE ACROSS MULTIPLE MARKETS	11
BUILDING A STRONG IPR PORTFOLIO FOR FOOD SECURITY ACROSS THE WORLD	12
DELIVERING SOLID ROCE & STRENGTH FOR GROWTH	14
BOARD OF DIRECTORS	16
MANAGEMENT DISCUSSION AND ANALYSIS	19
NOTICE	26
DIRECTORS' REPORT	30
CORPORATE GOVERNANCE REPORT	60
BUSINESS RESPONSIBILTY REPORT	74
STANDALONE FINANCIAL STATEMENT	80
CONSOLIDATED FINANCIAL STATEMENT	134



SAFE. HEALTHY. RESPONSIBLE.

Sharda Cropchem Limited is a generics agrochemical company, pursuing a differentiated asset-light business model, with an established track record of securing registrations in the toughest, most advanced global markets. We are in the business of helping both farmers and economies worldwide, to attain food security in terms safety, health and yields.

With our decades old sectoral experience, we are continuously adapting to new challenges and opportunities in the market. In particular, we have focused on widening our presence, underpinned by our efforts on product registration, that are conducive to countering geographic risks and improving our growth impetus.

With a stable and growing global demand for agricultural products, we are well positioned to ride on multiple growth drivers. These include the rising wallet share in existing established products; permeating a larger geographical presence; a regular slew of new launches; and our growing and focused in-house sales teams.

The robust growth in registration statistics in stringent regulation geographies, coupled with our strong sourcing capabilities, reinforces our execution credentials.

BY BEING SUCCESSFUL THROUGH A BRANDED PLAY WITHIN **"DIFFICULT TO ENTER"** AND HIGHLY REGULATED MARKETS, WE ARE CONSISTENTLY GARNERING SUPERIOR MARGINS. THIS MAKES OUR IPR HEAVY AND ASSET-LIGHT BUSINESS MODEL FOR DELIVERING SHAREHOLDER VALUE HIGHLY SUSTAINABLE.

AT A GLANCE



AT SHARDA CROPCHEM LIMITED, WE ARE ENGAGED IN THE MARKETING AND DISTRIBUTION OF A WIDE RANGE OF FORMULATIONS AND GENERIC ACTIVE INGREDIENTS, GLOBALLY. WE ARE AN INTELLECTUAL PROPERTY (IP) DRIVEN COMPANY, WITH STRONG COMPETENCIES IN IDENTIFYING OPPORTUNITIES IN GENERIC MOLECULES AND CORRESPONDING FORMULATIONS, GENERIC ACTIVE INGREDIENTS, PREPARING DOSSIERS, AND SEEKING REGISTRATIONS IN RELEVANT JURISDICTIONS.



We carry out marketing through third party distributors, who are managed directly through our own in-house sales team. We outsource all our manufacturing of active ingredients and formulations from reputable global contract manufacturers, which allows us to enjoy an asset-light and flexible operating model, resulting in overall cost competitiveness. This approach permits us to spend most of our intellectual bandwidth in focusing on deepening our product portfolio and widening our geographic access.

Our portfolio of formulations and active ingredients spans across the fungicides, herbicides and insecticide segments.

2,174
Total Registrations

845
Registrations in Pipeline

14.5%
Revenue Growth, FY 17

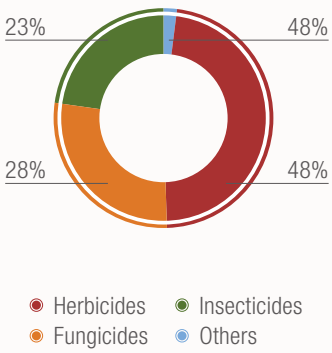
8.7%
PAT Growth, FY 17

16.4%
Growth in Agro-Chemical Business, FY 17

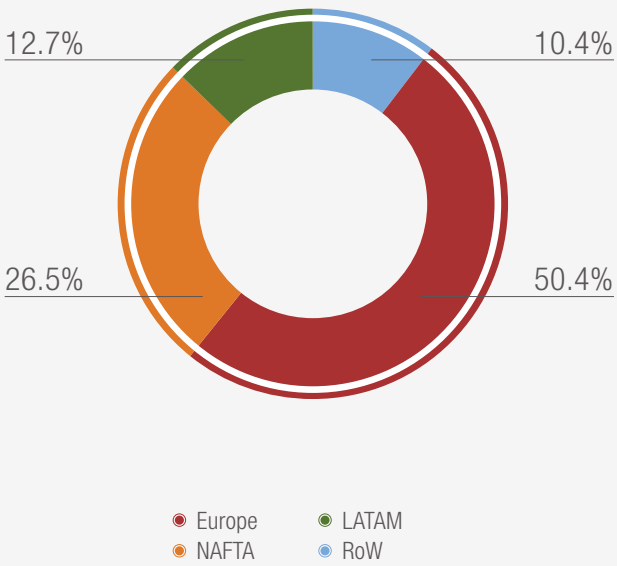
16.8%
Growth in Volumes, FY 17

52.5%
Revenue Contribution from Top 10 Molecules, FY 17

Revenue Breakup: Product Type



Region-wise Revenues in FY 17



CORPORATE INFORMATION

Board of Directors:

Ramprakash V. Bubna
Chairman & Managing Director

Sharda R. Bubna
Whole-time Director

Ashish R. Bubna
Whole-time Director

Manish R. Bubna
Whole-time Director

M. S. Sundara Rajan
Independent Director

Urvashi Saxena
Independent Director

Shitin Desai
Independent Director

Shobhan Thakore
Independent Director

P. R. Srinivasan
Independent Director

Key Managerial Personnel:

Conrad Fernandes
Chief Financial Officer

Jetkin N. Gudhka
Company Secretary & Compliance Officer

Corporate Identity Number (CIN):

L51909MH2004PLC145007

Registered Office:

Domnic Holm,
29th Road, Bandra (West)
Mumbai – 400 050
Tel. No.: 91 22 6678 2800
Fax No.: 91 22 6678 2828
Email address: co.sec@shardaintl.com
Website: www.shardacropchem.com

Auditors:

S R B C & Co LLP

Registrar and Transfer Agent:

Karvy Computershare Pvt. Ltd
Karvy Selenium Tower B,
6th Floor, Plot No 31 & 32
Financial District,
Nanakramguda, Serilingampally Mandal
Hyderabad – 500 032
Tel. No.: 91 040 6716 1606
Fax No.: 91 040 2311 4087

Banker:

Union Bank of India

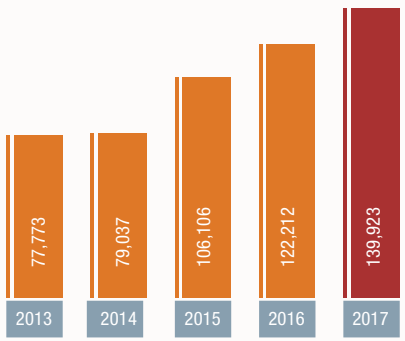
OUR FINANCIAL SCOREBOARD

16%
Revenues
5 Year CAGR

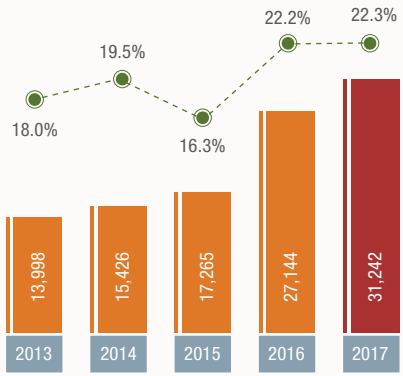
22%
EBITDA
5 Year CAGR

23%
PAT
5 Year CAGR

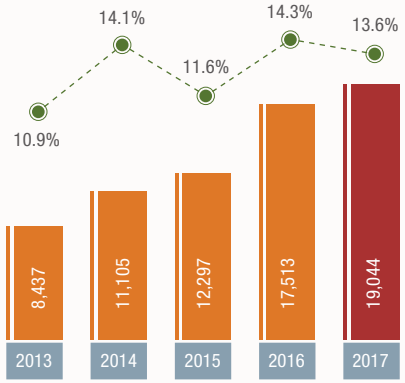
Revenues *(₹ Lakhs)*



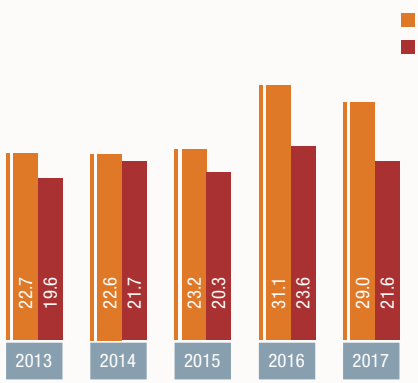
EBITDA and EBITDA Margin *(%)* *(₹ Lakhs)*



PAT and PAT Margin *(%)* *(₹ Lakhs)*



ROCE and ROE *(%)*



MESSAGE BY CHAIRMAN AND MANAGING DIRECTOR

Dear Shareholders

I am pleased to present our annual report for the fiscal 2016-17. It was a year of sustained growth and resilience. Our resilience was derived from the ability to identify opportunities, attaining product registration, investing in enduring relationships and prudent finance management - across geographies and industry cycles.

The result is reflected in our financial performance. The total revenue of Sharda Cropchem for FY 2017 increased by 14.5% from ₹ 12,221 mn in FY 2016 to ₹ 13,992 mn. EBITDA (excluding other income) grew by 15.1% from ₹ 2,714 mn in FY 2016 to ₹ 3,124 mn in FY 2017, in line with the higher revenues. Net profit after tax and minority interest grew by 8.7% to ₹ 1,904 mn. Our EBITDA margin and PAT margin stood at 22.3% and 13.6% in FY 2017. Our balance sheet remains debt free with net cash of ₹ 1,684 mn as on March 31, 2017.

During the year, the agrochemical division saw a volume growth of 16.8%, which translated into a revenue growth of 16.4% at ₹ 11,988 mn. The revenue of the business were driven primarily by the contribution of European Union region, which constitutes 50.4% of the agrochemical revenues, followed by NAFTA region with 26.5%, LATAM with 12.7% and rest of the world with 10.4% contribution.



R. V. Bubna
Chairman & Managing Director

The revenues from non-agro division, which constitutes 14.3% of the revenues, grew by 4.4% from ₹ 1,921 mn in the previous year to ₹ 2,004 mn in FY 2017.

OUR COMPETENCY

Our performance was a result of our competency in identifying opportunities in generic molecules, formulations, preparing dossiers and seeking registrations in the relevant jurisdictions. We have showcased our capability by securing registration in the toughest markets such as Europe. Sharda Cropchem has secured 1,041 registrations in Europe, out of its 2,174 total registration across geographies.

Our asset light business model helps us pay unfettered attention on product registrations and outsourcing manufacturing. As a result, our library of dossiers and the number of registrations have been increasing progressively. During FY 2017, we got 409 product registrations across various countries. This is an outcome of our understanding of different geographies, focused

₹ 1,904 mn

Net Profit, FY 2017

WITH OUR READINESS FOR CHANGE AND DECADAL SECTORAL EXPERIENCE, WE REMAIN COMMITTED TOWARDS EMBARKING ON THE GLOBAL OPPORTUNITIES COMING OUR WAY.

₹1,684 mn

Net Cash, FY 2017

efforts in seeking registrations and our investment of time and capital towards this objective.

Our prudent financial management helps keep a tight control over the working capital cycle and managing foreign currency volatility, through sound hedging mechanisms.

It is the coming together of these diverse capabilities that makes us a well-rounded player and enhances the optimism of sustained outperformance.

KEY DEVELOPMENTS

During the year, our supplies from China were affected owing to environmental concerns. This effected our terms of deliveries with respect to time and cost, and we are doing our best to minimise the impact.

The European region has been the key revenue contributor for the Company. We have majority of our registration in Europe because of the attractive margin it offers. However, we faced challenge on the incremental demand front and we were unable to get timely registration owing to factors beyond our control. Also a combination of sharp depreciation of Euro against US Dollar and upward pressure on the sourcing prices, pulled down the growth in the region.

With slower growth in the European region, the Company enhanced its focus in the NAFTA region. We also received registration in crops of corn and soya and got into the markets of the USA and Canada.

WAY FORWARD

We remain attuned to the concerns and challenges prevailing in the global economy. With our readiness for change and decadal sectoral experience, we remain committed towards embarking on the global opportunities coming our way.

With a strong line-up of new registration and molecules directed at over-coming the short-term challenges bodes well for us. Today, we have 458 registrations in the pipeline in European regions, 131 in the NAFTA region, 199 registrations in LATAM and 57 registrations in the Rest of the World.

Our strategic extension into new markets and increasing market share in existing ones, along with our products and geographical diversity will help us generate sustainable and profitable growth.

Sincerly
R. V. Bubna
Chairman & Managing Director



FOLLOWING OUR ASSET LIGHT BUSINESS MODEL, OUR FOCUS IS STRONGLY ON IDENTIFICATION OF GENERIC MOLECULES AND REGISTRATION OPPORTUNITIES, PREPARING DOSSIERS AND SEEKING REGISTRATIONS FOR FORMULATIONS AND GENERIC ACTIVE INGREDIENTS.

724

Third-party distributors to serve 78 countries globally.

OUR ASSET-LIGHT BUSINESS MODEL THAT DELIVERS SUPERIOR PERFORMANCE



At Sharda Cropchem, we are highly prolific developers of product dossiers and seeking registrations in different countries. Following our asset light business model, our focus is strongly on identification of generic molecules and registration opportunities, preparing dossiers and seeking registrations for formulations and generic active ingredients.

Over the years, we have also developed strong relationships with third party manufacturers and formulators. Today, we have an established network of 724 established third-party distributors to serve 78 countries across Europe, NAFTA, Latin America, and the Rest of the World. With an objective to increase our presence in the agrochemical value chain, we have set up our own sales force in various countries in Europe as well as in Mexico, Colombia, South Africa and India; and other jurisdictions in addition to third party distributors.

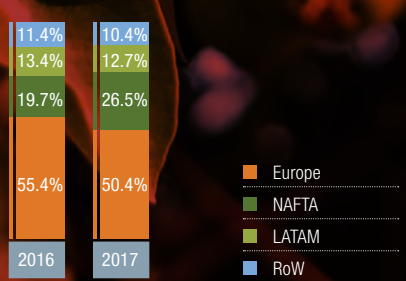
Our enduring relationship provides us the flexibility to adjust our orders in accordance with fluctuating demands. Our strong sourcing capabilities enable us to seek supply of formulations or generic active ingredients at competitive market prices.

We majorly source agro-chemical products from suppliers in China, and market the products to various countries across the world. We procure generic active ingredients for preparation as well as the sale of formulations. For the North American and European markets, we procure active ingredients from China, while the formulations are prepared in the respective markets.

Our business model allows us to channel our time and resources efficiently towards developing our core competency of seeking registrations. This enables us to offer a diversified range of formulations and generic active ingredients in the fungicide, herbicide and insecticide segments, protecting different kind of crops as well as serve turf and specialty markets.

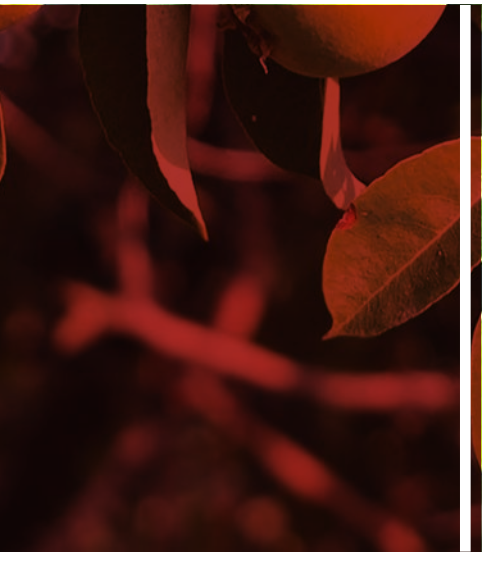
WE HAVE A DIVERSIFIED GLOBAL BUSINESS WITH AN ESTABLISHED PRESENCE THROUGH THIRD-PARTY DISTRIBUTORS AND OUR OWN SALES FORCE.

Agro-Revenue Break-Up Regionwise



CREATING VALUE FROM OUR DIVERSIFIED PRESENCE ACROSS MULTIPLE MARKETS

Both developed and developing countries are gaining significantly from economic and social benefits through the use of agrochemicals, which have made crops healthier and more affordable. At Sharda Cropchem, we have targeted specific segments across the key geographies of Europe, NAFTA, Latin America and the Rest of the World.



We have a diversified global business with an established presence through third-party distributors and our own sales force. We offer a wide range of products across all crop protection segments, including herbicides, fungicides and insecticides. This geographical and product diversification mitigates our exposure to adverse weather conditions, commercial pressures in any single cropping region or for any single type of crop or chemistry. Our geography-wise performance is mentioned below:

NAFTA: Our revenues in the NAFTA region grew by 56.3% during the year on the back of increase in new registrations. We received registration in crops such as soyabean, corn and vegetables in this region during the year. The NAFTA region's share of our overall business continues to keep growing, standing at more that 26.5% of our total business by FY 17, a surge from 19.7% of our total business in FY 16.

EUROPE: We have an established track of securing registrations in the 'toughest' markets such as Europe. We have secured around 191 registrations in Europe out of the 409 total registrations across geographies. However, during the year, we faced certain challenges unique to this region. Generally, we faced more than normal delays in getting registrations approved through respective regulators and agencies. This decelerated our growth rate for this region during the year. The revenue from this region stood at ₹ 6,042 mn in FY 17 against ₹ 5,709 mn in the previous year.

LATAM: The revenue from this region stood at ₹ 1,525 mn during the year against ₹ 1,385 mn in the previous year. The spending pattern of consumers as well as currency fluctuation remained uncertain and volatile in this region.

ROW (Rest of the World): The revenues in ROW region have risen by 6.1% during FY 17 mainly on account of the growth in sales we have been able to achieve in Morocco and Ukraine.

BUILDING A STRONG IPR PORTFOLIO FOR FOOD SECURITY ACROSS THE WORLD

With growing demand for agrochemicals worldwide, Sharda Cropchem is a successful emerging crop-protection player. With focused efforts in seeking registrations in different countries, we have invested significant time and capital towards a strong portfolio of IPRs. As a result, we have progressively grown the library of dossiers and number of registrations owned by us.

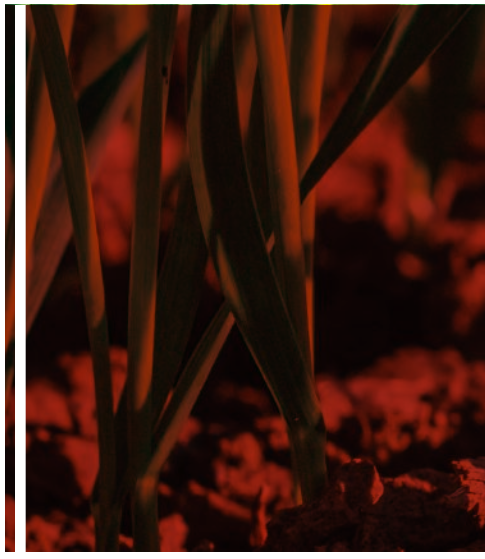
We possess the local expertise in terms of registration capabilities across multiple geographies, giving us strategic access to different markets. We are also supported by an experienced pool of top-notch consultants and their knowledge to benefit from their knowledge about the registration processes in the local jurisdiction as well as the market conditions. Going forward, we plan to continue fostering our sound business strategies through deep geo-local expertise and intelligence.

Today, we have 2,174 certified dossiers across Europe, NAFTA, Latin America and the Rest of the World. Of these, 1,901 registrations relate to formulations, and 273 registrations are for generic active ingredients.

During the year, we added 409 new registrations. Of these, we added 191 in Europe, 42 in NAFTA, 149 in LATAM and 27 in RoW. We have 845 applications in pipeline for registration globally, which are pending at different stages of approval.

409

New Registrations, FY 17





WE POSSESS THE LOCAL EXPERTISE IN TERMS OF REGISTRATION CAPABILITIES ACROSS MULTIPLE GEOGRAPHIES, GIVING US STRATEGIC ACCESS TO DIFFERENT MARKETS.

191

New Registrations in Europe, highest additions over the other regions.

DELIVERING SOLID ROCE & STRENGTH FOR GROWTH

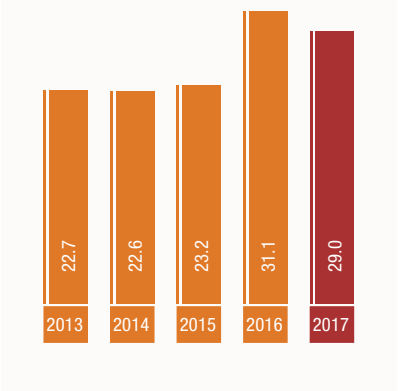
We have always placed great importance on capital efficiency, maintaining a highly conservative debt policy. Today, we are well placed to take advantage of our balance sheet strength for a favourable market opportunity in the future.

At Sharda Cropchem, we have a strong balance sheet with near-zero gross debt. The Company only maintains short-term working capital loans, which stood at ₹ 2.4 mn as on March 31, 2017. The majority of our investments, made towards developing our IPRs and registrations, were managed comfortably through our internal accruals. Over the years, we have demonstrated a highly consistent track record of strong profitability. Today, our net-worth stood at ₹ 9,599 mn, with a cash balance of ₹ 1,686 mn.

We are highly tuned to the concerns prevailing in the global economy, especially in the regions we are present in, and more specifically to related currency volatility. Despite challenging backdrops, your Company delivered solid sales growth and strong cash flows. Our diverse product portfolio, and well represented market access into the advanced and mature markets, have strongly contributed to the resilience of both top and bottom lines. Our revenues grew by 14.5% over the previous year, to reach ₹ 13.99 bn and profit after tax grew by 8.7% to ₹ 1.90 bn. The main drivers behind this were the strong organic growth on our existing portfolio we experience through the year; and the growth in new registrations in our existing markets across all our products.

We believe that our financial strength gives us ample headroom to, both adjust for any changes in the market conditions, and also for taking advantage of new opportunities. Going forward, we will continue to use our free cash flows to expand the registrations of our existing portfolio, while also developing new registrations for carefully identified molecules.

ROCE *(%)*







WE BELIEVE THAT OUR FINANCIAL STRENGTH GIVES US AMPLE HEADROOM TO, BOTH ADJUST FOR ANY CHANGES IN THE MARKET CONDITIONS, AND ALSO FOR TAKING ADVANTAGE OF NEW OPPORTUNITIES.

21.6%

Return on Equity

BOARD OF DIRECTORS



Mr. Ramprakash V. Bubna
Chairman & Managing Director

Mr. Bubna, Chairman and Managing Director, holds a Bachelor's Degree of Technology in Chemical Engineering from Indian Institute of Technology, Bombay. He has over 48 years of experience in chemicals, agrochemicals and related businesses. He is responsible for the Company's overall business operations and strategy. Prior to joining the Company, he has been associated with Tata Oil Mills Limited, Zenith Limited, Piramal Rasayan Limited, Coromandel Fertilisers Limited and Zuari Argochemicals Limited. He is one of the Founders and Promoter of the Company.



Mrs. Sharda R. Bubna
Whole-time Director

Mrs. Bubna holds a Bachelor's Degree in Arts from Nagpur University. Through her sole proprietary concern, M/s. Sharda International, she has been involved in the chemicals, agrochemicals and related businesses from the year 1987 upto 2004. She is one of the Founders and Promoter of the Company.



Mr. Ashish R. Bubna
Whole-time Director

Mr. Bubna holds a Bachelor's Degree in Commerce from the University of Mumbai. He has over 25 years of experience in marketing of chemicals, agrochemicals and related businesses. Since 1994 he has been associated with the business carried on by the sole proprietary concerns, M/s. Sharda International and M/s. Bubna Enterprises, which were subsequently transferred to our Company in 2004. He has been instrumental in strategizing early investment in product registrations and building the library of product dossiers. He is responsible for marketing, procurement, registrations and logistics functions of the agrochemical business. He is one of the Founders and Promoter of the Company.



Mr. Manish R. Bubna
Whole-time Director

Mr. Bubna holds a Bachelor's Degree in Chemical Engineering from the University Department of Chemical Technology, Bombay University. He has over 23 years of experience in chemicals, agrochemicals and related businesses. Since 1995 he has been associated with the business carried on by the sole proprietary concerns, M/s. Sharda International and M/s. Bubna Enterprises, which were subsequently transferred to our Company in 2004. He has spearheaded the Company's foray into the conveyor belt and general chemicals business. He also oversees the information technology, logistics and documentation functions of the Company. He is one of the Founders and Promoter of the Company



Mr. M. S. Sundra Rajan
Independent Director

Mr. Sundra Rajan holds a Master's Degree in Economics and is an Associate member of The Institute of Company Secretaries of India. He is also a certified Associate of Indian Institute of Bankers. He received the Golden Peacock National Training Award for the year 2009 at London during the 10th International Conference on Corporate Governance. He has been an Independent Director of the Company since July 2011.



Mrs. Urvashi Saxena
Independent Director

Mrs. Saxena holds a Bachelor's Degree in Law and a Master's Degree in Arts. She is an Associate of the Associated Law Advisors. She was the first lady Chief Commissioner of Income Tax in Mumbai and retired as Chairperson of the Service Tax Settlement Commission. She has also been a Member, the Vice-Chairperson and the Chairperson of the Income Tax Settlement Commission for two years. She has been an Independent Director of the Company since July 2011.



Mr. Shitin Desai
Independent Director

Mr. Desai holds a Bachelor's Degree in Commerce and has over 40 years of experience in the banking and financial services sector. He was an Executive Vice Chairman of "DSP Merrill Lynch Ltd." and one of the founding directors. He was also a member of the Federation of Indian Chambers of Commerce and Industry. He has been an Independent Director of the Company since December 2013.



Mr. Shobhan Thakore
Independent Director

Mr. Thakore holds Bachelor's Degrees in Arts (Politics) and Law. He is a Solicitor at the Bombay High Court and Supreme Court of England and Wales and has been an advisor to leading Indian companies on matters relating to Corporate Law and Securities related legislations. He has also acted on behalf of leading investment banks and issuers for initial public offerings in India and several international equity and equity linked debt issuances by Indian corporate houses. He has been an Independent Director of the Company since December 2013.



Mr. P. R. Srinivasan
Independent Director

Mr. Srinivasan holds a Bachelor's Degree in Engineering and MBA from IIM-Bangalore. He is an investment professional with over two decades of experience in private and public markets. He has served as Managing Partner of Exponentia Capital Partners LLP and as India Region Head and Managing Director of Citigroup Venture Capital Investment. He was also one of the three founders of HSBC Private Equity in India and was an Investment Manager at ICICI Venture. He has been an Independent Director of the Company since December 2013.

WE REMAIN PRUDENT IN OUR APPROACH TOWARDS MACRO ECONOMIC CHALLENGES. WE ARE SINGLE-MINDEDLY FOCUSING ON THE RESILIENCE AND THE AGILITY OF OUR ORGANISATION. IN THIS WAY, WE WILL CONTINUE TO DELIVER CONSISTENT RESULTS AND CREATE VALUE TO BENEFIT LONG-TERM STAKEHOLDERS.



Mr. Ashish R. Bubna
Whole-time Director

We are leveraging our asset light business model to build a fast-growing presence in large agrochemical markets of Europe, NAFTA, LATAM and Rest of the World. Our strong base of registrations under difficult regulatory regimes remains our key advantage.

Mr. Manish R. Bubna
Whole-time Director

We have built a sustainable asset light business model that helps us to pay unfettered attention, invest capital and time, to drive business growth.



MANAGEMENT DISCUSSION AND ANALYSIS



GLOBAL AGROCHEMICALS PLAYERS SPEND A SIZABLE PROPORTION OF THEIR REVENUE TOWARDS DEVELOPMENT OF NOVEL CROP PROTECTION MOLECULES.

Global Economy Overview

The Global economy grew at 3.1% in 2016 with expectations to recover to 3.4% in 2017. It continues to face subdued growth owing to low commodity prices and low inflation rates, stagnant growth in advanced economies and geo-political and political uncertainties.

Although the market reaction to the Brexit shock was reassuringly orderly, the ultimate impact remains very unclear, as the fate of institutional and trade arrangements between the United Kingdom and the European Union remains uncertain. Financial market sentiment toward emerging market economies has improved with expectations of lower interest rates in advanced economies, reduced concern about China's near-term prospects following policy support to growth, and some firming of commodity prices.

But prospects differ sharply across countries and regions, with emerging Asia in general and India in particular showing growth and sub-Saharan Africa experiencing a sharp low down. In advanced economies, a subdued outlook subject to sizable uncertainty and downside risks may fuel further political discontent, as anti-integration policy platforms are gaining more traction. Several emerging markets and developing economies still face daunting policy challenges in adjusting to weaker commodity prices. These worrisome prospects make the need for a broad-based policy response to raise growth and manage vulnerabilities more urgent than ever.

(Source: World Economic Outlook Update, January 2017; International Monetary Fund)

USD 71.3 bn

Expected global agrochemical market size by 2019

Agrochemicals Industry

The Global population is expected to cross 9 bn by 2050 and this rising population will create increase in food demand. To meet the food and nutrition needs of a growing population requires a sustainable approach that puts thrust on increasing productivity against the background of lower yields and decreasing farm sizes. It further requires a push from all stakeholders – the farmer, the government and the agrochemical industry collectively so that the growing needs of the nation are met. Approximately 25% of the global crop output is lost due to attacks by pests, weeds and diseases which is a major set back for the farming sector. Given this scenario, the agrochemical industry has an increasing role to play.

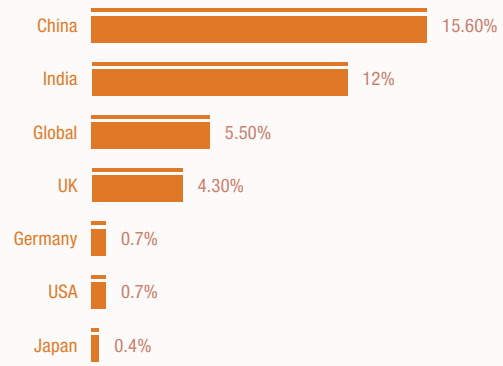
Agrochemicals can play a major role in enhancing productivity and crop protection post-harvest. The role of crop protection chemicals is not limited to protection of pests and diseases that threaten the food supply; they help in yield enhancement as well. Use of crop protection chemicals can increase crop productivity by 25-50%, by mitigating crop loss due to pest attacks. Broadly agrochemicals are classified into insecticides, fungicides, herbicides and other pesticides. Insecticides are used to limit insects below a certain level, thereby improving crop yields by preventing damage such as plant defoliation and boring of parts of the plant. Fungicides are agrochemicals that control fungal diseases by either inhibiting or killing the causative fungi, thereby improves productivity, reduces blemishes on crop and improves storage life and quality of harvested crop. Herbicides are the agrochemicals used to kill unwanted plants. Biopesticides is an emerging category and is currently is a small proportion of the market but has a huge growth potential considering its non-toxic nature.

Global economies have understood that there is urgent need of improving agricultural productivity, which is driving significant research efforts across the various aspects, including crop protection chemicals. Every year, Global agrochemicals players spend a sizable proportion of their revenue towards development of novel crop protection molecules. At the same time, generic and off patent proprietary agrochemicals also constitute a significant part of the market.

Market size and growth

The global agrochemicals market was at USD 54.5 bn in 2014, up from USD 43.0 bn in 2009, growing at a CAGR ~ 5. It is expected to continue a steady growth over the next five years to reach USD 71.3 bn by 2019.

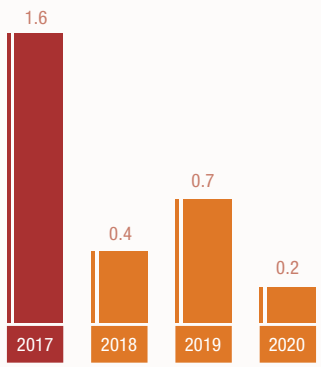
Estimated Global Market for Agrochemicals (USD bn)



Source: Avendus analysis, Literature review

Off Patent Products: Agrochemicals worth USD 2.9 mn are expected to go off patent by 2020. This provides significant opportunities for companies which have expertise in generic segment.

Agrochemicals going off-patent 2017-2020 (USD-bn)



Source: FICCI

Business Overview

Sharda Cropchem Limited is a fast growing global agrochemicals company with an asset light business model. Sharda Cropchem is engaged in the marketing and distribution of a wide range of formulations and generic active ingredients globally. The geography from where the Company's major revenues comes from are highly developed European countries and US markets. Over the years it has also gained significant presence in other regulated markets such as LATAM and Rest of the World. The Company operates within two business verticals namely agrochemicals business and non-agrochemicals business.

Agrochemicals Business

We are primarily a crop protection chemical company engaged in the marketing and distribution of a wide range of formulations and generic active ingredients (AIs) globally.

Non-Agrochemicals Business

The Company is involved in order-based procurement and supply of non-agrochemical products having a product profile of Belts, general chemicals, dyes and dye intermediates. We procure these non-agrochemical products, primarily, from the manufacturers in China or India and supply them in over 35 countries across Australia, Asia, Europe, North America and Latin America.

Our Business Model

A typical agrochemical value chain consists of the following key activities. Within this value chain, the Company has adopted an asset light business model with a strong focus on identification of generic molecules and registration opportunities, preparing dossiers and seeking registrations for formulations and generic active ingredients.



** This signifies segments of Sharda's business*

The Company procures formulations and generic active ingredients in their finished form from third party manufacturers for onward sale. We also procure generic active ingredients for preparation and sale of formulations wherein we outsource the process of preparation of formulations to third party formulators.

Result: This enables Sharda Cropchem to offer diversified range of formulations and generic active ingredients in fungicide, herbicide and insecticide segments for protecting different kind of crops as well as serve turf and specialty markets; and in biocide segment as disinfectants, thereby catering to varied market demand.

Our Competitive Strengths

Asset Light Business Model

- Unlike global giants, Sharda Cropchem follows an asset light business model whereby it keeps its competitiveness in identifying generic molecules, preparing dossiers, seeking registrations, marketing and distributing formulations through third party distributors or our own sales force.
- The asset light business model helps us to pay unfettered attention, invest capital and time, thereby driving our portfolio of registrations and generic active ingredients.
- The asset light business model is consistent with our general non-agrochemical operations where in the supply of belts, chemicals, dyes and dye intermediates are sourced only on the basis of the specific orders received from the distributors.

Proficiency in Registration

- Sharda Cropchem's core competency lies in identifying opportunities in generic molecules and corresponding formulations and generic active ingredients, preparing dossiers and seeking registrations in the relevant jurisdictions.
- Our library of dossiers and the number of registrations owned by us have increased progressively. This is a result of our focused efforts in seeking registrations in different countries and our investment of time and capital towards this objective.
- The legal and procedural requirements for seeking registrations differ in each jurisdiction. Over the years, we have focused and navigated through the regulatory requirements in these jurisdictions, which have equipped us to anticipate potential issues and prepare ourselves for complying with the regulatory requirements in an efficient manner.

Enduring Relationship with Multiple Suppliers

- Sharda Cropchem maintained relationship with multiple manufacturers and formulators in the agrochemical



industry (mainly in China and India) to mitigate the risks arising from being dependent on single or limited supplier.

- Sourcing from multiple manufacturers also helps the Company to get optimal pricing from the market. Strong sourcing capabilities enable us to seek supply of formulations or generic active ingredients at competitive market prices.
- Our relationship with the third party manufacturers and third party formulators provide us the flexibility to adjust our orders in accordance with the fluctuating demands.

Robust Global distribution network

- With an objective to increase our presence in the agrochemical value chain, we have set up our own sales force in various countries in Europe as well as in Mexico, Colombia, South Africa and India and other jurisdictions in addition to third party distributors.
- The Company has increased the penetration of formulations and generic active ingredients in various countries due to the pan presence of the third party distributors and availability of its own sales force.

Strong Global Presence and Diversified Portfolio

- We have grown by diversifying our business operation to over 78 countries across Europe, NAFTA, Latin America and Rest of the World offering diversified range of formulations and generic active ingredients in fungicide, herbicide, insecticide and biocide segments.
- Our presence in multiple geographies has helped us diversified our revenue sources. Over the years, we have developed our knowledge about the local weather and soil conditions, which enables us to foresee and satisfy the local demand.
- Our library of dossiers provides us the opportunity to venture into regulated markets.

Experienced and Professional Management

- The Promoters and the Management of the Company have a combined experience of over 60 years in the agrochemical business and have played a key role in developing the business.
- Our domain knowledge and experience provides us with a significant competitive advantage as we seek to grow in our existing markets and enter new geographies.
- We have a qualified, experienced and capable management team to lead our business and operations.
- Our ability to attract and retain our key management personnel and our in-house team has enabled us in streamlining the registration process thereby economising the registration costs and the time involved.

OVER THE YEARS, WE HAVE DEVELOPED OUR KNOWLEDGE ABOUT THE LOCAL WEATHER AND SOIL CONDITIONS, WHICH ENABLES US TO FORESEE AND SATISFY THE LOCAL DEMAND.

Key Risks and concerns

The Company follows a structured and continuous process while identifying, assessing and deciding on responses to mitigate key risks, across levels.

Exchange rate fluctuations

Being a global player our source of revenue is in several foreign currencies, primarily, US Dollars, Euros and British Pound. Due to the difference in the time between the sales being recorded and payment being realised, the foreign exchange rate at which the sale is recorded in the books of account may not be the same with the foreign exchange rate at which the cash is realised by us. This can result in either benefiting or adversely affecting us, depending on the depreciation or appreciation of currency. In case, of adverse movement in the foreign exchange rates, contrary to our expectations or inadequate risk management procedures, it could affect our results of operation, cash flows, liquidity and financial condition adversely.

Extension of Patents

Sharda Cropchem is a global generic agrochemical player and can face high risks from patents laws, which allow the innovator company to extend their patents. This may

lead to unnecessary delay in formulations and generic active ingredients and adversely affect our business. The extension of patent terms or the extension of exclusivity in the marketplace by the respective regulatory authorities may delay our introduction of formulations and generic active ingredients and may adversely affect our business.

Changes in government policies

Because of our global presence, we are governed by laws, rules and regulations of many countries. As the Company is agrochemical industry, it will be affected by change in governmental policies related to agriculture. Any adverse changes in such policies relating to agro sector like reduction in government expenditure in agriculture, reduction in incentives and subsidy systems, export policy for crops, price of commodities – will affect the Company's business. It may also affect the ability of farmers to realise minimum support prices for their process which will lead to inability of the farmers to spend on agrochemical input products, which thereby could affect the market demand and the sales of our formulations and generic active ingredients.

Subject to Weather conditions

The smooth functioning of agrochemical business is primarily dependent on adequate and efficient weather conditions. Weather conditions are cyclical in nature and dependent on lots of factors like amount of rainfall; varying soil conditions, climatic conditions, varying seasons and temperature changes. These factors make the overall performance of the agricultural sector unpredictable. Also it is difficult to forecast the exact levels of production of a particular crop relative to past production. Also, the occurrence of disease and the corresponding use of agrochemicals would depend primarily on these factors and would differ on a regional basis. Accordingly, the overall effect of weather conditions makes our operations relatively unpredictable and seasonal.

Internal Controls

The internal controls of the Company are being reviewed by one of the leading and reputed external agency. This results in unbiased and independent examination of the adequacy and effectiveness of the internal control systems to achieve the objective of optimal functioning of the Company. The scope of activities include safeguarding and protecting the Company's assets against unauthorised use or disposition, maintenance of proper accounting records and verification of authenticity of all transactions.

The company has effective compliance management system, which gives prior warning in case of violation. The performance of the Company is regularly reviewed by the independent Audit Committee and/or the Board of Directors, to ensure that it is in conformance with the overall corporate policy and in line with pre-determined objectives. The Company's Internal auditors are renowned M/s. S. H. Bathiya & Co. LLP during FY 17, to provide guidance in smooth functioning of risk management policies, building organisation wide awareness of risks across businesses and corporate functions; developing formal reporting and monitoring processes; building risk management maintenance plans that would keep the information updated and refreshed; deploying an ERM framework in key business areas and corporate functions; aligning risk management with the business planning exercise and aligning the role of assurance functions.

14.5%

Revenue Growth, FY 17

Human Resources

The Company possesses the rich complement of competencies. We believe that the domain knowledge and experience of our Promoters and our management team provides us with a significant competitive advantage as we seek to grow in our existing markets and enter new geographies. The Company has hired qualified professional management and key personnel, which will enable to run the Company independently. The overall employee engagement has made the Company to retain the top talent within the Company thereby economising the registration costs and the time involved.

Finance Review

The total revenue of Sharda Cropchem for FY 17 increased by 14.5% from ₹ 12,221 mn in FY 16 to ₹ 13,992 mn in FY 17. The agro-chemicals division of the Company grew by 16.4% from ₹ 10,301 mn in FY 16 to ₹ 11,988 mn in FY 17. The revenues from non-agro division grew by 4.4% from ₹ 1,921 mn in FY 16 to ₹ 2,004 mn in FY 17.

The revenue contribution in agro business is driven primarily by the contribution of European Union region, which constitutes 50.4% of the agro revenues, followed by NAFTA region with 26.5%, LATAM with 12.7% and rest of the world with 10.4% contribution. The revenue in the agro business in

WE WILL CONTINUE TO EVALUATE ADDITIONAL MARKETS AND PRODUCT OPPORTUNITIES.

these regions have grown by 5.8%, 56.3%, 10.2% and 6.1% respectively. The agrochemicals business contributed 85.7% and non-agrochemicals contributed 14.3% to the revenues in FY 17.

EBITDA excluding unrealised MTM gain / loss on account of foreign exchange fluctuations grew by 15.1% from ₹ 2,714 mn in FY 16 to ₹ 3,124 mn in FY 17 in line with higher revenues. Adj. EBITDA margin improved by 12 bps from 22.2% to 22.3%. Net profit after tax and minority interest grew by 8.7% YoY from ₹ 1,751 mn to ₹ 1,904 mn. PAT margin stands at 13.6% in FY 17.

The total number of registrations increased by 409 from 1,765 as of March 31, 2016 to 2,174 as of March 31, 2017. The Company has another 845 registrations in pipeline across geographies. The Company has a strong net cash position of ₹ 1,684 mn as of March 2017.

Strategy and Outlook

We maintain a positive outlook for our business. Our objective is to continue to offer quality formulations and generic active ingredients and we also intend to expand our reach in various jurisdictions through our own sales force, in an efficient manner. With certain strategies in play, we hope to sustain, or improve upon, the pace of growth that we have demonstrated over the last few years. Some of these key Strategies are:

Increase our portfolio of products and market through smart IP management

We will continue to identify generic molecules going off patent and focus on seeking registrations to increase our portfolio of formulations and generic active ingredients across Europe, NAFTA, Latin America and Rest of the World. Our practice of engaging experienced consultants in different countries across regions to benefit from their knowledge about the registration processes in the local jurisdiction as well as the market conditions will continue. We will continue to pursue opportunities for expanding our portfolio of formulations and generic active ingredients in the future. We intend to leverage our existing dossiers and portfolio of formulations and generic active ingredients to develop new composition of formulations.

Growth of Biocides business

We have also started marketing and distributing biocides in various countries such as Spain, France, Italy, Hungary, Croatia, United Kingdom, Slovakia, Slovenia, Belgium, Bulgaria, Greece, Poland, and Czech Republic. We plan to increase our marketing and distribution activities for biocide products in other European countries also. As of 31st March 2017, we own over 218 registrations for biocides. We intend to increase our registrations for biocide products going forward.

Strengthen our distribution presence

We plan to continue the expansion of our distribution presence geographically by marketing and distributing our existing portfolio of formulations and generic active ingredients. We also intend to explore opportunities in new markets such as Africa, Central America, and Japan. The sign of early progress is visible in establishing our presence in countries such as Canada. We believe that we will able by using this strategy, we will be able to grow our presence in the agrochemical markets in these jurisdictions.

Possibility of growing inorganically through strategic acquisitions and partnerships

We have primarily grown and expanded our agrochemical business organically. We are open to the option of strategic partnerships with other companies across different jurisdictions which would provide us synergy to increase our portfolio of registrations, grow in such market or increase the presence of our generic agrochemicals. We will continue to evaluate additional markets and product opportunities, including potential acquisitions and relationships, which we believe will be beneficial to increase our presence in the generic agrochemical markets.

Cautionary Statement

Statement made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "Forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the government regulations, tax laws and other statutes & other incidental factors.

NOTICE

NOTICE is hereby given that the Fourteenth Annual General Meeting of the Members of M/s. Sharda Cropchem Limited will be held on Thursday, September 21, 2017 at 3.00 p.m. at Crystal Hall, Hotel Parle International, B. N. Agarwal Commercial Complex, Vile Parle (East), Mumbai – 400 057 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2017, together with the Reports of the Board of Directors and Auditors thereon.

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2017, together with the Report of the Auditors thereon.

3. To confirm the payment of Interim Dividend as Final Dividend for the Financial Year ended March 31, 2017.

4. To appoint a Director in place of Mrs. Sharda R. Bubna (DIN: 00136760), who retires by rotation and being eligible, offers herself for re-appointment.

5. Ratification of appointment of the Statutory Auditor.

   To consider and if thought fit, pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 3(7) of The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. S R B C & Co LLP, Chartered Accountants (Firm No. 324982E/E300003) as the Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 15th Annual General Meeting to be held for the Financial Year 2017-18 and that the Board of Directors be and are hereby authorised to fix their remuneration."

By order of Board of Directors

Date : May 22, 2017
Place : Mumbai

Jetkin Gudhka
Company Secretary

NOTES

1. **A member entitled to attend and vote at the Annual General Meeting ("AGM"/"Meeting") is entitled to appoint a proxy to attend and vote in the Meeting instead of himself/herself and the proxy need not be a member.** The instrument appointing the proxy in order to be effective should be duly stamped, completed and signed and should be deposited at the registered office of the Company not later than 48 hours before the time fixed for the meeting.

   Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent (10%) of the total share capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other member.

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified true copy of the Board resolution authorising their representative to attend and vote on their behalf at the AGM.

3. Members/Proxies/Authorised Representatives should bring their duly filled and signed attendance slip enclosed herewith to attend the AGM.

4. All documents referred to in the accompanying Notice shall be open for inspection at the registered office of the Company on all working days, except Saturdays and Sundays, between 11.00 a.m. to 1.00 p.m. up to the date of the AGM of the Company.

5. The Register of Members and the Share Transfer Books of the Company will remain closed on Thursday, September 14, 2017.

6. The members are requested to kindly send all their correspondence relating to change of address, transfer of shares, etc. directly to the Company's Registrar & Transfer Agents – M/s. Karvy Computershare Private Limited, Unit: Sharda Cropchem Limited, Karvy Selenium Tower B, 6th Floor, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, quoting their folio number and in case of shares held in dematerialised form, the intimation of change of address should be passed on to their respective depository participants.

7. Members seeking any information with regard to the financial statements are requested to write to the Company at least ten (10) days before the AGM to enable the management to keep the information ready at the meeting.

8. During the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three (3) days notice in writing is given to the Company.

9. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote provided the votes are not already cast by remote e-voting by the first holder.

10. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant rules made thereunder, Companies can serve annual reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the depository. Members who have not registered their e-mail addresses are requested to register their e-mail address so that they can receive the annual report and other communication from the Company electronically. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

11. The annual report of the Company circulated to the members of the Company, will be made available on the Company's website at **www.shardacropchem.com** and also on website of the respective Stock Exchanges. Physical copies of the annual report will also be available at the Company's registered office for inspection during normal business hours on working days.

12. The Annual Report, including Notice, instructions for e-voting, attendance slip and proxy form, are being sent in electronic mode to members whose e-mail addresses are registered with the Company or the Depository Participant(s) unless the members have registered their request for a hard copy of the same. Physical copy of the Annual Report is being sent to those members who have not registered their e-mail addresses with the Company or Depository Participant(s). Members who have received the Annual Report in electronic mode are requested to print the attendance slip and submit a duly filled in attendance slip at the registration counter to attend the AGM.

13. Copies of the annual report will not be distributed at the AGM.

14. In terms of Section 152 of the Companies Act, 2013, Mrs. Sharda R. Bubna (DIN: 00136760), Director, retires by rotation at the AGM and being eligible, offers herself for re-appointment. The Board of Directors of the Company recommend her re-appointment. Her brief resume, nature of her expertise in specific functional areas, names of the companies in which she holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships are provided as an annexure to this notice forming part of the annual report.

15. Route Map to the venue of the 14th Annual General Meeting of the Company is enclosed at the last page of the Annual Report.

16. Information and other instructions relating to e-voting are as under:

    i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the AGM by electronic means and the business may be transacted through e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM ["remote e-voting"] will be provided by Karvy Computershare Private Limited ("Karvy").

    ii. The facility for voting at the AGM either through electronic voting system or polling paper shall also be made available at the AGM and members who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting.

    iii. Members who have cast their vote by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again.

    iv. The Board of Directors of the Company has appointed M/s. C. J. Goswami & Associates, Practicing Company Secretaries, Mumbai as Scrutinizer to scrutinize e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the same. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three (3) days of conclusion of the AGM, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared alongwith the consolidated scrutinizer's report shall be placed on the website of the Company www.shardacropchem.com and on the website of Karvy https://evoting.karvy.com

The results shall simultaneously be communicated to the Stock Exchanges.

v. **The remote e-voting period commences on Monday, September 18, 2017 (9:00 am) and ends on Wednesday, September 20, 2017 (5:00 pm).** During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e Thursday, September 14, 2017**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

vi. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off date i.e Thursday, September 14, 2017**.

vii. Subject to receipt of requisite number of votes, the resolution(s) shall be deemed to be passed on the date of the AGM.

viii. Any person who becomes a member of the Company after dispatch of the Notice of the AGM and holding shares as on the **cut-off date i.e Thursday, September 14, 2017**, may obtain the user ID and password in the manner as mentioned below:

a. If the mobile number of the member is registered against Folio No./DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399.

Example for NSDL:
MYEPWD <SPACE> IN12345612345678

Example for CDSL:
MYEPWD <SPACE> 1402345612345678

Example for Physical:
MYEPWD <SPACE> XXXX1234567

b. If e-mail address or mobile number of the member is registered against Folio No. or DP ID Client ID, then on the home page of https://evoting.karvy.com, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

c. A member may call Karvy's toll free number 1-800-3454-001

d. A member may send an e-mail request to evoting@karvy.com.

If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.

ix. **Instructions and other information relating to remote e-voting:**

1)A) In case a member receives an e-mail from Karvy [for members whose e-mail addresses are registered with the Company/Depository Participant(s)]:

(a) Launch internet browser by typing the URL: https://evoting.karvy.com.

(b) Enter the login credentials i.e. User ID and password which is sent separately. The e-voting event number + Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit https://evoting.karvy.com or contact toll free number 1-800-3454-001 for your existing password.

(c) After entering these details appropriately click on "LOGIN".

(d) You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(e) You need to login again with the new credentials.

(f) On successful login, the system will prompt you to select the e-voting event number for the Company.

(g) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut off date. You may also choose the option "ABSTAIN". If the shareholder does not include

either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

(h) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.

(i) Voting has to be done for each resolution of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

(j) You may then cast your vote by selecting an appropriate option and click on "Submit".

(k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the resolution(s).

(l) Corporate/Institutional members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (pdf format) of the Board Resolution/Power of Attorney/ Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: chintan.goswami@cjgoswami.com with a copy marked to evoting@karvy.com and may also upload the same in the e-voting in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

B) In case a member receives physical copy of the notice by post [for members whose e-mail ids are not registered with the Company/Depository Participant(s)]:

(a) User ID and initial password – as provided overleaf.

(b) Please follow all steps from sr. no. (a) to (l) as mentioned in (1A) above, to cast your vote.

2) Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

3) In case of any query pertaining to e-voting, please visit help & FAQ's section available at Karvy's website https://evoting.karvy.com

ANNEXURE

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting

Name of Director	**Mrs. Sharda R. Bubna**
Date of Birth	May 04, 1953
Category	Promoter & Whole-time Director
Expertise in specific functional areas	Mrs. Sharda R. Bubna is a Whole-time Director of Sharda Cropchem Limited. She has over 30 years of experience in the chemicals, agrochemicals and related business. She has been a director of the Company since its incorporation.
Qualifications	B.Com from University of Nagpur
No. of shares held in the Company	1,40,52,685 Equity Shares
List of companies in which Directorship held as on March 31, 2017	**Private Limited:** Sharda Exports Private Limited
Chairman/Member of any Committees as on March 31, 2017	Member of Corporate Social Responsibility (CSR) Committee

By order of Board of Directors

Date : May 22, 2017
Place : Mumbai

Jetkin Gudhka
Company Secretary

DIRECTORS' REPORT

To,
The Members of
M/s. SHARDA CROPCHEM LIMITED

Your Directors have pleasure in presenting their report and audited accounts for the year ended March 31, 2017.

FINANCIAL PERFORMANCE:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	FY 2017	FY 2016	FY 2017	FY 2016
Revenue from operations (net)	1,12,920.70	93,447.04	1,39,922.68	1,22,211.55
Other income	5,552.24	6,311.90	1,568.48	2,545.30
Total Income	**1,18,472.94**	**99,758.94**	**1,41,491.16**	**1,24,756.85**
Expenses excluding depreciation and amortisation expenses	85,861.08	70,651.08	1,08,690.08	95,123.07
Earnings before interest, tax, depreciation and amortization (EBITDA) and prior period adjustments	32,611.86	29,107.86	32,801.08	29,633.78
Depreciation and amortization expenses	5,614.15	3,493.55	5,625.90	3,505.32
Profit before tax (PBT)	**26,997.71**	**25,614.31**	**27,175.18**	**26,128.46**
Tax Expense	8,123.14	8,398.22	8,138.74	8,608.85
Net Profit for the year	**18,874.57**	**17,216.09**	**19,036.44**	**17,519.61**
Other Comprehensive Income	(2.4)	(11.97)	3.83	670.86
Total Comprehensive Income	**18,872.17**	**17,204.12**	**19,040.27**	**18,190.47**

OPERATIONAL PERFORMANCE & FUTURE OUTLOOK:

Your Company achieved an all time performance high in terms of both operating revenues and net profit. The Company's consolidated revenue from operations increased by 14.5% to ₹ 1,39,922.68 Lakhs in FY 2017. This was possible on account of growth across regions led by strong growth in the NAFTA and RoW regions. Your Company received 409 new registrations during the year of which 191 are in the European Union region.

Gross margins and EBITDA margins (excluding foreign exchange impact) were stable at 35.9% and 22.3% respectively inspite of tough market conditions. Depreciation and amortisation expense was higher due to capitalisation of new registrations. Tight control over fixed operating and non-operating expenses enabled achieve PAT growth of 8.7%.

Your Company shall continue to focus on investment in product registrations in developed countries and high growth agricultural driven economies. Your Company strongly believes that the future of agrochemicals business is in obtaining early product registrations due to the high entry barrier for new entrants.

DIVIDEND:

During the year your Directors declared two interim dividends of ₹ 2 per share each in November, 2016 and March, 2017 on the paid-up equity shares of the Company. The total Dividend for the Financial Year 2016-17 is ₹ 4.00 per share and the aggregate amount of Interim Dividend Distributed is ₹ 3,608.82 Lakhs.

DIVIDEND DISTRIBUTIION POLICY:

Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Disclosure, 2015 ("LODR") required top 500 listed companies, based on the market capitalization, to formulate Dividend Distribution Policy. In compliance of the said requirement, the Company has formulated its Dividend Distribution Policy. The Policy is uploaded on the website of the Company viz.: www.shardacropchem.com/investor-relation.html

SHARE CAPITAL:

The paid up equity share capital of the Company as on March 31, 2017 was ₹ 9,022.05 Lakhs. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

Further, during the year under review, two (2) promoters have partially sold their shareholding to the extent of 2,00,000 shares of the Company.

DEPOSITS:

Your Company has not accepted/invited deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

SUBSIDIARY COMPANIES/ASSOCIATE COMPANIES:

Subsidiary Companies - Direct

Axis Crop Science Private Limited

Axis Crop Science Private Limited is engaged in marketing and distribution of agrochemicals in India. For the year ended March 31, 2017, the Company's total income is ₹ 1,846.10 Lakhs (Previous year: ₹ 2,903.17 Lakhs) and Loss for the year is ₹ 343.31 Lakhs (Previous year: ₹ 166.15 Lakhs).

Nihon Agro Service Kabushiki Kaisha

Nihon Agro Service Kabushiki Kaisha is engaged in the business of dealing in agrochemical products in Japan. For the year ended March 31, 2017, the Company's total income is ₹ 22.75 Lakhs and Loss for the year is ₹ 0.36 Lakhs.

Sharda Agrochem Dooel Skopje, Macedonia

Sharda Agrochem Doel Skopje is engaged in marketing and distribution of agrochemicals in Macedonia. During the year, there were no operations in the Company.

Sharda Balkan Agrochemicals Limited, Greece

Sharda Balkan Agrochemicals Limited is engaged in the business of dealing in agrochemical products in Greece. During the year ended December 31, 2016, the Company's total income is ₹ 4.18 Lakhs (Previous Year: ₹ 4.77 Lakhs) and Profit for the year is NIL. (Previous Year: ₹ 1.01 Lakhs).

Sharda Chile SpA, Chile

Sharda Chile SpA is engaged in the business of dealing in agrochemical products in Chile. During the year, there were no operations in the Company.

Sharda Costa Rica SA, Costa Rica

Sharda Costa Rica SA is engaged in the business of dealing in agrochemical products in Costa Rica. During the year, there were no operations in the Company.

Sharda Cropchem Espana, S.L., Spain

Sharda Cropchem Espana, S.L. is engaged in the business of distribution of agrochemical products in Spain and abroad. For the year ended March 31, 2017, the Company's total income is ₹ 6,274.15 Lakhs (Previous year: ₹ 5,285.51 Lakhs) and Profit for the year is ₹ 19.10 Lakhs (Previous year: ₹ 105.88 Lakhs).

Sharda Cropchem Israel Limited, Israel

Sharda Cropchem Israel Limited is engaged in the business of dealing in agrochemical products in Israel. During the year, there were no operations in the Company.

Sharda Cropchem Tunisia SARL, Tunisia

Sharda Cropchem Tunisia SARL is engaged in the business of dealing in agrochemical products in Tunisia. During the year, there were no operations in the Company.

Sharda De Guatemala, S.A., Guatemala

Sharda De Guatemala, S.A. is engaged in the business of dealing in agrochemical products in Guatemala. During the year, there were no operations in the Company.

Sharda Del Ecuador CIA. Ltda., Ecuador

Sharda Del Ecuador CIA. Ltda. is engaged in the business of dealing in agrochemical products in Ecuador. For the year ended December 31, 2016, the Company's total income is ₹ 10.75 Lakhs (Previous Year: ₹ 7.10 Lakhs) and Loss for the year is Nil (Previous year: ₹ 0.04 Lakhs).

Sharda Do Brasil Comercio De Produtos Quimicos E Agroquimicos Ltda, Brazil

Sharda Do Brasil Comercio De Produtos Quimicos E Agroquimicos Ltda is engaged in the business of dealing in agrochemical products in Brazil. During the year ended December 31, 2016, there are no revenues and Loss for the year is ₹ 17.34 Lakhs (Previous year: ₹ 13.07 Lakhs).

Sharda Dominicana S.R.L., Dominican Republic

Sharda Dominicana S.R.L is engaged in the business of dealing in agrochemical products in Dominican Republic. During the year, there were no operations in the Company.

Sharda EL Salvador S. A. DE CV, EL Salvador

Sharda EL Salvador S.A. DE CV is engaged in the business of dealing in agrochemical products in EL Salvador. During the year, there were no operations in the Company.

Sharda Hellas Agrochemicals Limited, Greece

Sharda Hellas Agrochemicals Limited is engaged in the business of dealing in agrochemical products in Greece. For the year ended December 31, 2016, the Company's total income is ₹ 4.18 Lakhs (Previous Year: ₹ 4.77 Lakhs) Profit for the year is NIL (Previous year: ₹ 0.94 Lakhs).

Sharda Hungary Kft, Hungary

Sharda Hungary Kft is engaged in the business of dealing in agrochemical products in Hungary. For the year ended March 31, 2017, the Company's total income is ₹ 5,633.48 Lakhs (Previous year: ₹ 2,329.04 Lakhs) and Profit for the year is ₹ 106.38 Lakhs (Previous year: ₹ 19.64 Lakhs).

Sharda International DMCC, U.A.E.

Sharda International DMCC is engaged in trading in agrochemicals, conveyor belts and chemicals. For the year ended March 31, 2017, the Company's total income is ₹ 22,634.25 Lakhs (Previous year: ₹ 22,109.13 Lakhs) and Profit for the year is ₹ 3,913.59 Lakhs (Previous year: ₹ 3,013.57 Lakhs).

Sharda Italia SRL, Italy

Sharda Italia SRL is engaged in the business of dealing in agrochemical products in Italy. For the year ended December 31, 2016, the Company's total income is ₹ 4.02 Lakhs (Previous Year: ₹ 3.74 Lakhs) and Profit for the year is ₹ 2.67 Lakhs (Previous year: ₹ 0.19 Lakhs).

Sharda Peru SAC, Peru

Sharda Peru SAC is engaged in the business of dealing in agrochemical products in Peru. For the year ended December 31, 2016, the Company's total income is ₹ 1.31 Lakhs (Previous Year: ₹ 1.35 Lakhs) and Loss for the year is ₹ 39.35 Lakhs (Previous year: ₹ 31.51 Lakhs).

Sharda Poland SP. ZO.O, Poland

Sharda Poland SP. ZO.O. is engaged in the business of distribution of agrochemical products in Poland and abroad. For the year ended March 31, 2017, the Company's total income is ₹ 3,365.25 Lakhs (Previous year: ₹ 5,314.84 Lakhs) and Loss for the year is ₹ 101.37 Lakhs (Previous year: Profit ₹ 22.88 Lakhs).

Sharda Polska SP. ZO.O., Poland

Sharda Polska SP. ZO.O. is engaged in the business of dealing in agrochemical products in Poland and abroad. For the year ended December 31, 2016, the Company's total income is ₹ 3.99 Lakhs (Previous Year: ₹ 4.00 Lakhs) and Profit for the year is ₹ 0.10 Lakhs (Previous year: ₹ 0.34 Lakhs).

Sharda Spain, S.L., Spain

Sharda Spain, S.L. is engaged in the business of dealing in agrochemical products in Spain. For the year ended December 31, 2016, the Company's total income is ₹ 7.28 Lakhs (Previous Year: ₹ 7.69 Lakhs) and Loss for the year is ₹ 0.68 Lakhs (Previous year: ₹ 0.77 Lakhs).

Sharda Swiss SARL, Switzerland

Sharda Swiss SARL is engaged in the business of dealing in agrochemical products in Switzerland. For the year ended December 31, 2016, the Company's total income is ₹ 1.04 Lakhs (Previous Year: ₹ 5.46 Lakhs) and Loss for the year is ₹ 0.17 Lakhs (Previous year: ₹ Profit 4.33 Lakhs).

Sharda Taiwan Limited, Taiwan

Sharda Taiwan Limited is engaged in the business of dealing in agrochemical products in Taiwan. For the year ended December 31, 2016, the Company's total income is NIL (Previous Year: ₹ 0.02 Lakhs) and Profit for the year is NIL (Previous year: ₹ 0.02 Lakhs).

Sharda Ukraine LLC, Ukraine

Sharda Ukraine LLC is engaged in the business of dealing in agrochemical products in Ukraine. For the year ended December 31, 2016, the Company's total income is ₹ 3.52 Lakhs (Previous Year: ₹ 5.88 Lakhs) and Profit for the year is ₹ 0.11 Lakhs (Previous year: NIL).

Sharda USA LLC, USA

Sharda USA LLC is engaged in the business of dealing in agrochemical products in USA. During the year, there were no operations in the Company.

Shardacan Limited, Canada

Shardacan Limited is engaged in the business of dealing in agrochemical products in Canada. During the year, there were no operations in the Company.

Shardaserb DO.O., Serbia

Shardaserb DO.O. is engaged in the business of dealing in agrochemical products in Serbia. For the year ended December 31, 2016, the Company's total income is ₹ 2.91 Lakhs (Previous Year: ₹ 2.74 Lakhs) and Loss for the year is ₹ 0.23 Lakhs (Previous year: Profit ₹ 0.22 Lakhs).

Sharzam Limited, Zambia

Sharzam Limited is engaged in the business of dealing in agrochemical products in Zambia. During the year, there were no operations in the Company.

Subsidiary Companies – Indirect

Euroazijski Pesticidi d.o.o., Croatia

Euroazjiski Pesticidi d.o.o. is engaged in the business of dealing in agrochemical products in Croatia. For the year ended March 31, 2017, the Company's total income is ₹ 57.90 Lakhs (Previous Year:

₹ 79.04 Lakhs) and Loss for the year is ₹ 14.91 Lakhs (Previous year: Profit ₹ 11.86 Lakhs).

Sharda Benelux BVBA, Belgium

Sharda Benelux BVBA is engaged in the business of dealing in agrochemical products in Belgium. For the year ended December 31, 2016, there are no revenues and Loss for the year is ₹ 1.28 Lakhs (Previous year: ₹ 1.25 Lakhs).

Sharda Bolivia SRL, Bolivia

Sharda Bolivia SRL is engaged in the business of dealing in agrochemical products in Bolivia. For the year ended March 31, 2017, the Company's total income is NIL (Previous year: ₹ 93.67 Lakhs) and Loss for the year is ₹ 5.37 Lakhs (Previous year: Profit ₹ 22.87 Lakhs).

Sharda Colombia S.A.S., Colombia

Sharda Colombia S.A.S. is engaged in the business of distribution of agrochemical products in Colombia and abroad. For the year ended March 31, 2017, the Company's total income is ₹ 1,152.67 Lakhs (Previous year: ₹ 1,267.22 Lakhs) and Profit for the year is ₹ 132.91 Lakhs (Previous year: ₹ 407.75 Lakhs).

Sharda De Mexico S. De RI De CV, Mexico

Sharda De Mexico S. De RI De CV is engaged in the business of distribution of agrochemical products in Mexico and abroad. For the year ended March 31, 2017, the Company's total income is ₹ 4,331.21 Lakhs (Previous year: ₹ 8,001.28 Lakhs) and Profit for the year of ₹ 270.39 Lakhs (Previous year: ₹ 829.98 Lakhs).

Sharda Europe BVBA, Belgium

Sharda Europe BVBA is engaged in the business of dealing in agrochemical products in Belgium. For the year ended March 31, 2017, the Company's total income is Nil (Previous Year: ₹ 2.60 Lakhs) and Loss for the year is ₹ 1.11 Lakhs (Previous year: Profit ₹ 0.85 Lakhs).

Sharda International Africa (Pty) Limited, South Africa

Sharda International Africa (Pty) Limited is engaged in the business of dealing in agrochemical products in South Africa. For the year ended March 31, 2017, the Company's total income is ₹ 475.09 Lakhs (Previous year: NIL) and Loss for the year is ₹ 0.83 Lakhs (Previous year: NIL).

Sharda Malaysia SDN BHD, Malaysia

Sharda Malaysia SDN BHD is engaged in the business of dealing in agrochemical products in Malaysia. For the year ended March 31, 2017, the Company's total income is ₹ 0.86 Lakhs (Previous Year: ₹ 1.03 Lakhs) and Loss for the year is ₹ 0.30 Lakhs (Previous year: Profit ₹ 0.10 Lakhs).

Sharda Uruguay S.A., Uruguay

Sharda Uruguay S.A. is engaged in the business of dealing in agrochemical products in Uruguay. For the year ended March 31, 2017, the Company's total income is ₹ 0.52 Lakhs (Previous Year: Nil) and Profit for the year is ₹ 0.14 Lakhs (Previous year: Loss ₹ 0.81 Lakhs).

Sharpar S.A., Paraguay

Sharpar S.A. is engaged in the business of dealing in agrochemical products in Paraguay. For the year ended December 31, 2016, the Company's total income is ₹ 12.15 Lakhs (Previous Year: ₹ 18.01 Lakhs) and Loss for the year is ₹ 0.21 Lakhs (Previous year: NIL).

Siddhivinayak International Limited, U.A.E.

Siddhivinayak International Limited is engaged in the business of trading and investments in U.A.E. and abroad. For the year ended March 31, 2017, there are no revenues and Loss for the year is ₹ 4.22 Lakhs (Previous year: ₹ 4.96 Lakhs).

Associate Companies

Sharda Private (Thailand) Limited, Thailand

Sharda Private (Thailand) Limited is engaged in the business of dealing in agrochemical products in Thailand. For the year ended March 31, 2017, the Company's total income is ₹ 0.02 Lakhs (Previous Year: ₹ 0.02 Lakhs) and Loss for the year is ₹ 1.23 Lakhs (Previous year: ₹ 0.80 Lakhs).

A statement containing the salient features of the financial position of the subsidiary companies in Form AOC.1 is annexed as Annexure 1.

MATERIAL SUBSIDIARY

The Company does not have any Material Indian Subsidiary as per the parameters laid down by the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

All Related Party Transactions entered into during the Financial Year were on arm's length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website viz. www.shardacropchem.com/investor-relation.html

Since all the Related Party Transactions entered into by the Company are in the ordinary course of business and on arm's length basis, Form AOC-2 is not applicable to the Company. None of the Directors has any pecuniary relationship or transactions vis-a-vis the Company.

DIRECTORS

As on March 31, 2017, the Company has Nine (9) Directors consisting of Five (5) Independent Directors, Three (3) Executive Directors and Chairman & Managing Director.

Appointment/Resignations from the Board of Directors

In terms of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and The

Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the Independent Directors are appointed for a term of five years and are not liable to retire by rotation.

The Company has received declarations from the Independent Directors confirming that the meet with the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and under Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations").

Woman Director

In terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI Regulations, a Company shall have atleast one Woman Director on the Board of the Company. Your Company's Board is represented by two Woman Directors', Mrs. Sharda R. Bubna and Mrs. Urvashi Saxena.

Directors Retiring by Rotation

In accordance with the provisions of section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Sharda R. Bubna, (DIN: 00136760), Executive Director of the Company, retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers herself for re-appointment.

The information of Directors seeking appointment/re-appointment as required pursuant to Regulation 36(3) of the SEBI Regulations, is provided in the notice covering the Annual General Meeting of the Company.

Appointment/Resignation of the Key Managerial Personnel

There has been no change in the Key Managerial Personnel during the year.

Number of Meetings of the Board

Regular meetings of the Board are held to discuss and decide on various business policies, strategies and other businesses. Due to business exigencies, certain business decisions are taken by the Board through circulation from time to time.

The Board met five times during the FY 2016-17 viz, May 25, 2016, August 04, 2016, November 04, 2016, January 30, 2017 and March 21, 2017.

Detailed information on the meetings of the Board are included in the report on Corporate Governance, which forms part of this Annual Report.

COMMITTEES OF THE BOARD

Your Company has several committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of laws and statutes applicable to the Company.

The Company has following Committees namely:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee;
4. Corporate Social Responsibility Committee.

The details with respect to the composition, powers, roles, terms of reference, etc. of the aforesaid committees are given in details in the "Report on Corporate Governance" of the Company which forms part of the Annual Report.

PERFORMANCE EVALUATION OF THE BOARD

In compliance with the provisions of the Companies Act, 2013 and Regulation 25(4)(a) of the SEBI Regulation, annual performance evaluation of the Board and its Directors individually was carried out. Various parameters such as the Board's functioning, composition of its Board and Committees, execution and performance of specific duties, obligations and governance were considered for evaluation.

The performance evaluation of the Board as a whole was carried out by the Independent Directors. The performance evaluation of each Independent Director was also carried out by the Board.

The Board of Directors expressed their satisfaction with the evaluation process.

FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

Pursuant to the SEBI regulations, the Company has worked out a Familiarization programme for the Independent Directors, with a view to familiarize them with their role, rights and responsibilities in the Company, nature of Industry in which the Company operates, business model of the Company, etc.

Through the Familiarization programme, the Company apprises the independent directors about the business model, corporate strategy, business plans and operations of the Company. Directors are also informed about the financial performance, annual budgets, internal control system, statutory compliances etc. They are also familiarized with Company's vision, core values, ethics and corporate governance practices.

Details of Familiarization programme of Independent Directors with the Company are available on the website of the Company www.shardacropchem.com/investor-relation.html

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year, the CSR expenditure incurred by the Company was ₹ 3,69,45,563/-.

The CSR initiatives taken up by the Company are in the areas of promoting education, eradicating hunger, empowerment of women, animal welfare, promotion of Olympic sports and rural development projects. These projects are in accordance with the activities included in Schedule VII of the Companies Act, 2013 and the Company's CSR Policy. The Annual Report on CSR activities forms a part of this Report as Annexure - 2

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an internal control system. All these controls were operating effectively during the year.

The Company has adequate internal financial controls. During the year, such controls were tested to find out any weaknesses in them. Services of professional consultants were obtained to remove such weaknesses and ensure robust internal financial controls and to ensure that these controls are operating effectively.

The Company is complying with all the applicable Accounting Standards. The accounting records are maintained in accordance with generally accepted accounting principles in India. This ensures that the financial statements reflect true and fair financial position of the Company.

RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Policy wherein all material risks faced by the Company are identified and assessed. The Risk Management framework defines the risk management approach of the Company and includes collective identification of risks impacting the Company's business and documents their process of identification, mitigation and optimization of such risks. The Policy is uploaded on the website of the Company viz.: www.shardacropchem.com/investor-relation.html

REMUNERATION POLICY

The Company's Remuneration Policy has been disclosed in the Report on Corporate Governance which forms part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(e) of the SEBI Regulations, is presented as a separate section forming part of this Annual Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy to report genuine concerns or grievances and to deal with instances of fraud and mismanagement. The Whistleblower Policy has been posted on the Company's website at www.shardacropchem.com/investor-relation.html

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITOON AND REDRESSAL) ACT, 2013

The Company has in place a policy for Prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Preservation, Prohibition & Redressal) Act, 2013. Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. This Policy has been uploaded on the website of the Company. The Company has not received any complaint of sexual harassment during the Financial Year 2016-2017.

AUDITORS

a) Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014, M/s. S R B C & CO LLP, (Firm No. 324982E/E300003) Chartered Accountants, were appointed as the Statutory Auditor of the Company to hold office from the Conclusion of the Twelfth Annual General Meeting until the conclusion of the Fifteenth Annual General Meeting of the Company, subject to ratification of their appointment at every Annual General Meeting.

The Statutory Auditor has given an un-modified audit report for the Financial Year ended March 31, 2017.

b) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. C. J. Goswami & Associates, a firm of Company Secretaries in Practice to conduct the Secretarial Audit of the Company for the Financial Year 2016-17. The Secretarial Audit Report is annexed to this report as Annexure – 3.

CORPORATE GOVERNANCE

Your Company is committed to achieve the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set by the Regulators.

A separate section on Corporate Governance practices followed by the Company as stipulated under Regulation 43(3) and Schedule V of the SEBI Regulations, together with a certificate from M/s. C. J. Goswami & Associates, a firm of Company Secretaries in Practice, confirming Compliance to the conditions as stated in Regulation 34(3) of the SEBI Regulations forms part of this Annual Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 and the Rules made thereunder are given in the notes to Financial Statements.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with the Indian GAAP, applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014 form part of this Annual Report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return in Form MGT-9 as required under Section 92 of Companies Act, 2013 forms an integral part of this Report as Annexure – 4.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are given in Annexures 5 and 6 hereunder and forms part of this report.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanation obtained by them, the Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

(a) That in preparation of the Annual Financial Statements for the year ended March 31, 2017; the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any.

(b) That such accounting policies as mentioned in the notes to the Financial Statements have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give true and fair view of the Statement of Affairs of the Company as at March 31, 2017 and of the Profit of the Company for the year ended on that date.

(c) That proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(d) That the Annual Financial Statements have been prepared on a going concern basis.

(e) That proper Internal Financial Controls were in place and that the Financial Controls were adequate and were operating effectively.

(f) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

STATUTORY DISCLOSURES

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8(3) of The Companies (Accounts) Rules, 2014 is as follows:

A. Conservation of Energy, Technology Absorption

The provisions of Section 134(1)(m) read with Rule 8(3) of The Companies (Accounts) Rules, 2014 are not applicable to the Company.

B. Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo during the year together with comparable figures of the previous year are as stated below:

(₹ in Lakhs)

Particulars	Year ended 31-Mar-17	Year ended 31-Mar-16
Foreign Exchange Earnings	1,21,071.49	99,424.98
Foreign Exchange Outgo	1,02,986.83	78,568.51

LISTING OF THE COMPANY'S EQUITY SHARES

The equity shares of your Company are listed on The BSE Ltd. and The National Stock Exchange of India Ltd. There is no default in paying annual listing fees.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express deep and sincere gratitude to all the stakeholders of the Company for their confidence and patronage.

Your Directors wish to place on record their appreciation for the support and contribution made by the employees at all levels and also wish to thank all its customers, dealers, agents, suppliers, investors and bankers for their continued support and faith reposed in your Company.

For **Sharda Cropchem Limited**

Ramprakash V. Bubna
Chairman & Managing Director
(DIN: 00136568)

Date : May 22, 2017
Place : Mumbai

Statement containg salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures
(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

PART "A": SUBSIDIARIES

(₹ in Lakhs)

Sr. No.	Name of Subsidiary	Reporting Period	Reporting Currency	Exchange Rate Closing	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (Excluding investment in subsidiary)	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
1	Axis Crop Science Private Limited	Apr-Mar	INR	-	500.00	(477.07)	2,254.66	2,231.73	-	1,840.60	(345.52)	(2.20)	(343.32)	-	100%
2	Nihon Agro Service Kabushiki Kaisha	Apr-Mar	JPY	0.58	0.58	(0.34)	5.24	4.99	-	-	-	0.34	(0.34)	-	100%
3	Sharda Agrochem Dooel Skopje	Jan-Dec	MKD	1.17	-	-	-	-	-	-	-	-	-	-	100%
4	Sharda Balkan Agrochemicals Limited	Jan-Dec	EURO	71.37	3.21	(1.84)	3.37	1.99	-	-	-	-	-	-	100%
5	Sharda Chile SpA	Jan-Dec	CLP	0.10	-	-	-	-	-	-	-	-	-	-	100%
6	Sharda Costa Rica SA	Apr-Mar	CRC	0.12	-	-	-	-	-	-	-	-	-	-	99%
7	Sharda Cropchem Espana, S.L.	Apr-Mar	EURO	69.05	2.11	156.33	2,191.00	2,032.56	-	5,887.02	9.57	(9.18)	18.75	-	100%
8	Sharda Cropchem Israel Limited	Jan-Dec	NIS	17.86	-	-	-	-	-	-	-	-	-	-	100%
9	Sharda Cropchem Tunisia SARL	Jan-Dec	TND	29.51	0.69	(0.04)	0.65	-	-	-	-	-	-	-	99%
10	Sharda De Guatemala, S.A.	Jan-Dec	GTQ	9.03	0.45	(0.43)	0.04	0.02	-	-	-	-	-	-	98%
11	Sharda Del Ecuador CIA. Ltda.	Jan-Dec	USD	67.92	0.27	(0.03)	0.55	0.31	-	-	-	-	-	-	99.50%
12	Sharda Do Brasil Comercio De Produtos Quimicos E Agroquimicos LTDA	Jan-Dec	BRL	20.88	6.47	(39.20)	-	32.73	-	-	(18.61)	0.06	(18.67)	-	99%
13	Sharda Dominicana S.R.L.	Jan-Dec	RD$	1.40	-	-	-	-	-	-	-	-	-	-	99%
14	Sharda El Salvador S.A. DE CV	Jan-Dec	USD	67.92	-	-	-	-	-	-	-	-	-	-	99%
15	Sharda Hellas Agrochemicals Limited	Jan-Dec	EURO	71.37	3.21	(1.95)	3.36	2.11	-	-	-	-	-	-	100%
16	Sharda Hungary Kft	Apr-Mar	HUF	0.22	6.74	123.00	2,134.10	2,004.37	-	5,381.15	122.54	12.25	110.29	-	100%
17	Sharda International DMCC	Apr-Mar	USD	64.85	35.30	8,337.12	11,284.91	2,912.48	-	21,866.87	3,780.93	-	3,780.93	-	100%
18	Sharda Italia SRL	Jan-Dec	EURO	71.37	1.78	1.69	3.59	0.11	-	-	2.63	0.11	2.51	-	99%
19	Sharda Peru SAC	Jan-Dec	PEN	20.24	0.40	(208.22)	16.62	224.43	-	-	(39.97)	-	(39.97)	-	99.95%
20	Sharda Poland SP. ZO.O.	Apr-Mar	PLN	16.46	0.82	31.37	1,664.21	1,632.01	-	3,242.06	(20.72)	24.02	(44.74)	-	100%
21	Sharda Polska SP. ZO.O.	Jan-Dec	PLN	16.11	3.22	(2.93)	0.62	0.34	-	-	0.09	-	0.09	-	100%
22	Sharda Spain, S.L.	Jan-Dec	EURO	71.37	2.18	(4.08)	0.29	2.20	-	-	(0.65)	-	(0.65)	-	100%
23	Sharda Swiss SARL	Jan-Dec	CHF	66.73	13.35	(7.15)	8.17	1.97	-	-	(0.17)	-	(0.17)	-	100%
24	Sharda Taiwan Limited	Jan-Dec	TWD	2.09	2.09	0.04	2.13	-	-	-	-	-	-	-	100%
25	Sharda Ukraine LLC	Jan-Dec	UAH	2.51	1.57	(1.43)	0.27	0.14	-	-	0.13	0.02	0.11	-	100%
26	Sharda USA LLC	Jan-Dec	USD	67.92	-	(0.08)	1.75	1.83	-	-	-	-	-	-	100%
27	Shardacan Limited	Jan-Dec	CAD	48.72	-	-	-	-	-	-	-	-	-	-	100%
28	Shardaserb. DO.O.	Jan-Dec	RSD	0.58	0.15	(0.36)	-	0.21	-	-	(0.22)	-	(0.22)	-	100%
29	Sharzam Limited	Jan-Dec	ZMW	0.15	-	-	-	-	-	-	-	-	-	-	99.99%
30	Euroazijski Pesticidi d.o.o.	Apr-Mar	HRK	9.28	1.86	(11.74)	3.59	13.47	-	-	(14.09)	-	(14.09)	-	100%

(₹ in Lakhs)

Sr. No.	Name of Subsidiary	Reporting Period	Reporting Currency	Exchange Rate Closing	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (Excluding investment in subsidiary)	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
31	Sharda Benelux BVBA	Jan-Dec	EURO	71.37	4.42	(7.16)	0.36	3.09	-	-	(1.23)	-	(1.23)	-	100%
32	Sharda Bolivia SRL	Jan-Dec	BOB	9.35	0.94	(55.01)	4.46	58.54	-	-	(5.17)	-	(5.17)	-	99%
33	Sharda Colombia S.A.S.	Apr-Mar	COP	0.02	64.54	77.85	862.02	719.64	-	922.19	177.33	60.29	117.03	-	99.48%
34	Sharda De Mexico S. De Rl De Cv	Apr-Mar	MXN	3.47	323.32	943.73	4,607.72	3,340.67	-	4,314.35	396.14	-	396.14	-	99.99%
35	Sharda Europe BVBA	Apr-Mar	EURO	69.05	4.28	(14.10)	5.23	15.05	-	-	(1.03)	-	(1.03)	-	100%
36	Sharda International Africa (PTY) Ltd	Apr-Mar	ZAR	4.85	-	(23.32)	879.07	902.39	-	436.93	(32.40)	(9.07)	(23.32)	-	100%
37	Sharda Malaysia SDN. BHD.	Apr-Mar	MYR	14.66	-	(0.68)	-	0.68	-	-	(0.28)	-	(0.28)	-	100%
38	Sharda Uruguay S.A.	Apr-Mar	USD	64.85	10.39	(6.72)	4.40	0.73	-	-	0.14	-	0.14	-	100%
39	Sharpar S.A.	Jan-Dec	PYG	0.01	3.48	18.44	34.07	12.15	-	-	(0.21)	-	(0.21)	-	90%
40	Siddhivinayak International Limited	Apr-Mar	USD	64.85	459.15	(12.97)	447.50	1.32	-	-	(4.08)	-	(4.08)	-	100%

Notes:

1. *Sharda Chile SpA, Sharda Costa Rica SA, Sharda Cropchem Israel Limited, Shardacan Limited, Sharzam Limited, Sharda Dominicana S.R.L., Sharda De Guatemala, S.A., Sharda Cropchem Tunisia SARL, Sharda El Salvador S.A. DE CV & Sharda Agrochem Dooel Skopje are yet to commence business operations.*

PART "B": ASSOCIATES AND JOINT VENTURES

(₹ in Lakhs)

Sr. No.	Name of Associates/Joint Ventures	Sharda Private (Thailand) Limited
1	Latest audited Balance Sheet date	31-Mar-17
2	Shares of Associate/Joint Ventures held by the Company on the year end	
	No.	4,900
	Amount of investment in Associates/Joint Venture	NIL
	Extend of Holding %	49%
3	Description of how there is significant influence	By Holding equal to more than 20% shares
4	Reason why the Associate/Joint Venture is not consolidated	N/A
5	Networth attributable to Shareholding as per latest audited Balance Sheet	-
6	Profit/Loss for the year	
	i. Considered in Consolidation	-
	ii. Not Considered in Consolidation	-

ANNEXURE 2

Annual Report On Corporate Social Responsibility (CSR) Activities

1.	A brief outline of the Company's CSR policy including overview of projects or programmes proposed to be undertaken and a reference to the web-link to CSR policy and projects or programmes	The CSR policy, approved by the Board of Directors, is available on the Company's website www.shardacropchem.com/investor-relation.html In line with the CSR policy and in accordance with Schedule VII of the Companies Act, 2013, the Company has undertaken various activities towards CSR expenditure in the following activities/projects: a. Eradicating hunger and providing water and sanitation facilities; b. Promotion of education including vocational and special education to children and women; c. Empowerment of women; d. Animal welfare; e. Promotion of Olympic sports; f. Rural development projects
2.	The Composition of the CSR Committee	Mr. Ramprakash V. Bubna, Chairman Mrs. Sharda R. Bubna Mrs. Urvashi Saxena Mr. Shitin Desai
3.	Average Net Profit of the Company for last three Financial Years	₹ 1,84,72,33,768
4.	Prescribed CSR expenditure (two percent of the amount as in item 3 above)	₹ 3,69,44,675
5.	Details of CSR spent during the financial year	
a.	Total amount spent for the financial year	₹ 3,69,45,563
b.	Amount unspent, if any	NIL
c.	Manner in which amount spent during the financial year is detailed below	The manner in which the amount is spent is as per the annexure.
6.	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in the board report	Not applicable
7.	The Chairman of the CSR Committee has given a responsibility statement on behalf of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with the CSR objectives and policy of the Company	The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and policy of the Company.

ANNEXURE

Amount in ₹

(1)	(2)	(3)	(4)		(5)	(6)		(7)	(8)
Sr. No	CSR Project or activity identified	Sector in which the project is covered	Location of the Projects		Amount outlay (budget)	Amount spent on the projects or programs Sub-heads		Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
			Local Area	State		(1) Direct	(2) Over heads		
1.	Multiple and Interdisciplinary Management of Children and Youth with Cerebral Palsy	Education & Employment	Mumbai	Maharashtra	5,00,000	4,88,472	11,528	5,00,000	ADAPT "Able Disabled All People Together"
2.	Promoting higher education	Education	Mumbai	Maharashtra	1,00,000	1,00,000	-	1,00,000	"Agrawal Seva Samiti"
3.	Organizing Eye Camps for the needy and downtrodden people	Medical relief	Nawalgarh	Rajasthan	5,16,000	5,16,000	-	5,16,000	"Alliance Club Nawalgarh"
4.	Development of sports ground for students.	Promotion of Sports	Mumbai	Maharashtra	2,00,000	2,00,000	-	2,00,000	"Archana Educational Trust"
5.	Mid Day Meal Project	Education	Mumbai	Maharashtra	5,00,000	4,68,000	32,000	5,00,000	"Dharma Bharati Mission"
6.	Construction of Doha Model rain water storage structure, farm pound, laying pipeline for lift irrigation scheme and providing support for marginal farmers	Rural development projects	Yavatmal, Wardha, Beed and Aurangabad	Maharashtra	20,00,000	10,78,625	-	*10,78,625	"Dilasa Sanstha"
7.	Helping mentally challenged adults to participate in various activities for development and for conducting such developmental activities.	Enhancing Vocational skills among disabled adults	Valsad	Gujarat	2,50,000	2,50,000	-	2,50,000	"Dilkhush Welfare Society"
8.	Educational Donation for needy students.	Promoting Education	Jhunjhunu	Rajasthan	5,06,090	5,06,090	-	5,06,090	"Dundlod Vidyapeeth"
9.	Educational help by way of providing projector and stationary etc.	Promoting Education	Baramati	Pune	50,000	50,000	-	50,000	"H. M. Z. P. Primary School"
10.	Helping poor and needy people for payment of school fees, medical help and towards animal welfare.	Promoting Education, Medical Relief & Animal Welfare	Mumbai & Nawalgarh	Maharashtra & Rajasthan	53,98,473	53,98,473	-	53,98,473	"Jankidevi Bilasrai Bubna Trust"
11.	Sponsorship to students	Promoting Education	Bhubaneswar	Odisha	24,90,000	24,90,000	-	24,90,000	"Kalinga Institute of Social Science"
12.	Vocational Training courses.	Vocational Training	Jaipur	Rajasthan	5,25,000	1,50,000	-	*1,50,000	"Kherwadi Social Welfare Association"
13.	Promotion of education & motivating needy & meritorious students	Promoting Education	Mumbai	Maharashtra	51,000	51,000	-	51,000	"Maharaja Agrasen Sanstha"

Amount in ₹

(1)	(2)	(3)	(4)		(5)	(6)		(7)	(8)
Sr. No	CSR Project or activity identified	Sector in which the project is covered	Location of the Projects		Amount outlay (budget)	Amount spent on the projects or programs Sub-heads		Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
			Local Area	State		(1) Direct	(2) Over heads		
14.	Support for education by way of providing electronic equipments to schools and colleges.	Promoting Education	Mumbai	Maharashtra	22,000	22,000	-	22,000	"MMK College"
15.	Support for vocational training of underprivileged youths in Rajasthan villages.	Promoting Education	Udaipur	Rajasthan	2,52,000	2,52,000	-	2,52,000	"Narayan Seva Sansthan"
16.	Promoting Education.	Promoting Education	Mumbai	Maharashtra	10,00,000	2,00,000	-	*2,00,000	"Nawalgarh Nagrik Sangh"
17.	Olympic Gold Quest Training, equipment, medical support	Promoting Spots	India and Abroad In India OFQ train at the following places: 1) Boxers train in Punjab, Maharashtra, Haryana and Manipur 2) Shooters train in Delhi, Maharashtra, Punjab, Chandigarh and Rajasthan 3) Wrestlers train in Haryana and Delhi 4) Athletics player train in Punjab, Kerala and Uttar Pradesh 5) Badminton players train in Telangana and Karnataka 6) Archers train in West Bengal, Maharashtra, Delhi and Jharkhand Mostly the athletes train in the following countries: USA, UK, Germany, France, Austria, Brazil, South Korea, Serbia, Italy and Spain		10,00,000	10,00,000	-	10,00,000	"Foundation for Promotion of Spots and Games"
18.	Holistic development of mentally challenged women	Educational Training & Rehabilitation	Mumbai	Maharashtra	10,00,000	4,28,098	-	4,28,098*	"Om Creations Trust"
19.	Animal Welfare & Medical Camp and Education support to deserving and needy students.	Medical relief, Animal Welfare	Bhayandar, Thane	Maharashtra	2,00,000	2,00,000	-	2,00,000	"Parhit Seva Sangh"

Amount in ₹

(1)	(2)	(3)	(4)		(5)	(6)		(7)	(8)
Sr. No	CSR Project or activity identified	Sector in which the project is covered	Location of the Projects		Amount outlay (budget)	Amount spent on the projects or programs Sub-heads		Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
			Local Area	State		(1) Direct	(2) Over heads		
20.	Promoting healthcare and support to medical patients	Medical Relief, Eradicating Poverty	Mumbai	Maharashtra	54,30,000	54,30,000	-	54,30,000	"Parmarth Seva Samiti"
21.	Setting up of Boy's hostel and providing accommodation facility to needy and deserving students for higher education	Promoting Education	Mumbai	Maharashtra	1,00,00,000	1,00,00,000	-	1,00,00,000	"Rajasthani Sammelan"
22.	Medical Help to the deserving and needy people	Medical Relief	Thane	Maharashtra	51,000	51,000	-	51,000	"Rajasthani Seva Sanstha"
23.	Supporting project of setting up of girl's hostel for tribal girl who travels to Chhattisgarh for studies.	Promoting Education	Narainpur	Chhattisgarh	5,00,000	5,00,000	-	5,00,000	"Ram Krishna Mission"
24.	Providing medical support to animals	Animal Welfare	Thane	Maharashtra	5,00,000	5,00,000	-	5,00,000	"Thane Society for Prevention of Cruelty to Animals"
25.	Distribution of notebooks to poor and needy students	Promoting Education	Mumbai	Maharashtra	51,000	51,000	-	51,000	"Shree Shyam Satsang Mandal"
26.	Distribution of stationary materials to needy and deserving tribal children's.	Promoting Education	Mumbai	Maharashtra	51,000	51,000	-	51,000	"Shree Tungareshwar Mahadev Seva Samiti"
27.	Providing food to animals.	Animal Welfare	Mumbai	Maharashtra	1,00,000	1,00,000	-	1,00,000	"Shree Nawalgarh Goushala"
28.	Eradicating Hunger and Poverty by distribution of grocery products to needy and poor people.	Eradicating Hunger	Mumbai	Maharashtra	1,02,000	1,02,000	-	1,02,000	"Shri Rani Sati Sarvajanik Aushadhayla"
29.	Supporting renovation of common funeral place, improvement of sanitation and making available safe drinking water.	Promoting health care, Sanitation	Shikar	Rajasthan	1,00,000	1,00,000	-	1,00,000	"Shri Nawalgarh Seva Samiti"
30.	Development of society by way of providing educational help, medical help etc to the society.	Promoting Education, Medical Relief	Mumbai	Maharashtra	4,00,000	4,00,000	-	4,00,000	"Smt. Bhagirathidevi Makhanlal Trust"
31.	Sponsorship for running Day care centre & Computer Training	Educations	Mumbai	Maharashtra	5,00,000	5,00,000	-	5,00,000	"The Vatsalya Foundation"

Amount in ₹

(1)	(2)	(3)	(4)		(5)	(6)		(7)	(8)
Sr. No	CSR Project or activity identified	Sector in which the project is covered	Location of the Projects		Amount outlay (budget)	Amount spent on the projects or programs Sub-heads		Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
			Local Area	State		(1) Direct	(2) Over heads		
32.	Providing blood bank facility and medical help at Thallasemia Day Centre to needy children	Medical Relief	Thane	Maharashtra	11,00,000	11,00,000	-	11,00,000	"Triumph Foundation"
33.	Providing nutritional relief, medical support and educational training	Promoting Education	Thane	Maharashtra	5,00,000	5,00,000	-	5,00,000	"Udaan Welfare Foundation"
34.	Promote livelihood enhancement projects by providing loans to needy people for self employment.	Livelihood enhancement project	Ahmadabad	Gujarat	10,00,000	10,00,000	-	10,00,000	"Vicharta Samuday Samanthan Manch"

** The balance amount will be spent by the respective NGO/Trust in the Financial Year 2017-18.*

ANNEXURE 3

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017.
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s. Sharda Cropchem Limited,
Mumbai

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate governance practice by **Sharda Cropchem Limited ("the Company").** The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2017**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable during the period under review of Foreign Direct Investment, Overseas Direct Investment; (Regulations relating to External Commercial Borrowings not attracted to the Company for the year under review);

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – **Not applicable to the Company for the year under review;**

   d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not applicable to the Company for the year under review;**

   e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **Not applicable to the Company for the year under review;**

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client – **Not applicable to the Company;**

   g. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – **Not applicable to the Company for the year under review;**

   h. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not applicable to the Company for the year under review;

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards with respect to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013;

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above subject to following observations:

- The certified copy of the signed Minutes of Board meetings and its committee meetings pursuant to requirement of para 7.6.4 of Secretarial Standard -1 (Meeting of the Board of Directors) has not been circulated to all the Directors of the Company within the period of 15 (fifteen) days after the minutes were signed.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director.

2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings and Meetings of Committees except in case meeting was conducted by issued of shorter notice. Agenda and detailed notes on agenda were sent in advance in adequate time before the meetings and a system exists for Directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3. On verification of minutes, we have not found any dissent/ disagreement on any of the agenda items discussed in the Board and Committee meetings from any of the Directors and all the decisions are carried through.

Based on the information received and records maintained, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has identified and complied with the following laws applicable to the Company:

- Insecticides Act, 1968;
- Insecticides Rules, 1971;

For **C. J. Goswami & Associates,**
Practicing Company Secretaries

Chintan J. Goswami
Proprietor
Mem No. - 33697
C. P. No. - 12721

Date : May 22, 2017
Place : Mumbai.

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

ANNEXURE A

To,
The Members,
Sharda Cropchem Limited,
Mumbai.

Our report of even date is to be read along with this letter.

1. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

3. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

4. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **C. J. Goswami & Associates,**
Practicing Company Secretaries

Chintan J. Goswami
Proprietor
Mem No. - 33697
C. P. No. - 12721

Date : May 22, 2017
Place : Mumbai.

ANNEXURE 4

FORM NO. MGT.9
EXTRACT OF ANNUAL RETURN
as on the financial year ended March 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of
The Companies (Management and Administration) Rules, 2014]

1. REGISTRATION AND OTHER DETAILS:

Particulars	Details
CIN	L51909MH2004PLC145007
Registration Date	March 12, 2004
Name of the Company	Sharda Cropchem Limited
Category/Sub-Category of the Company	Company having Share Capital
Address of the Registered office and contact details	Domnic Holm, 29th Road Bandra (West), Mumbai – 400 050 Tel. No.: 91 22 6678 2800 Fax No.: 91 22 6678 2828 Email id: co.sec@shardaintl.com Website: www.shardacropchem.com
Whether listed company	Yes
Name, Address and Contact Details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, 6th Floor, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032 Tel. No.: 91 40 6716 1606 Fax No.: 91 40 2311 4087 Email: mohammed.shanoor@karvy.com Website: www.karvycomputershare.com

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All business activities contributing 10% or more of total turnover of the Company shall be stated:

Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
Agrochemicals	46692	99.74%

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Axis Crop Science Private Limited Domnic Holm, 29th Road Bandra (West), Mumbai – 400 050	U01100MH2009PTC189472	Subsidiary	100	Section 2(87)
Nihon Agro Service Kabushiki Kaisha Samon Building, 3F, 2-17-2 Higashi-azabu, Minato-ku, Tokyo 106-0044	-	Subsidiary	100	Section 2(87)
Sharda Agrochem Dooel Skopje Gjuro Gjakovik 20/1-10, 1000 Skopje, Macedonia	-	Subsidiary	100	Section 2(87)

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Sharda Balkan Agrochemicals Limited Athens, Greece, Pavlou Mela 1, Chalandri, Postal code 15233, Greece	-	Subsidiary	100	Section 2(87)
Sharda Chile SpA Isidora Goyenechea 2934, Office 401, Las Condes, Santiago, Chile.	-	Subsidiary	100	Section 2(87)
Sharda Costa Rica SA San Jose, Santa Ana, Wells, Forum Business Center, Building C, Costa Rica	-	Subsidiary	99	Section 2(87)
Sharda Cropchem Espana, S.L. Carril Condomina Street, 6 Atalayas Business Center, 30006 Murcia, Spain	-	Subsidiary	100	Section 2(87)
Sharda Cropchem Israel Limited No. 5 Hovevei Zion Street, Tel Aviv 6314805, Israel	-	Subsidiary	100	Section 2(87)
Sharda Cropchem Tunisia SARL 27, Rue Hasdrubal – 1002, Tunisia	-	Subsidiary	99	Section 2(87)
Sharda De Guatemala S.A. 12 Avenida 16-66 Zona 10, Guatemala	-	Subsidiary	98	Section 2(87)
Sharda Del Ecuador CIA. LTDA. Inglaterra E3-54 and Av. Republica, Ecuador	-	Subsidiary	99.50	Section 2(87)
Sharda Do Brasil Comercio De Produtos Quimicos E Agroquimicos LTDA Rua da Consolacao No. 222- Conj. 1001-Sala 2, Consolacao-Sao Paulo – SP-CEP 608, Consolacao-Sao Paulo- SP-CEP (Zip Code) 01302-000,	-	Subsidiary	99	Section 2(87)
Sharda Dominicana, S.R.L. Av. Abraham Lincoln no. 403, La Julia, Santo Domingo, DN	-	Subsidiary	99	Section 2(87)
Sharda EL Salvador S. A. DE CV Pasaje. Sagrado Corazón, No. 2-28. Entre 83 y 85 Av. Norte, Col. Escalón, San Salvador, El Salvador, Centro América	-	Subsidiary	99	Section 2(87)
Sharda Hellas Agrochemicals Limited Athens, Greece, Pavlou Mela 1, Chalandri, Postal code 15233, Greece	-	Subsidiary	100	Section 2(87)
Sharda Hungary Kft 1147, Budapest, Ov utca 182/b, Hungary.	-	Subsidiary	100	Section 2(87)
Sharda International DMCC Unit No 2H-05-353, Floor No 5, Building No 2, J & G DMCC, Dubai, UAE	-	Subsidiary	100	Section 2(87)
Sharda Italia SRL Cattolica (Rn) Via Cabral 40 Cap 47841	-	Subsidiary	99	Section 2(87)
Sharda Peru SAC Calle Las Castanitas No 138, Oficina 5 – D, El Palomar, San Isidro, Peru	-	Subsidiary	99.95	Section 2(87)
Sharda Poland SP. ZO.O ul. Bonifraterska 17, 00-203 Warszawa, Poland	-	Subsidiary	100	Section 2(87)
Sharda Polska SP. ZO.O ul. Bonifraterska 17, 00-203 Warszawa, Poland	-	Subsidiary	100	Section 2(87)
Sharda Spain, S.L. Avda. Jose Ortiz, 1st floor, 59 Bajo 1, 12550 Almazora, Castellon, Espana	-	Subsidiary	100	Section 2(87)

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Sharda Swiss SARL Revinova Treuhand AG, Friesenbergstrasse 75, 8055 Zurich	-	Subsidiary	100	Section 2(87)
Sharda Taiwan Limited 9F, No. 563, Sec. 4, Zhongxiao East Road, Taipei, Taiwan	-	Subsidiary	100	Section 2(87)
Sharda Ukraine LLC 17 Sofiyivska Street, suite 4, Kyiv, 01001, Ukraine	-	Subsidiary	100	Section 2(87)
Sharda USA LLC 7212, Lancaster Pike, Suite A, P.O. Box 640, Hockessin, De 19707	-	Subsidiary	100	Section 2(87)
Shardacan Limited 644, Main Street, Suite 500, Moncton NB, E1C 1E2	-	Subsidiary	100	Section 2(87)
Shardaserb DO.O Vasilija Ivanovića 12, Belgrade, Serbia	-	Subsidiary	100	Section 2(87)
Sharzam Limited Box 35954 Lusaka, Zambia	-	Subsidiary	99.99	Section 2(87)
Euroazijski Pesticidi D.O.O. Savska Cesta 106/3, Zagreb, Croatia	-	Indirect Subsidiary	100	Section 2(87)
Sharda Benelux BVBA Jozef Mertensstraat 142, 1702, Dilbeek	-	Indirect Subsidiary	100	Section 2(87)
Sharda Bolivia SRL Office 303, del 3 piso del "Edificio Oriente", Ballivian esquina Chuquisaca de nuestra ciudad de Santa Cruz de la Sierra, Bolivia	-	Indirect Subsidiary	99	Section 2(87)
Sharda Colombia S.A. Carera 46 No 22 B 20 Oficina 211, Edificio Salitre Office Empresarial, Bogota- Colombia	-	Indirect Subsidiary	99.48	Section 2(87)
Sharda De Mexico S De RL DE CV 115 Aguascalienrtes Tlacotalpan Chanpoton Romasur, Mexico.	-	Indirect Subsidiary	99	Section 2(87)
Sharda Europe BVBA Jozef Mertensstraat 142, 1702 Dilbeek	-	Indirect Subsidiary	100	Section 2(87)
Sharda International Africa (Pty) Ltd 31, Alamein Road, Southdale, 2091.	-	Indirect Subsidiary	100	Section 2(87)
Sharda Malaysia SDN. BHD. B1- 1, Jalan Selaman 1, dataran palma, 6800 Ampang, Selangor Darul Ehsan, Malaysia.	-	Indirect Subsidiary	100	Section 2(87)
Sharda Uruguay S.A. Sarandi 693 Floor 3, Montevideo, Uruguay	-	Indirect Subsidiary	100	Section 2(87)
Sharpar S.A. Benjamin Constant No. 973 c/ Av. C. Colón. - Edificio Arasa 2 - Oficina 415 -1er. Piso	-	Indirect Subsidiary	90	Section 2(87)
Siddhivinayak International Limited 1205, Westburry Commercial Tower, Al Abraj Street Business Bay, P. O. Box 71241, Dubai – UAE	-	Indirect Subsidiary	100	Section 2(87)
Sharda Private (Thailand) Limited House No. 2/241 Soi Latphrao Wanghin 83, Latphrao Wanghin Road, Latphrao District, Bangkok 10230	-	Associate	49	Section 2(6)

4. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE TOTAL EQUITY)

i. Category-wise Share Holding

Category of Share holders	No. of Shares held at the beginning of the year (As on April 01, 2016)				No. of Shares held at the end of the year (As on March 31, 2017)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	6,76,65,371	0	6,76,65,371	75.00	6,74,65,371	0	6,74,65,371	74.78	(0.22)
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-	**6,76,65,371**	**0**	**6,76,65,371**	**75.00**	**6,74,65,371**	**0**	**6,74,65,371**	**74.78**	(0.22)
(2) Foreign									
a) NRIs Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/ Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
#Total shareholding of Promoter (A) = (A) (1) + (A) (2)	**6,76,65,371**	**0**	**6,76,65,371**	**75.00**	**6,74,65,371**	**0**	**6,74,65,371**	**74.78**	**(0.22)**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds/UTI	1,17,08,203	0	1,17,08,203	12.98	1,25,60,066	0	1,25,60,066	13.92	0.94
b) Banks/ FI	12,108	0	12,108	0.01	5,652	0	5,652	0.00	(0.01)
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00

Category of Share holders	No. of Shares held at the beginning of the year (As on April 01, 2016)				No. of Shares held at the end of the year (As on March 31, 2017)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) Foreign Institutional Investors	63,14,805	0	63,14,805	7.00	53,00,473	0	53,00,473	5.88	(1.12)
h) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
i) Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1)	**1,80,35,116**	**0**	**1,80,35,116**	**19.99**	**1,78,66,191**	**0**	**1,78,66,191**	**19.80**	(0.19)
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	0	0	0	0.00	0	0	0	0	0
ii) Overseas	9,99,104	0	9,99,104	1.11	9,43,821	0	9,43,821	1.05	(0.06)
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	31,38,586	102	31,38,688	3.48	29,83,226	102	29,83,328	3.31	(0.17)
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh.	2,49,715	0	2,49,715	0.28	5,58,072	0	5,58,072	0.62	0.34
c) Others (specify)									
i) Clearing Members	19,872	0	19,872	0.02	19,532	0	19,532	0.02	0.00
i) Non Resident Individuals	1,08,797	0	1,08,797	0.12	1,25,716	0	1,25,716	0.14	0.02
ii) NBFC	3,832	0	3,832	0.00	2,58,464	0	2,58,464	0.28	0.28
Sub-Total (B) (2):-	**45,19,906**	**102**	**45,20,008**	**5.01**	**48,88,933**	**0**	**48,88,933**	**5.42**	**0.41**
Total Public Shareholding (B) = (B)(1) + B(2)	**2,25,55,022**	**102**	**2,25,55,124**	**25.00**	**2,27,55,124**	**0**	**2,27,55,124**	**25.22**	**0.22**
C. Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0
***GRAND TOTAL (A)+(B)+(C)**	**9,02,20,393**	**102**	**9,02,20,495**	**100.00**	**9,02,20,393**	**102**	**9,02,20,495**	**100.00**	**0**

ii. Shareholding of Promoters

Sr.No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 01, 2016)			Shareholding at the end of the year (As on March 31, 2017)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Promoters – Individual								
1.	Ramprakash V. Bubna	1,41,52,686	15.6868	0	1,40,52,686	15.5759	0	(0.11)
2.	Sharda R. Bubna	1,41,52,685	15.6868	0	1,40,52,685	15.5759	0	(0.11)
3.	Ashish R. Bubna	1,51,80,000	16.8254	0	1,51,80,000	16.8254	0	0
4.	Manish R. Bubna	1,51,80,000	16.8254	0	1,51,80,000	16.8254	0	0
5.	Seema A. Bubna	45,00,000	4.9878	0	45,00,000	4.9878	0	0
6.	Anisha M. Bubna	45,00,000	4.9878	0	45,00,000	4.9878	0	0

iii. Changes in Promoters' Shareholding (please specify, if there is no change)

Sr.No.	Shareholder's Name	Shareholding at the beginning of the year			Reason for Increase / Decrease	Cumulative Shareholding during the year	
		Date	No. of shares	% of total shares of the Company		No. Shares	% of total shares of the company
1.	**Ramprakash V. Bubna**						
	At the beginning of the year	01.04.2016	1,41,52,686	15.6868			
	Date wise Increase / Decrease in Promoters Share holding during the Year	08.02.2017	1,00,000	0.11	Market Sale	1,40,52,686	15.5759
	At the end of the year	31.03.2017	1,40,52,686	15.5759			
2	**Sharda R. Bubna**						
	At the beginning of the year	01.04.2016	1,41,52,685	15.6868			
	Date wise Increase / Decrease in Promoters Share holding during the Year	08.02.2017	1,00,000	0.11	Market Sale	1,40,52,685	15.5759
	At the end of the year	31.03.2017	1,40,52,685	15.5759			
3	**Ashish R. Bubna**						
	At the beginning of the year	01.04.2016	1,51,80,000	16.8254			
	Date wise Increase / Decrease in Promoters Share holding during the Year	-	-	-	-	-	-
	At the end of the year	31.03.2017	1,51,80,000	16.8254			
4	**Manish R. Bubna**						
	At the beginning of the year	01.04.2016	1,51,80,000	16.8254			
	Date wise Increase / Decrease in Promoters Share holding during the Year	-	-	-	-	-	-
	At the end of the year	31.03.2017	1,51,80,000	16.8254			
5	**Seema A. Bubna**						
	At the beginning of the year	01.04.2016	45,00,000	4.9878			
	Date wise Increase / Decrease in Promoters Share holding during the Year	-	-	-	-	-	-
	At the end of the year	31.03.2017	45,00,000	4.9878			
6	**Anisha M. Bubna**						
	At the beginning of the year	01.04.2016	45,00,000	4.9878			
	Date wise Increase / Decrease in Promoters Share holding during the Year	-	-	-	-	-	-
	At the end of the year	31.03.2017	45,00,000	4.9878			

iv. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Dates	Reason	Increase / Decrease in Shareholding		Cummulative Shareholding during the year	
		No. of Shares	% of total Shares of the company			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	DSP Blackrock Mutual Fund	56,16,626	6.23	08.04.2016	Purchase of Shares	7,65,544	0.85	63,82,170	7.07
				22.04.2016	Purchase of Shares	10,000	0.01	63,92,170	7.09
				03.06.2016	Sale of Shares	30,235	0.03	63,61,935	7.05
				24.06.2016	Sale of Shares	8,361	0.01	63,53,574	7.04
				30.06.2016	Sale of Shares	5,501	0.00	63,48,073	7.04
				01.07.2016	Sale of Shares	875	0.00	63,47,198	7.04
				08.07.2016	Sale of Shares	225	0.00	63,46,973	7.03
				15.07.2016	Sale of Shares	45,313	0.05	63,01,660	6.98
				22.07.2016	Sale of Shares	4,264	0.00	62,97,396	6.98
				29.07.2016	Sale of Shares	24,735	0.03	62,72,661	6.95
				05.08.2016	Sale of Shares	60,843	0.07	62,11,818	6.89
				12.08.2016	Purchase of Shares	79,866	0.09	62,91,684	6.97
				04.11.2016	Sale of Shares	15,625	0.02	62,76,059	6.96
				11.11.2016	Purchase of Shares	21,881	0.02	62,97,940	6.98
				18.11.2016	Purchase of Shares	65,901	0.07	63,63,841	7.05
				25.11.2016	Purchase of Shares	13,123	0.01	63,76,964	7.07
				02.12.2016	Purchase of Shares	15,392	0.02	63,92,356	7.09
				09.12.2016	Purchase of Shares	17,562	0.02	64,09,918	7.10
				16.12.2016	Purchase of Shares	1,912	0.00	64,11,830	7.11
				23.12.2016	Purchase of Shares	14,903	0.02	64,26,733	7.12
				30.12.2016	Purchase of Shares	2,10,859	0.23	66,37,592	7.36
				30.12.2016	Sale of Shares	2,00,000	0.22	64,37,592	7.13
				06.01.2017	Sale of Shares	1,20,965	0.13	63,16,627	7.00
				13.01.2017	Sale of Shares	77,144	0.09	62,39,483	6.92
				20.01.2017	Sale of Shares	15,619	0.02	62,23,864	6.90
				10.02.2017	Sale of Shares	4,606	0.01	62,19,258	6.89
				17.02.2017	Sale of Shares	21,832	0.02	61,97,426	6.87
				27.02.2017	Sale of Shares	76,807	0.09	61,20,619	6.78
				03.03.2017	Sale of Shares	4,384	0.00	61,16,235	6.78
				10.03.2017	Sale of Shares	35,068	0.04	60,81,167	6.74
				17.03.2017	Sale of Shares	34,489	0.04	60,46,678	6.70
				31.03.2017	Purchase of Shares	4,887	0.01	60,51,565	6.71
		60,51,565	6.71	31.03.2017	At the end of the year				
2	HDFC Trustee Company Limited	31,91,076	3.53	06.05.2016	Purchase of Shares	15,000	0.02	32,06,076	3.55
				13.05.2016	Purchase of Shares	19,120	0.02	32,25,196	3.57
				20.05.2016	Purchase of Shares	1,90,000	0.21	34,15,196	3.79
				08.07.2016	Sale of Shares	64,000	0.07	33,51,196	3.71
				02.09.2016	Purchase of Shares	5,39,000	0.60	38,90,196	4.31
				20.01.2017	Sale of Shares	15,800	0.02	38,74,396	4.29
		38,74,396	4.29	31.03.2017	At the end of the year				
3	Pinebridge Investments GF Mauritius Limited	2238,355	2.48	-	-	-	-	-	-
		2238,355	2.48	31.03.2017	At the end of the year				
4	Goldman Sachs India Fund Limited	18,10,514	2.01	21.10.2016	Purchase of Shares	1,27,963	0.14	19,38,477	2.15
				31.03.2017	Purchase of Shares	4,052	0.00	19,42,529	2.15
		19,42,529	2.15	31.03.2017	At the end of the year				
5	SBI Mutual Fund	14,76,446	1.64	13.05.2016	Purchase of Shares	46,742	0.05	15,23,188	1.69
				20.05.2016	Purchase of Shares	1,00,000	0.11	16,23,188	1.80
				03.06.2016	Purchase of Shares	15,000	0.02	16,38,188	1.82
				08.07.2016	Purchase of Shares	53,258	0.06	16,91,446	1.88
				12.08.2016	Purchase of Shares	6,748	0.00	16,98,194	1.88
				19.08.2016	Purchase of Shares	1,00,000	0.11	17,98,194	1.99
				31.03.2017	Purchase of Shares	25,000	0.03	18,23,194	2.02
		18,23,194	2.02	31.03.2017	At the end of the year				

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Dates	Reason	Increase / Decrease in Shareholding		Cummulative Shareholding during the year	
		No. of Shares	% of total Shares of the company			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
6	UTI - Focussed Equity Fund - Series I (1100 Days)	7,78,226	0.86	10.06.2016	Sale of Shares	13,503	0.01	7,64,723	0.85
				17.06.2016	Sale of Shares	24,873	0.03	7,39,850	0.82
				19.08.2016	Sale of Shares	2,00,000	0.22	5,39,850	0.60
				26.08.2016	Sale of Shares	2,00,000	0.22	3,39,850	0.38
				02.09.2016	Sale of Shares	3,39,850	0.38	0	0.00
		0	0.00	31.03.2017	At the end of the year				
7	Amansa Holding Private Limited	7,51,636	0.83	08.04.2016	Sale of Shares	7,51,636	0.83	0	0.00
		0	0.00	31.03.2017	At the end of the year				
8	Kuwait Investment Authority Fund 224	5,84,533	0.65	20.05.2016	Sale of Shares	2,90,000	0.32	2,94,533	0.33
				24.06.2016	Sale of Shares	4,743	0.01	2,89,790	0.32
				22.07.2016	Sale of Shares	6,553	0.01	2,83,237	0.31
				29.07.2016	Sale of Shares	22,473	0.02	2,60,764	0.29
				30.09.2016	Sale of Shares	54,453	0.06	2,06,311	0.23
				07.10.2016	Sale of Shares	4,585	0.01	2,01,726	0.22
				21.10.2016	Sale of Shares	1,10,416	0.12	91,310	0.10
				28.10.2016	Sale of Shares	91,310	0.10	0	0.00
		0	0.00	31.03.2017	At the end of the year				
9	Reliance Capital Trustee Co. Ltd	5,76,921	0.64	10.06.2016	Purchase of Shares	10,618	0.01	5,87,539	0.65
				05.08.2016	Purchase of Shares	50,000	0.06	6,37,539	0.71
				19.08.2016	Purchase of Shares	1,00,000	0.11	7,37,539	0.82
		7,37,539	0.82	31.03.2017	At the end of the year				
10	Reliance Life Insurance Company Limited	5,60,854	0.62	15.04.2016	Purchase of Shares	462	0.00	5,61,316	0.62
				22.04.2016	Sale of Shares	9,982	0.01	5,51,334	0.61
				29.04.2016	Sale of Shares	21,775	0.02	5,29,559	0.59
				13.05.2016	Purchase of Shares	3,173	0.00	5,32,732	0.59
				20.05.2016	Purchase of Shares	2,821	0.00	5,35,553	0.59
				27.05.2016	Sale of Shares	8,965	0.01	5,26,588	0.58
				03.06.2016	Purchase of Shares	8	0.00	5,26,596	0.58
				10.06.2016	Purchase of Shares	23	0.00	5,26,619	0.58
				17.06.2016	Sale of Shares	5,691	0.01	5,20,928	0.58
				24.06.2016	Sale of Shares	26	0.00	5,20,902	0.58
				30.06.2016	Purchase of Shares	8	0.00	5,20,910	0.58
				08.07.2016	Sale of Shares	8,916	0.01	5,11,994	0.57
				15.07.2016	Sale of Shares	10,091	0.01	5,01,903	0.56
				22.07.2016	Sale of Shares	3,608	0.00	4,98,295	0.55
				29.07.2016	Sale of Shares	43	0.00	4,98,252	0.55
				05.08.2016	Purchase of Shares	26	0.00	4,98,278	0.55
				30.09.2016	Sale of Shares	50	0.00	4,98,228	0.55
				14.10.2016	Sale of Shares	2,663	0.00	4,95,565	0.55
				21.10.2016	Purchase of Shares	40	0.00	4,95,605	0.55
				11.11.2016	Purchase of Shares	38	0.00	4,95,643	0.55
				18.11.2016	Sale of Shares	1,547	0.00	4,94,096	0.55
				25.11.2016	Sale of Shares	1,583	0.00	4,92,513	0.55
				02.12.2016	Sale of Shares	807	0.00	4,91,706	0.55
				09.12.2016	Sale of Shares	696	0.00	4,91,010	0.55
				16.12.2016	Sale of Shares	955	0.00	4,90,055	0.55
				23.12.2016	Sale of Shares	1,657	0.01	4,88,398	0.54
				30.12.2016	Sale of Shares	1,176	0.00	4,87,222	0.54
				06.01.2017	Purchase of Shares	45	0.00	4,87,267	0.54
				13.01.2017	Sale of Shares	22	0.00	4,87,245	0.54
				03.02.2017	Purchase of Shares	33	0.00	4,87,278	0.54
				10.02.2017	Sale of Shares	29,785	0.03	4,57,493	0.51
				17.02.2017	Sale of Shares	12	0.00	4,57,481	0.51
				24.02.2017	Sale of Shares	20	0.00	4,57,461	0.51
				03.03.2017	Purchase of Shares	31	0.00	4,57,492	0.51
				24.03.2017	Sale of Shares	1,583	0.00	4,55,909	0.51
				31.03.2017	Sale of Shares	2,266	0.01	4,53,643	0.50
		4,53,643	0.50	31.03.2017	At the end of the year				

v. Shareholding of Directors and Key Managerial Personnel

For Each of the Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. Shares	% of total shares of the company	No. Shares	% of total shares of the company
Mr. Ramprakash V. Bubna				
At the beginning of the year	1,41,52,686	15.6868		
~~Increase~~/Decrease	1,00,000	0.11	1,40,52,686	15.58
At the end of the year	1,40,52,686	15.5759		
Mrs. Sharda R. Bubna				
At the beginning of the year	1,41,52,685	15.6868		
~~Increase~~/Decrease	1,00,000	0.11	1,40,52,685	15.58
At the end of the year	1,40,52,685	15.5759		
Mr. Ashish R. Bubna				
At the beginning of the year	1,51,80,000	16.8254		
Increase/Decrease	No transactions during the year			
At the end of the year	1,51,80,000	16.8254		
Mr. Manish R. Bubna				
At the beginning of the year	1,51,80,000	16.8254		
Increase/Decrease	No transactions during the year			
At the end of the year	1,51,80,000	16.8254		

None of the other Directors hold any shares of the company at the beginning of the year and at the end of the year and none of the other directors had any transaction in the shares of the Company during the year.

For Each of the KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. Shares	% of total shares of the company	No. Shares	% of total shares of the company
Mr. Conrad Fernandes, Chief Financial Officer				
At the beginning of the year	-	-	-	-
Increase/Decrease	-	-	-	-
At the end of the year	-	-	-	-
Mr. Jetkin Gudhka, Company Secretary				
At the beginning of the year	90	-	90	-
Increase/Decrease	-		-	
At the end of the year	90	-	90	-

5. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for repayment

(Amount in ₹ Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	174.62	-	-	174.62
ii) Interest due but not paid	-	-	-	--
iii) Interest accrued but not due	0.87	-	-	0.87
Total (i+ii+iii)	**175.49**	**-**	**-**	**175.49**
Change in Indebtedness during the financial year				
Addition	196.06	-	-	196.06
Reduction	371.55	-	-	371.55
Net Change	**175.49**	**-**	**-**	**175.49**
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**-**	**-**	**-**

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to the Managing Director, Whole-time Director and/or Manager:

(Amount in ₹)

Sr. No.	Particular of Remuneration	Name of MD / WTD / Manager				Total Amount
		Ramprakash Bubna (Managing Director)	Sharda Bubna (Whole time Director)	Ashish Bubna (Whole time Director)	Manish Bubna (Whole time Director)	
1	Gross Salary	1,50,00,000	30,00,000	1,25,00,000	1,25,00,000	4,30,00,000
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	-	-	-
	b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	-	-	-	-	-
	c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-

(Amount in ₹)

Sr. No.	Particular of Remuneration	Name of MD / WTD / Manager				Total Amount
		Ramprakash Bubna (Managing Director)	Sharda Bubna (Whole time Director)	Ashish Bubna (Whole time Director)	Manish Bubna (Whole time Director)	
4	Commission					
	- as % of profit (Refer note)	2,61,85,048	-	1,75,43,982	1,75,43,982	6,12,73,012
	- others, (please specify)	-	-	-	-	-
5.	Others, (please specify)	-	-	-	-	-
	Total (A)	4,11,85,048	30,00,000	3,00,43,982	3,00,43,982	10,42,73,012
	Ceiling as per the Act	**14,11,51,294**	**14,11,51,294**	**14,11,51,294**	**14,11,51,294**	**31,05,32,846**

Note: Commission is for the Financial Year 2015-16, paid in the Financial Year 2016-17.

B. Remuneration to other Directors:

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. M. S. Sundara Rajan	Mrs. Urvashi Saxena	Mr. Shitin Desai	Mr. Shobhan Thakore	Mr. P R Srinivasan	
1	Fee for attending Board / Committee Meetings	3,30,000	3,00,000	3,30,000	1,80,000	2,10,000	13,50,000
2	Commission	-	-	-	-	-	-
3	Others, (please specify)	-	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Conrad Fernandes (Chief Financial Officer)	Mr. Jetkin Gudhka (Company Secretary)	
1	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	65,77,524	12,27,100	78,04,624
	b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	-	-	-
	c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit (Refer Note)	-	-	-
	- others, specify	-	-	-
5	Others, (please specify)	-	-	-
	Total (A)	65,77,524	12,27,100	78,04,624

7. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made if any (give details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

ANNEXURE 5

Disclosures required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. **The ratio of the remuneration of each Director to the median remuneration of employees for the Financial Year:**

Name of the Directors	Ratio to median remuneration
Executive Directors	
Mr. Ramprakash V. Bubna	113.15
Mrs. Sharda R. Bubna	8.24
Mr. Ashish R. Bubna	82.54
Mr. Manish R. Bubna	82.54
Non-Executive Directors	
Mr. M. S. Sundara Rajan	0.91
Mrs. Urvashi Saxena	0.82
Mr. Shitin Desai	0.91
Mr. Shobhan Thakore	0.49
Mr. P R Srinivasan	0.58

Note: Directors' Remuneration is including sitting fees.

2. **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, during the Financial Year:**

Name of the Directors, Chief Financial Officer and Company Secretary	% increase in remuneration in the Financial Year
Mr. Ramprakash V. Bubna	34.00
Mrs. Sharda R. Bubna	-
Mr. Ashish R. Bubna	31.00
Mr. Manish R. Bubna	31.00
Mr. M. S. Sundara Rajan	32.00
Mrs. Urvashi Saxena	(6)
Mr. Shitin Desai	38.00
Mr. Shobhan Thakore	13.00
Mr. P R Srinivasan	50.00
Mr. Conrad Fernandes, Chief Financial Officer*	NA
Mr. Jetkin Gudhka, Company Secretary	16.78

Note: Mr. Conrad Fernandes was appointed as Chief Financial Officer with effect from January 25, 2016 and hence the figures are not comparable.

3. **The percentage increase in the median remuneration of employees during the Financial Year:** 13.79%

4. **The number of permanent employees on rolls of the Company:** 139

5. **Average percentile increase already made in salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**

   The percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 18.79% as against an increase of 34.00% in the salary of the Managing Director (Managerial Personnel). The increment given to each individual employee is based on the employee's potential, experience and also their performance and contribution to the Company's progress during the year and is benchmarked against similar companies in India.

6. **Affirmation that the remuneration is as per the Remuneration Policy of the Company.**

   The Company affirms that the remuneration paid is as per the Remuneration Policy of the Company.

ANNEXURE 6

Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr. No.	Name	Designation	Remuneration received (in ₹)	Nature of Employment	Qualification	Experience	Date of joining	Age	Last Employment	%of Shares held in the Company
1	Mr. Ramprakash V. Bubna	Chairman & Managing Director	4,11,85,048	Contractual	B. Tech., Chemical Engineering	48	12-Mar-04	71	NIL	15.5759
2	Mr. Ashish R. Bubna	Executive Director	3,00,43,982	Contractual	B.Com	25	12-Mar-04	44	NIL	16.8254
3	Mr. Manish R. Bubna	Executive Director	3,00,43,982	Contractual	B. Chemical Engineering	23	12-Mar-04	43	NIL	16.8254
4	Mr. Conrad Fernandes	Chief Financial Officer	65,77,524	Contractual	B.Com., FCA	26	25-Jan-16	50	IL&FS Investment Managers Limited	NIL

Notes:

1. *Mr. Ramprakash V. Bubna, Mrs. Sharda R. Bubna, Mr. Ashish R. Bubna & Mr. Manish R. Bubna are promoters of the Company and are related to each other.*
2. *Remuneration received includes the amount of commission paid, if any, during the year. Amount of commission for the year 2015-16 is paid in the year 2016-17.*

CORPORATE GOVERNANCE REPORT

The report on Corporate Governance is prepared pursuant to Regulation 34(3) read with Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations").

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Company's philosophy on Corporate Governance is based on holistic approach not only towards its own growth but also towards maximization of benefits to the shareholders, employees, customers, government and also the general public at large. Transparency and accountability are the fundamental principles of sound Corporate Governance, which ensures that the organization is managed and monitored in a responsible manner for creating and sharing stakeholder's value.

The Corporate Governance framework ensures timely disclosure and share accurate information regarding the Company's financials and performance as well as its leadership and governance.

Your Company is committed to good Corporate Governance and its adherence best practice at all times and its philosophy is based on five basic elements namely, Board's accountability, value creation, strategic-guidance, transparency and equitable treatment to all stakeholders.

2. BOARD OF DIRECTORS:

As on March 31, 2017, the Company had Nine (9) Directors comprising, Five (5) Non-Executive Directors & Four (4) Executive Directors. The Composition of the Board is in conformity with Regulation 17 of the SEBI Regulations read with Section 149 of the Companies Act, 2013.

None of the Directors on the Board hold directorships in more than Twenty (20) Companies and in more than Ten (10) Public Limited Companies. Further, none of them is a member of more than Ten (10) Committees or Chairman of more than Five (5) Committees across all the Public Limited Companies in which he/she is a Director. Committees include Audit Committee & Stakeholders Relationship Committee as per Regulation 26(1) of the SEBI Regulations. The necessary disclosures regarding committee positions have been made by the Directors.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Regulations read with Section 149(6) of the Companies Act, 2013. All the Independent Directors have confirmed that they met the criteria as mentioned under Regulation 16(1)(b) of the SEBI Regulations read with Section 149(6) of the Companies Act, 2013.

The names and categories of the Directors on the Board, their number of Directorships and Committee Chairmanships/ Memberships held by them in other Public Limited Companies as on March 31, 2017 are given below. Other Directorships does not include Directorships, Committee Chairmanships/Memberships of Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

Chairmanships/Memberships of Board Committees shall include Audit Committee and Stakeholder's Relationship Committee in Other Public Limited Companies.

Name	Category	No. of Directorships	No. of Committee Positions		Inter-se Relationship
			Chairman	Member	
Mr. Ramprakash V. Bubna	Chairman & Managing Director	-	-	-	1) Husband of Mrs. Sharda Bubna 2) Father of Mr. Ashish Bubna and Mr. Manish Bubna
Mrs. Sharda R. Bubna	Executive Director	-	-	-	1) Wife of Mr. Ramprakash Bubna 2) Mother of Mr. Ashish Bubna and Mr. Manish Bubna
Mr. Ashish R. Bubna	Executive Director	-	-	-	1) Son of Mr. Ramprakash Bubna and Mrs. Sharda Bubna 2) Brother of Mr. Manish Bubna
Mr. Manish R. Bubna	Executive Director	-	-	-	1) Son of Mr. Ramprakash Bubna and Mrs. Sharda Bubna 2) Brother of Mr. Ashish Bubna
Mr. M. S. Sundara Rajan	Non-Executive Director	8	5	4	
Mrs. Urvashi Saxena	Non-Executive Director	2	-	2	
Mr. Shitin Desai	Non-Executive Director	1	-	-	
Mr. Shobhan Thakore	Non-Executive Director	8	2	6	
Mr. P. R. Srinivasan	Non-Executive Director	-	-	-	

Independent Director

Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website http://shardacropchem.com/policy.html.

The details of the familiarisation programme of the Independent Directors are available on the Company's website (http://shardacropchem.com/policy.html).

During the year, one meeting of the Independent Directors was held on January 30, 2017. All the Independent Directors attended the meeting.

Non-Executive Directors do not hold any equity shares of the Company.

Board Meetings & Attendance of Directors

The Board meets at regular intervals to discuss and decide on business policies and review the financial performance of the Company and its Subsidiaries. The meetings are usually held at the Company's registered office at Mumbai.

The attendance of the Directors at the Board Meetings and at the last Annual General Meeting is given below:

Name of the Director	No. of Board Meetings attended during 2016-17	Attendance at the AGM held on September 03, 2016
Mr. Ramprakash V. Bubna	5	Yes
Mrs. Sharda R. Bubna	5	Yes
Mr. Ashish R. Bubna	5	No
Mr. Manish R. Bubna	5	Yes
Mr. M. S. Sundara Rajan	5	Yes
Mrs. Urvashi Saxena	4	Yes
Mr. Shitin Desai	5	No
Mr. Shobhan Thakore	4	No
Mr. P. R. Srinivasan	5	No

The Board of Directors met Five (5) times during the Financial Year 2016-17 and the gap between two meetings did not exceed 120 days. The necessary quorum was present for all the meetings. Board Meetings were held on May 25, 2016, August 04, 2016, November 04, 2016, January 30, 2017 and March 21, 2017.

During the year, information as mentioned in Part A of Schedule II of the SEBI Regulations, has been placed before the Board for its consideration.

Governance Codes

Code of Business Conduct & Ethics

The Company's Code of Business Conduct & Ethics requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in a professional, courteous and respectful manner. The Code is displayed on the Company's website http://shardacropchem.com/code-conduct.html.

Conflict of Interest

On an annual basis, each Director informs the Company about the Board and the Committee positions he occupies in other Companies including Chairmanships and notifies changes during the year. Members of the Board while discharging their duties avoid conflict of interest in the decision making process. The members of the Board restrict themselves from any decision and voting in transaction that they have concern or interest.

Code of Conduct for Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading, 2015 in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Code is displayed on the Company's website http://shardacropchem.com/code-conduct.html.

3. AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI Regulations read with Section 177 of the Companies Act, 2013.

Terms of Reference

The terms of reference of the Audit Committee, inter alia, includes the following functions:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible;
- Recommending to the Board of Directors, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of Statutory Auditor and the fixation of audit fees;
- Approval of payment to Statutory Auditors for any other services rendered by them;
- Reviewing with the management the Annual Financial Statements before submission to the Board of Directors for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Directors' Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the Financial Statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to Financial Statements;
  - Disclosure of any Related Party Transactions;
  - Qualifications in the draft Audit Report;
- Reviewing with the management the quarterly/half yearly Financial Statements before submission to the Board of Directors for approval;
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing with the management the performance of Statutory Auditor and Internal Auditor and the adequacy of internal control systems;
- Reviewing the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit;
- Discussion with Internal Auditor on any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by Internal Auditor into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors;
- Discussing with Statutory Auditor before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in payments to Depositors, Debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors;

- To review the functioning of the whistle blowing mechanism;
- Approval of appointment of the Chief Financial Officer (i.e. the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing, amongst others, the qualifications, experience and background of the candidate;
- Review & monitor the auditor's independence and performance and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with Related Parties;
- Scrutiny of Inter-corporate Loans & Investments;
- Valuation of undertakings or assets of the Company;
- Evaluation of Internal Financial Controls and risk management systems;
- Examination of the Financial Statement and the Auditor's Report thereon;
- Monitoring the end use of funds raised through public offers and related matters;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- To investigate any activity within its terms of reference;
- To have full access to information contained in the records of the Company;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Composition and Attendance of the members of the Audit Committee

The Composition of the Audit Committee and details of meetings attended by its members during the year is as under:

Name of the Director	Position	Category	No. of Meetings attended
Mr. Shitin Desai	Chairman	Independent Director	3*
Mr. M. S. Sundara Rajan	Member	Independent Director	4
Mrs. Urvashi Saxena	Member	Independent Director	3
Mr. Ramprakash V. Bubna	Member	Managing Director	4

* During the year, Mr. Shitin Desai was appointed as member only to attend the Audit Committee Meeting held on May 25, 2016. Thereafter, he was appointed as permanent member of Audit Committee with effect from November 04, 2016.

During the year, Mr. M. S. Sundara Rajan stepped down as Chairman and Mr. Shitin Desai was appointed as Chairman of the Audit Committee with effect from January 30, 2017.

The Audit Committee met Four (4) times during the Financial Year 2016-17 and the gap between the two Meetings did not exceed 120 days. The necessary quorum was present for all the Meetings. Audit Committee Meetings were held May 25, 2016, August 04, 2016, November 04, 2016 and January 30, 2017.

The Meetings of the Audit Committee are usually attended by the Chief Financial Officer, the Company Secretary and a representative of Internal Auditor and Statutory Auditor. The Business Operation Heads are invited to the Meetings, as and when required. The Company Secretary acts as the secretary to the Committee.

The then Chairman of the Audit Committee, Mr. M. S. Sundara Rajan was present at the 13th Annual General Meeting of the Company held on September 03, 2016.

4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of the SEBI Regulations read with Section 178 of the Companies Act, 2013.

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee, inter alia, includes the following:

- To fix and finalise remuneration including salary, perquisites, benefits, bonuses and allowances;
- To frame suitable policies and systems to ensure that:

  a) There is no violation, by an employee of any applicable laws in India or overseas, including:

  i. The Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015 or;

  ii. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995.

b) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully;

c) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

d) Remuneration payable to Directors, Key Managerial Personnel and other Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

- To fix performance linked incentives along with the performance criteria;
- To fix Increments and promotions;
- To enter into service contracts, notice period, severance fees;
- To make Ex-gratia payments;
- To formulate detailed terms and conditions of Employee Stock Option Schemes including details pertaining to quantum of options to be granted, conditions for lapsing of vested options, exercise period, adjustments for corporate actions and procedure for cashless exercise and perform such other functions as are required to be performed by the Remuneration Committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended ("ESOP Guidelines"), in particular, those stated in Clause 5 of the ESOP Guidelines;
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- To formulate the criteria for evaluation of Independent Directors and the Board;
- To devise a policy on Board diversity;
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report; and
- To carry out such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee.

Composition and Attendance of the members of the Nomination and Remuneration Committee

The Composition of the Nomination and Remuneration Committee and details of meetings attended by its members during the year is as under:

Name of the Director	Position	Category	No. of Meetings attended
Mr. M. S. Sundara Rajan	Chairman	Independent Director	1
Mrs. Urvashi Saxena	Member	Independent Director	1
Mr. Shitin Desai	Member	Independent Director	1
Mr. Ramprakash V. Bubna	Member	Chairman & Managing Director	1

The Nomination and Remuneration Committee met once during the Financial Year 2016-17. The necessary quorum was present for the meeting on January 30, 2017.

The Chairman of the Nomination & Remuneration Committee, Mr. M. S. Sundara Rajan was present at the 13th Annual General Meeting of the Company held on September 03, 2016.

Performance Evaluation

The criteria for performance evaluation is determined by the Nomination and Remuneration Committee. The performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness.

The performance evaluation of the Chairman, Independent Directors, Executive Directors and Board as a whole was done by the entire Board of Directors and in the evaluation, the respective Directors who was subject to evaluation, did not participated.

Remuneration Policy

The Company has a Nomination & Remuneration Policy for remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. There is no change in the Policy in FY 2016-17.

The objective of the Remuneration Policy is as follows:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management;

- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board;
- To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management;
- To devise a policy on Board diversity.

Remuneration to Executive Directors, Key Managerial Personnel and Senior Management:

- The Executive Directors, Key Managerial Personnel and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to provident fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/the person authorized by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.
- If in any Financial Year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Directors in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- If any Executive Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.
- The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

Remuneration to Non-Executive/Independent Director:

- The remuneration/commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.
- The Non-Executive/Independent Director may receive remuneration by way of fees for attending Meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ 1,00,000/- per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.
- An Independent Director shall not be entitled to any stock option of the Company.

The Company does not have any Employee Stock Option Scheme.

Details of Remuneration paid to Directors for the year ended March 31, 2017

Salary paid to the Executive Directors including Commission is as follows:

Name of the Director	Name of the Executive Director			
	Ramprakash V. Bubna	Sharda R. Bubna	Ashish R. Bubna	Manish R. Bubna
Gross Salary (₹)	1,50,00,000	30,00,000	1,25,00,000	1,25,00,000
Commission for the FY 2015-16, paid in FY 2016-17 (₹)	2,61,85,048	-	1,75,43,982	1,75,43,982
Date of Agreement	01-Jan-14	01-Jan-14	01-Jan-14	01-Jan-14
No. of Years	5	5	5	5
Period of Agreement	31-Dec-18	31-Dec-18	31-Dec-18	31-Dec-18
Notice Period	3 months	3 months	3 months	3 months
Stock Options	-	-	-	-

Details of Sitting Fees paid to the Independent Directors for 2016-17:

Name of the Director	Sitting fees (₹)
Mr. M. S. Sundara Rajan	3,30,000
Mrs. Urvashi Saxena	3,00,000
Mr. Shitin Desai	3,30,000
Mr. Shobhan Thakore	1,80,000
Mr. P. R. Srinivasan	2,10,000

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of the SEBI Regulations read with Section 178 of the Companies Act, 2013.

Terms of Reference

The terms of reference of Stakeholders' Relationship Committee, inter alia, includes the following:

- Redressal of Shareholders', Debenture holders' and other security holders' investors complaints including complaints related to transfer of shares;
- Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- Non-receipt of declared dividends, balance sheets of the Company; and
- Carrying out any other function as prescribed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition and Attendance of the members of the Stakeholders' Relationship Committee

The Composition of the Stakeholders' Relationship Committee and details of Meetings attended by its members during the year is as under:

Name of the Director	Position	Category	No. of Meetings attended
Mr. P. R. Srinivasan	Chairman	Independent Director	1
Mr. Shobhan Thakore	Member	Independent Director	1
Mr. Manish R. Bubna	Member	Whole-time Director	1

The Stakeholders' Relationship Committee met once during the Financial Year 2016-17. The necessary quorum was present for the meeting held on January 30, 2017

Name, Designation and address of Compliance Officer

Mr. Jetkin Gudhka
Company Secretary & Compliance Officer
Domnic Holm, 29th Road, Bandra (West), Mumbai – 400 050
Tel. No.: 91 22 6678 2800
Fax No.: 91 22 6678 2828
Email: co.sec@shardaintl.com

A total of 33 complaints were received from the Shareholders during the Financial Year 2016-17 and all the complaints were resolved successfully. Most of the complaints pertained to non-receipt of Refund Orders pursuant to the Initial Public Offer and non-receipt dividend warrant.

No request for transfer or dematerialization of shares was pending as on March 31, 2017.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Corporate Social Responsibility Committee of the Company is constituted in line with the provisions of Section 135 of the Companies Act, 2013.

Terms of Reference

The terms of reference of the Corporate Social Responsibility (CSR) Committee, inter alia, includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy (Policy) indicating activities to be undertaken by the company in Compliance with the provisions of the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on CSR activities;
- To monitor the implementation of the framework of CSR Policy;
- To collaborate with other Companies for undertaking projects or programs or CSR activities in such a manner that the Committees of respective companies are in a position to report separately on such projects or programs in accordance with these rules.

Composition and Attendance of the members of the CSR Committee

The Composition of the CSR Committee and details of meetings attended by its members during the year is as under:

Name of the Director	Position	Category	No. of Meetings attended
Mr. Ramprakash V. Bubna	Chairman	Chairman & Managing Director	1
Mrs. Sharda R. Bubna	Member	Whole-time Director	1
Mr. Shitin Desai	Member	Independent Director	1
Mrs. Urvashi Saxena	Member	Independent Director	1

The Corporate Social Responsibility Committee met once during the Financial Year 2016-17. The necessary quorum was present for the meeting held on March 21, 2017.

7. GENERAL BODY MEETINGS

Details of Last Three Annual General Meetings (AGM)

Financial Year	Date	Time	Venue
2013-14	August 09, 2014	1.00 p.m.	Domnic Holm, 29th Road, Bandra (West), Mumbai – 400 050
2014-15	September 18, 2015	3.00 p.m.	National Stock Exchange Auditorium, Plot No. C/1, G Block, Bandra-Kurla Complex, BKC Road, Bandra (East), Mumbai – 400 051
2015-16	September 03, 2016		

Extra Ordinary General Meeting

During the year, the Company did not hold any Extra Ordinary General Meeting and no special resolution were passed through postal ballot.

No special resolution is proposed to be conducted through postal ballot at the AGM to be held for the Financial Year 2016-17.

No special resolution was passed by the Company in any of the previous three AGMs.

8. SUBSIDIARY COMPANIES

The Company does not have any material non-listed Indian Subsidiary as defined under Regulation 24 of the SEBI Regulations.

The Company's Audit Committee reviews the Consolidated Financial Statements of the Company as well as the Financial Statements of the Subsidiaries, including the investments made by the Subsidiaries, if any.

The Company has formulated a policy for determining Material Subsidiaries and the policy is disclosed on the website of the company viz. http://shardacropchem.com/policy.html

9. DISCLOSURES

- During the year, all Related Party Transactions as defined under the Companies Act, 2013 and Regulation 23 of the SEBI Regulations were in the ordinary course of business and on at Arm's Length basis. The Board has approved a policy for Related Party Transactions which has been uploaded on the Company's website viz. http://shardacropchem.com/policy.html.
- Details of non-compliance by the Company, penalties, structures imposed on the Company by the Stock Exchanges or the SEBI or any statutory authority, on any matter related to capital markets, during the last two years 2015-16 and 2016-17 respectively: Nil.
- The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of the SEBI Regulations to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Ethics. The said policy has been put up on the Company's website viz. http://shardacropchem.com/policy.html.
- The Company has followed the Accounting Standards laid down by the Companies (Accounting Standards) Rules, 2006 in the preparation of its Financial Statements.
- The Company has adhered to all the mandatory and non mandatory requirements of Regulation 27 of the SEBI Regulations relating to Corporate Governance.
- The Company has adopted a Policy for Determining Materiality of Events / Information as defined under Regulation 30 of the SEBI Regulations. The said policy has been put on the Company's website viz. http://shardacropchem.com/policy.html.
- The Company has adopted a Preservation of Documents and Archival Policy for preservation of documents as defined under Regulation 9 of the SEBI Regulations. The said policy has been put on the Company's website viz. http://shardacropchem.com/policy.html.
- The Company has adopted Dividend Distribution Policy for distributing the profits of the Company shareholders as defined under Regulation 43A of the SEBI Regulations. The said policy has been put on the Company's website viz. http://shardacropchem.com/policy.html.
- M/s. C. J. Goswami & Associates, Practicing Company Secretaries have conducted Secretarial Audit of the Company for the Financial Year 2016-17. The Secretarial Audit Report forms part of the Director's Report.

10. MEANS OF COMMUNICATION

- The quarterly and half yearly financial results of the Company are announced within 45 days of the closure of the relevant quarter and the audited annual results are announced within 60 days from the closure of the Financial Year as required under Regulation 33 of the SEBI Regulations.
- The quarterly, half yearly and annual results of the Company are published in English Edition of The Economic Times and in Marathi Edition of The Maharashtra Times. The results are displayed on the website of the company (http://shardacropchem.com/financials.html). Presentations made to the Institutional Investors and analysts after the declaration of the quarterly, half-yearly and annual results are also displayed on the Company's website.
- The Company also files its results with The National Stock Exchange of India Ltd. through NSE Electronic Application Processing System (NEAPS) and with BSE Ltd. through BSE Online Portal.
- The quarterly shareholding pattern and the Corporate Governance Report of the Company are filed with The National Stock Exchange of India Ltd. through NEAPS and with BSE Ltd. through BSE Online Portal. They are also displayed on the Company's website under the tab "Investor Relations".

The Company has complied with the requirements specified in Regulation 17 to 27 and clause (b) to (i) of the Regulation 46(2) of the SEBI Regulations.

11. GENERAL SHAREHOLDER INFORMATION

The Company is registered with the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L51909MH2004PLC145007.

Annual General Meeting for FY 2016-17

Date : Thursday, September 21, 2017
Time : 3.00 p.m.
Venue : Crystal Hall, Hotel Parle International, B. N. Agarwal Commercial Complex, Vile Parle (East), Mumbai – 400 057

As required under Regulation 36(3) of the SEBI Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given herein and in the Annexure to the Notice of the AGM to be held for FY 2016-17.

Financial Year : 1st April to 31st March

Interim Dividend Payment Date : November 19, 2016
April 03, 2017

Listing on Stock Exchanges : The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex,
Bandra (East)
Mumbai – 400 051

BSE Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400 001

Stock Code
NSE : SHARDACROP EQ
BSE : 538666

Demat International Security Identification Number (ISIN) In NSDL and CDSL for equity shares : INE221J01015

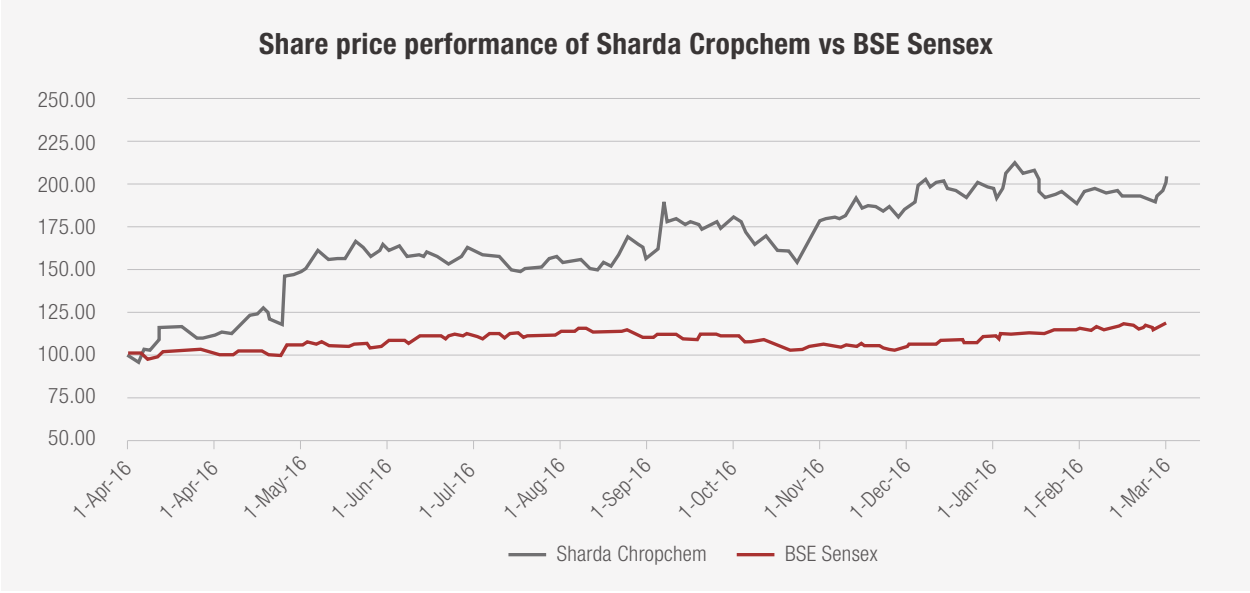
The Company has paid Annual Listing Fees for the Financial Year 2016-17.

Market Information:

Market price data: High/Low, number and value of shares traded during each month in the last Financial Year.

Month	NSE			BSE		
	High (₹)	Low (₹)	Total No. of equity shares traded	High (₹)	Low (₹)	Total No. of equity shares traded
Apr-16	286.8	230.0	11,80,919	287.0	230.0	4,91,495
May-16	374.0	260.1	19,19,252	373.0	263.5	4,06,471
Jun-16	408.8	351.0	19,71,175	409.0	353.3	5,14,004
Jul-16	401.0	363.3	7,73,794	400.0	361.5	2,48,413
Aug-16	463.0	375.6	14,07,650	389.5	325.0	2,59,513
Sep-16	417.0	355.0	8,77,166	417.2	355.0	1,80,778
Oct-16	463.0	375.6	27,35,183	461.5	385.0	3,78,053
Nov-16	437.2	335.3	8,49,393	436.0	351.0	1,50,482
Dec-16	473.9	416.2	7,23,516	472.0	418.0	3,62,221
Jan-17	510.0	445.0	10,75,449	509.6	447.2	1,75,178
Feb-17	512.7	436.0	7,74,130	514.9	448.0	92,959
Mar-17	494.0	450.2	5,81,972	494.0	452.0	1,26,589

PERFORMANCE OF THE SHARE PRICE OF THE COMPANY IN COMPARISON TO BSE SENSEX



Share Registrar and Transfer Agent:

Karvy Computershare Private Limited

Karvy Selenium Tower B,
6th Floor, Plot No. 31 & 32,
Financial District,
Nanakramguda, Serilingampally Mandal,
Hyderabad – 500 032
Tel.: + 91-40-67161606
Fax: + 91-40-23114087
Email: mohammed.shanoor@karvy.com
Website: www.karvycomputershare.com

Share Transfer System

The transfer of shares in physical form are processed and completed by Karvy Computershare Private Limited and the shares which are in demat mode are effectively processed by NSDL/CDSL through respective Depository Participant.

The Company obtains from a Company Secretary in Practice, half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI Regulations for half year ended September 30, 2016 and March 31, 2017 and files a copy of the same with the Stock Exchanges.

Distribution of shareholding as on March 31, 2017

Range	Holders	% to Total Holders	Holding	Amount (₹)	% to Capital
1-5000	17,213	94.17	14,99,245	1,49,92,450	1.66
5001- 10000	454	2.48	3,56,923	35,69,230	0.40
10001- 20000	306	1.67	4,57,749	45,77,490	0.51
20001- 30000	91	0.50	2,36,805	23,68,050	0.26
30001- 40000	38	0.21	1,33,386	13,33,860	0.15
40001- 50000	28	0.15	1,30,191	13,01,910	0.14
50001- 100000	57	0.32	4,07,149	40,71,490	0.45
100001& Above	91	0.50	8,69,99,047	86,99,90,470	96.43
Total	**18,278**	**100.00**	**9,02,20,495**	**90,22,04,950**	**100.00**

Shareholding pattern as on 31st March, 2017

Sr. No.	Category of Shareholders	Total Holding	% to Total Holding
1	Promoter Individuals	6,74,65,371	74.78
2	Mutual Funds	1,25,60,066	13.92
3	Foreign Institutional Investors	70,868	0.08
4	Resident Individuals	33,56,341	3.72
5	Bodies Corporates	9,43,821	1.05
6	HUF	1,85,059	0.21
7	Non Resident Indians	1,25,716	0.14
8	Indian Financial Institutions	2,753	0.00
9	Clearing Members	19,532	0.02
10	Banks	2,899	0.00
11	Foreign Portfolio Investors	52,29,605	5.80
12	Non Banking Financial Institutions (NBFC)	2,58,464	0.28
	Total	**9,02,20,495**	**100.00**

Top ten equity shareholders of the Company as on March 31, 2017:

Sr. No.	Category of Shareholders	Number of equity shares held	Percentage of holding
1	Ashish Ramprakash Bubna	1,51,80,000	16.83
2	Manish Ramprakash Bubna	1,51,80,000	16.83
3	Ramprakash Vilasrai Bubna	1,40,52,686	15.58
4	Sharda Ramprakash Bubna	1,40,52,685	15.58
5	DSP Blackrock Micro Cap Fund	60,51,565	6.71
6	Anisha Manish Bubna	45,00,000	4.99
7	Seema Ashish Bubna	45,00,000	4.99
8	HDFC Trustee Company Limited – HDFC Prudence Fund	38,74,396	4.29
9	Pinebridge Investments GF Mauritius Limited	22,38,355	2.48
10	Goldman Sachs India Limited	19,42,529	2.15

Dematerialization of shares and liquidity

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories, viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

As on March 31, 2017, only 102 shares were held in physical form.

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on March 31, 2017, the Company does not have any outstanding GDRs/ADRs/ Warrants or any convertible instruments.

Commodity price risk or foreign exchange risk and hedging activities

Please refer to Management Discussion and Analysis Report for the same.

Equity Shares in the suspense account

The Company does not have any equity shares in the suspense account.

Transfer of unclaimed/unpaid amount to the Investor Education and Provident Fund

The Company does not have any instances of transferring any amount to the Investor Education and Provident Fund.

Plant Location

The Company does not have any plant locations.

Address for correspondence:

Sharda Cropchem Limited
Secretarial Department
Domnic Holm, 29th Road
Bandra (West)
Mumbai – 400 050
Tel.: +91 6678 2800
Fax: + 91 6678 2828
Email Id: co.sec@shardaintl.com
Website: www.shardacropchem.com

DECLARATION PURSUANT TO REGULATION 26(3) OF THE SEBI REGULATIONS

In accordance with Regulation 26(3) of the SEBI Regulations, I, Ramprakash Bubna, Chairman and Managing Director of M/s. Sharda Crochem Limited ("Company") hereby declare that, to the best of my information, all members of the Board and Senior Management Personnel of the Company have affirmed with the Code of Conduct laid down by the Board of Directors of the Company for Board members and senior management for the year ended March 31, 2017.

Ramprakash V. Bubna
Chairman & Managing Director
(DIN: 00136568)

Date : May 22, 2017
Place : Mumbai

CERTIFICATE PURSUANT TO REGULATION 17(8) OF THE SEBI REGULATIONS

We, Ramprakash V. Bubna, Chairman & Managing Director and Conrad Fernandes, Chief Financial Officer do hereby certify to the Board that in respect to the Financial Year ended on March 31, 2017.

1. We have reviewed the Financial Statements, read with the Cash Flow Statement of the Company and to the best of our knowledge and belief, we state that:

    a. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;

    b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Statutory Auditor and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

4. We have indicated to the Statutory Auditor and the Audit Committee –

    a. significant changes in internal control over financial reporting during the year, if any;

    b. significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and

    c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Ramprakash V. Bubna
Chairman & Managing Director
DIN: 00136568

Conrad Fernandes
Chief Financial Officer

Date : May 22, 2017
Place : Mumbai

CERTIFICATE

TO THE MEMBERS OF SHARDA CROPCHEM LIMITED

We have examined the compliance of the conditions of Corporate Governance by SHARDA CROPCHEM LIMITED ("the Company") for the year ended on 31st March, 2017, as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of the regulations of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance of the regulations of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied, in all material respects, with the regulations of Corporate Governance as stipulated in the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For C. J. Goswami & Associates,
Practicing Company Secretaries

Chintan J. Goswami
Proprietor
Mem No. - 33697
C. P. No. - 12721

Date : May 22, 2017
Place : Mumbai

BUSINESS RESPONSIBILITY REPORT

[As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars	Information
1	Corporate Identity Number (CIN) of the Company	L51909MH2004PLC145007
2	Name of the Company	Sharda Cropchem Limited
3	Registered Office	Domnic Holm, 29th Road, Bandra (West), Mumbai – 400 050
4	Website	www.shardacropchem.com
5	Email-id	co.sec@shardaintl.com
6	Financial Year Reported	2016-17
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	46692 – Agrochemicals
8	List three key products/services that the Company manufactures/provides (as in balance sheet):	Agrochemicals, Conveyor Belts & Rubber products
9	Total number of locations where business activity is undertaken by the Company	One (1). Its registered office
10	Markets served by the Company - Local/State/National/ International	International Market

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars	Information
1	Paid up Capital (₹ in Lakhs)	9022.05
2	Total Turnover (Revenue from operations) (₹ in Lakhs)	1,12,920.70
3	Total profit after taxes (₹)	18,874.57
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.96
5	List of activities in which expenditure in 4 above has been incurred.	Education Healthcare Medical Relief Skill Development

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/Companies?** Yes.

2. **Do the Subsidiary Company/Companies participate in the BR initiatives of the parent company?** No

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, more than 60%].** No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

a. Details of the Director/Director responsible for implementation of the BR policy/policies:-

i. DIN Number : 00136568
ii. Name : Mr. Ramprakash V. Bubna
iii. Designation : Chairman & Managing Director

b. Details of the BR head

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	00136568
2	Name	Mr. Ramprakash V. Bubna
3	Designation	Chairman & Manging Director
4	Telephone Number	+91 22 6678 2800
5	e-mail id	co.sec@shardaintl.com

2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Business should promote the well-being of all employees.
P4	Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Business should respect and promote human rights.
P6	Business should respect, protect and make efforts to restore the environment.
P7	Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Business should support inclusive growth and equitable development.
P9	Business should engage with and provide value to their customers and consumers in a responsible manner.

a. **Details of compliance (Reply in Y/N)**

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD / owner / CEO / appropriate Board Director? *	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	http://www.shardacropchem.com/policy.html								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

*Note: * The policies are adopted by the Board and signed by respective departments heads.*

b. **If answer to the question at serial number 1 against any principle, is 'No', please explain why:**

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

a. **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.**
Annually

b. **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**
Yes. The company publishes Business Responsibility Reports. The report is part of Annual Report of FY 2016-17.

SECTION E: PRINCIPLE – WISE PERFORMANCE

Principle 1 - Business should conduct and govern themselves with Ethics, Transparency and Accountability.

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No.** - Yes

Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others? - No

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   None.

Principle 2 - Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   The Company does not conduct any manufacturing activity and is a trading company, hence not applicable.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   a. **Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?**

      Not Applicable

   b. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

      Not Applicable

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

   Not applicable

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   The Company does not procure goods and services from local & small producers.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   The Company does not conduct any manufacturing activity and is a trading company. Hence mechanism to recycle products and waste does not apply to the Company.

Principle 3 - Business should promote the well-being of all employees.

1. **Please indicate the total number of employees.**

   The Company has 139 employees as on March 31, 2017

2. **Please indicate the total number of employees hired on temporary / contractual / casual basis.**

   None

3. **Please indicate the number of permanent women employees.**

   The Company has 74 permanent women employees as on March 31, 2017.

4. **Please indicate the number of permanent employees with disabilities.**

   None

5. **Do you have an employee association that is recognized by management?**

   No

6. **What percentage of your permanent employees is member of this recognized employee association?**

   Not Applicable

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

SR. No.	Category	No of complaints filed during the Financial Year 2016-17	No of complaints pending as on March 31, 2017
1	Child labour / forced labour / involuntary labour	Nil	Not Applicable
2	Sexual harassment	Nil	Not Applicable
3	Discriminatory employment	Nil	Not Applicable

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (only safety training)**

   a. **Permanent Employees** : 100%
   b. **Permanent Women Employees** : 100%
   c. **Casual/Temporary/Contractual Employees** : Not Applicable
   d. **Employees with Disabilities** : Not Applicable

Principle 4 - Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. **Has the company mapped its internal and external stakeholders? Yes/No**

   Yes

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   Yes

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

   Yes. The Company has taken initiatives to engage with the disadvantaged, vulnerable and marginalized stakeholders by providing sustainable livelihood & education to unemployed youths, women and scheduled castes and tribes through its Corporate Social Responsibility projects.

Principle 5 - Business should respect and promote human rights.

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

   The policy covers only the Company.

2. **How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management?**

   None

Principle 6 - Business should respect, protect and make efforts to restore the environment.

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others.**

   The policy covers the Company and its employees.

2. **Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

   No

3. **Does the Company identify and assess potential environmental risks? Y/N**

   Yes.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

   No

5. **Has the Company undertaken any other initiatives on– clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for web page etc.**

   Yes. Use of energy efficient LED lighting system in office premises.

6. **Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the Financial Year being reported?**

   Not Applicable

7. **Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on the end of Financial Year.**

   None

Principle 7 - Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   - Federation of Indian Export Organisations (FIEO)
   - Indian Merchant Chambers
   - Chemexcil

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/No. If yes specify the broad areas.**

   Yes, we do from time to time take up issues through the Associations on matters of public interest.

Principle 8 - Business should support inclusive growth and equitable development.

1. **Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   The Company, through its CSR activities supports social and economic development of the under-privileged. The Company contributes to work focusing mainly on child education, women empowerment, skill development, health and other social and economic development programs.

2. **Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?**

   The CSR activities are implemented through external NGO / agencies.

3. **Have you done any impact assessment of your initiative?**

   The agencies that the Company supports through its CSR activities report back to the Company with a progress / evaluation report stating details of how the funds were utilized and the benefits derived therein. These qualitative feedback reports collected from the beneficiaries of projects undertaken provide a monitoring mechanism and impact assessment system and also help plan future CSR efforts.

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

   During the year ended March 31, 2017, the Company has spent an amount of ₹ 3,69,45,563 towards CSR activities in the following projects:

   - Eradication of hunger and providing water sanitation facilities
   - Promotion of Education
   - Empowerment of Women
   - Animal Welfare
   - Promotion of Sports
   - Rural Development projects

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   The several initiatives that the Company supports through its CSR initiatives aim at productivity enhancement, income generation and livelihood development through basic skill development thus enabling them integrate with the mainstream in a constructive manner.

Principle 9 - Business should engage with and provide value to their customers and consumers in a responsible manner.

1. **What percentages of customer complaints / consumer cases are pending as on the end of financial year?**

   Nil

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

   The Company displays what is required as per regulatory requirements.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   None

4. **Did your Company carry out any consumer survey / consumer satisfaction trends?**

   Consumer surveys are routinely carried out by the Company at the distributor / farmer level.

INDEPENDENT AUDITOR'S REPORT

To the Members of Sharda Cropchem Limited

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of Sharda Cropchem Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE 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 standalone 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 principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone 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 thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone 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 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 standalone 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 standalone Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the standalone 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 state of affairs of the Company as at March 31, 2017, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of 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 standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 32 to the standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in Note 40 to these standalone Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**
Partner
Membership Number: 101143

Place : Mumbai
Date : May 22, 2017

ANNEXURE 1 TO INDEPENDENT AUDITOR'S REPORT

on even date on the Standalone Financial Statement of Sharda Cropchem Limited

(i)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(i)(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(i)(c) According to the information and explanations given by the management, there are no immovable properties included in fixed assets of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii)(a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2017 and no material discrepancies were noticed in respect of such confirmations.

(iii)(a) The Company has granted loans to one firm covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grants and loans not prejudicial to the company's interest.

(iii)(b) The principal and interest for the above referred loan are payable on demand and these have been paid during the year as and when demanded by the Company, and thus there is no default on part of the parties to whom the money has been lent.

(iii)(c) In respect of the loans referred to in para (iii)(a) above, and the interest thereon, there are no amounts which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security in respect of any party covered under the section 185 of the Act. In respect of loans granted to, and investments made by the Company in companies / bodies corporate Company, the provisions of section 186 of the Act have been complied with. According to the information and explanations given to us, the Company has not given guarantees or provided security in connection with loans to any person / bodies corporate, and hence are not commented upon.

(v) The Company has not accepted any deposits from the public.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of agrochemicals, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, cess and other material statutory dues applicable to it. The provisions relating to excise duty are not applicable to the Company.

(vii)(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund. employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to excise duty are not applicable to the Company.

(vii)(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, duty of custom, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Finance Act 1994	Service Tax	785.14	2007-08 to 2012-13	Hon'ble High Court

The provisions relating to excise duty are not applicable to the Company.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to banks. The Company did not have any outstanding loans or borrowing dues in respect of financial institutions, Government, or debentures.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**
Partner
Membership Number: 101143

Place : Mumbai
Date : May 22, 2017

ANNEXURE 2 TO INDEPENDENT AUDITOR'S REPORT

of even date on the Standalone Financial Statement of Sharda Cropchem Limited

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

We have audited the internal financial controls over financial reporting of Sharda Cropchem Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**
Partner
Membership Number: 101143

Place : Mumbai
Date : May 22, 2017

BALANCE SHEET

as at March 31, 2017

(₹ in Lakhs)

	Note	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
ASSETS				
Non-current assets				
Property, plant and equipment	3	52.24	79.63	82.98
Capital work-in-progress	3A	132.81	-	-
Intangible assets	4	20,850.17	12,836.62	8,745.38
Intangible assets under development	4A	23,107.41	20,982.27	14,677.67
Financial assets				
Investments	5	145.31	136.98	1,187.99
Loans	6	1,377.19	1,982.25	11.06
Non current tax assets(net)	7	3,934.58	3,915.75	3,632.93
Other non-current assets	8	648.80	255.42	234.56
Total non-current assets		**50,248.51**	**40,188.92**	**28,572.57**
Current assets				
Inventories	9	25,562.19	12,931.26	11,208.84
Financial Assets				
Investments	5	6,068.32	9,017.63	8,971.19
Trade receivables	10	60,553.70	51,222.01	34,705.19
Cash and cash equivalents	11	5,009.54	2,199.48	3,427.18
Bank balance other than cash and cash equivalents	11	3,452.55	3,132.64	3,224.51
Loans	6	5.75	6.53	2,235.17
Other financial assets	12	90.15	201.00	115.86
Other current assets	8	1,567.72	232.49	364.40
Total current assets		**102,309.92**	**78,943.04**	**64,252.34**
TOTAL ASSETS		**152,558.43**	**119,131.96**	**92,824.91**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13	9,022.05	9,022.05	9,022.05
Other equity	14	79,961.50	64,698.15	52,754.27
Total equity		**88,983.55**	**73,720.20**	**61,776.32**
Liabilities				
Non-current liabilities				
Financial liabilities				
Other financial liabilities	15	55.24	90.05	-
Provisions	16	93.42	72.48	43.16
Deferred tax liability (net)	7	6,733.19	4,192.38	2,349.06
Total non-current liabilities		**6,881.85**	**4,354.91**	**2,392.22**
Current liabilities				
Financial liabilities				
Borrowings	17	-	174.62	3,782.53
Trade payables				
- Total outstanding dues of creditors other than micro enterprises and small enterprises	18	42,852.28	33,714.07	19,023.75
Other financial liabilities	15	9,519.61	5,732.82	4,731.18
Other current liabilities	19	3,949.28	1,235.25	1,084.61
Current tax liabilities(net)	7	324.71	162.19	-
Provisions	16	47.15	37.90	34.30
Total current liabilities		**56,693.03**	**41,056.85**	**28,656.37**
TOTAL EQUITY AND LIABILITIES		**152,558.43**	**119,131.96**	**92,824.91**

The accompanying notes form an integral part of the financial statements.

As per our report of even date
For S R B C & CO LLP
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vinayak Pujare**
Partner
Membership No. 101143

Place : Mumbai
Date : May 22, 2017

For and on behalf of the Board of Directors of
SHARDA CROPCHEM LIMITED

Ramprakash V. Bubna
Chairman & Managing Director
DIN: 00136568

Manish R. Bubna
Whole-time Director
DIN: 00137394

Conrad Fernandes
Chief Financial Officer

Jetkin Gudhka
Company Secretary

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2017

(₹ in Lakhs)

	Note	Year ended 31-Mar-17	Year ended 31-Mar-16
Revenue from operations	20	112,920.70	93,447.04
Other income	21	5,552.24	6,311.90
Total Income		**118,472.94**	**99,758.94**
Expenses			
Cost of materials consumed	22	42,837.07	31,551.66
Purchase of traded goods		27,530.26	28,010.99
Changes in Inventories of finished goods and stock in trade	23	(381.35)	(2,232.71)
Employee benefit expenses	24	2,254.20	2,043.37
Finance costs	25	4.04	54.16
Depreciation and amortisation expenses	26	5,614.15	3,493.55
Other expenses	27	13,616.86	11,223.61
Total expenses		**91,475.23**	**74,144.63**
Profit before tax		**26,997.71**	**25,614.31**
Tax expense			
Current tax	7	5,857.33	6,547.46
Adjustment for tax relating to earlier years	7	(276.28)	1.13
Deferred tax	7	2,542.09	1,849.63
Total tax expense		**8,123.14**	**8,398.22**
Profit for the year		**18,874.57**	**17,216.09**
Other Comprehensive Income			
Items that will not be reclassified to the statement of profit or loss			
Remeasurement of the defined employee benefit liability/assets		(3.67)	(18.30)
Income tax relating to items that will not be reclassified to profit or loss		1.27	6.33
Total comprehensive income for the year		**18,872.17**	**17,204.12**
Earnings per share (₹ per share)			
Basic and diluted (Face value per share of ₹ 10 each)	28	20.92	19.08

The accompanying notes form an integral part of the financial statements.

As per our report of even date
For S R B C & CO LLP
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vinayak Pujare**
Partner
Membership No. 101143

Place : Mumbai
Date : May 22, 2017

For and on behalf of the Board of Directors of
SHARDA CROPCHEM LIMITED

Ramprakash V. Bubna
Chairman & Managing Director
DIN: 00136568

Manish R. Bubna
Whole-time Director
DIN: 00137394

Conrad Fernandes
Chief Financial Officer

Jetkin Gudhka
Company Secretary

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31 2016

(₹ in Lakhs)

	Equity Share Capital	Other Equity				Other item of other comprehensive income	Total
		Security premium account	Retained earnings	Capital reserves	General reserves		
As on 01 April 2015	**9,022.05**	**2,148.55**	**48,456.11**	**1,491.29**	**664.93**	**(6.61)**	**61,776.32**
Profit for the year		-	17,216.09	-	-	-	17,216.09
Other comprehensive Income		-	-	-	-	(11.97)	(11.97)
Total comprehensive Income		**-**	**17,216.09**	**-**	**-**	**(11.97)**	**17,204.12**
Dividends (including tax on dividend)		-	(5,260.24)	-	-	-	(5,260.24)
As on 31 March 2016	**9,022.05**	**2,148.55**	**60,411.96**	**1,491.29**	**664.93**	**(18.58)**	**73,720.20**

for the year ended March 31 2017

(₹ in Lakhs)

	Equity Share Capital	Other Equity				Other item of other comprehensive income	Total
		Security premium account	Retained earnings	Capital reserves	General reserves		
As on 01 April 2016	**9,022.05**	**2,148.55**	**60,411.96**	**1,491.29**	**664.93**	**(18.58)**	**73,720.20**
Profit for the year		-	18,874.57	-	-	-	18,874.57
Other comprehensive Income		-	-	-	-	(2.40)	(2.40)
Total comprehensive Income		**-**	**18,874.57**	**-**	**-**	**(2.40)**	**18,872.17**
Dividends (including tax on dividend)		-	(3,608.82)	-	-	-	(3,608.82)
As on 31 March 2017	**9,022.05**	**2,148.55**	**79,286.53**	**1,491.29**	**664.93**	**(20.98)**	**88,983.55**

The accompanying notes form an integral part of the financial statements.

As per our report of even date
For S R B C & CO LLP
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vinayak Pujare**
Partner
Membership No. 101143

Place : Mumbai
Date : May 22, 2017

For and on behalf of the Board of Directors of
SHARDA CROPCHEM LIMITED

Ramprakash V. Bubna
Chairman & Managing Director
DIN: 00136568

Manish R. Bubna
Whole-time Director
DIN: 00137394

Conrad Fernandes
Chief Financial Officer

Jetkin Gudhka
Company Secretary

CASH FLOW STATEMENT

for the year ended March 31, 2017

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Cash flow from operating activities		
Profit before tax	**26,997.71**	**25,614.31**
Adjustment to reconcile profit before tax to cash generated by operating activities:		
Depreciation and amortisation expenses	5,614.15	3,493.55
Impairment of investments	475.00	-
Unrealized exchange loss/(gain)	176.04	(1,028.40)
Loss on disposal of property, plant and equipment	211.96	211.02
Profit on sale of investments	(874.69)	(941.69)
Provision for gratuity	20.92	14.88
Liabilities/ provisions no longer required written back	(240.96)	(431.56)
Finance costs	4.04	54.16
Interest income	(351.86)	(306.28)
Dividend income	(4,032.34)	(3,512.72)
Operating profit before working capital changes	**27,999.97**	**23,167.27**
Movements in working capital:		
(Increase)/decrease in trade receivables	(11,299.15)	(15,925.26)
(Increase)/decrease in inventories	(12,630.93)	(1,722.43)
(Increase)/decrease in loans	5.32	6.00
(Increase)/decrease in other assets	(1,531.05)	146.77
(Increase)/decrease in other financial assets	110.86	(85.13)
Increase/(decrease) in trade payables	10,798.71	14,876.44
Increase/(decrease) in provisions	5.60	(0.26)
Increase/(decrease) in other financial liabilities and other liabilities	2,632.79	379.48
Cash generated from operations	**16,092.12**	**20,842.88**
Income taxes paid	(3,785.70)	(6,689.26)
Net cash flow from operating activities (A)	**12,306.42**	**14,153.62**
Cash flows from investing activities		
Purchase of property, plant and equipment (including capital workin progress)	(4.55)	(33.58)
Purchase of intangible assets, including intangible assets under development and capital advances	(13,956.54)	(12,868.72)
Proceeds from sale of property, plant and equipment	0.08	0.35
Investment in subsidiaries	(8.33)	(6.40)
Purchases of current Investments	(26,808.99)	(34,111.86)
Proceeds from sale of investments in mutual fund	30,276.12	36,342.91
Investment of bank deposit	(2,357.48)	(5,030.05)
Redemption of bank deposits	433.43	5,266.26
Loans to Subsidiaries - Given	(100.00)	(197.59)
Loans to Subsidiaries - Repayment received	827.71	516.91
Interest received	175.00	91.87
Dividends	4,032.34	3,512.72
Net cash flow used in investing activities (B)	**(7,491.21)**	**(6,517.18)**

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Cash flows from financing activities		
Repayment of borrowings	(180.19)	(3,585.21)
Finance costs paid	(2.13)	(19.14)
Dividend paid	(1,804.41)	(4,962.13)
Dividend tax paid	-	(296.71)
Net cash flow used in financing activities (C)	**(1,986.73)**	**(8,863.19)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**2,828.48**	**(1,226.75)**
Cash and cash equivalents at the beginning of the year	2,199.48	3,427.18
Exchange differences on translation of foreign currency cash and cash equivalents	(18.42)	(0.95)
Cash and cash equivalents at the end of the year	**5,009.54**	**2,199.48**
Components of cash and cash equivalents		
Cash on hand	0.67	0.18
With banks	5,008.87	2,199.30
Total cash and cash equivalents as per the cash flow statement (refer note 11)	**5,009.54**	2,199.48

The accompanying notes form an integral part of the financial statements.

As per our report of even date
For S R B C & CO LLP
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vinayak Pujare**
Partner
Membership No. 101143

Place : Mumbai
Date : May 22, 2017

For and on behalf of the Board of Directors of
SHARDA CROPCHEM LIMITED

Ramprakash V. Bubna
Chairman & Managing Director
DIN: 00136568

Manish R. Bubna
Whole-time Director
DIN: 00137394

Conrad Fernandes
Chief Financial Officer

Jetkin Gudhka
Company Secretary

NOTES

to the financial statements for the year ended March 31, 2017

1. CORPORATE INFORMATION

Sharda Cropchem Limited (the "Company") is a public limited company incorporated in India under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India.

The Company is principally engaged in export of agro-chemicals (technical grade and formulations) and non-agro products such as conveyor belts, rubber belts/sheets, dyes and dye intermediates to various countries across the world.

The registered office of the Company is located at Domnic Holm, 29th Road, Bandra (W), Mumbai 400050.

The financial statements were authorised for issue in accordance with a resolution passed at the meeting of the Board of Directors held on May 22, 2017.

2.1 BASIS OF PREPARATION

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

For all periods upto and including the year ended 31 March 2016, the Company has prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2017 are the first financial statements of the Company under Ind AS. Refer Note 40,41 for information on how the Company adopted Ind AS.

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Foreign currency translation

The Company's financial statements are presented in Indian Rupee (₹), which is company's functional currency.

Transactions and balances

Transactions in foreign currency are recorded applying the exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates prevailing on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction. Exchange differences arising as a result of the above are recognized as income or expenses in the statement of profit and loss. Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

c. Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments- forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

d. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (Note 37)
- Financial instruments (including those carried at amortised cost) (Note 37)

e. 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.

Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates and cash discounts. The Company operates a loyalty programme where customers accumulate points for purchases made. Revenue related to the award points is deferred and recognised when the points are redeemed. The amount of revenue is based on the number of points redeemed relative to the total number expected to be redeemed.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

f. Government grants and Export Incentives :

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs for which it is intended to compensate are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Export Incentives are recognised in the Statement of Profit and Loss as a part of other operating revenues.

g. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income tax Act 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

h. Use of estimates

The preparation of financial statements in conformity with Indian Accounting Standards requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

i. Property, Plant and Equipment and Depreciation

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

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

Depreciation is provided after impairment, if any, using the straight-line method as per the useful lives of the assets estimated by the management, or at rates prescribed under Schedule II of the Companies Act 2013. The Company has used the following rates to provide depreciation on its fixed assets.

Asset class	Estimated useful life
Computers	3 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Motor Cars	8 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

j. Intangible assets and amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as finite.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life are considered to modify the amortisation period, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Computer Software

Expenses on implementation of Computer Software are amortised on a straight-line basis over a period of four years.

Research and Development costs, Product Registration and Licences

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- It is probable that future economic benefits will flow to the Company and the Company has control over the asset

Cost of Product Registration generally comprise of costs incurred towards creating product dossiers, fees paid to registration consultants, application fees to the ministries, data compensation costs, data call-in costs and fees for task-force membership.

In situations where consideration for data compensation is under negotiation and is pending finalisation of contractual agreements, cost is determined on a best estimate basis by the management, and revised to actual amounts on conclusion of agreements.

Product Registration and Licence charges are amortised on a straight-line basis over a period of five years.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

k. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use

of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

l. Inventories

Raw materials, traded goods and finished goods are valued at lower of cost or net realizable value. Cost includes direct material and direct expenses. Cost is determined on a weighted average basis as per individual location which is done on specific identification of batches. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sales.

m. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companys of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

n. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

o. Contingent liabilities and Contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contigent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

p. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

Gratuity liability is a defined benefit obligation which is provided for on the basis of an actuarial valuation on Projected Unit cost method made at the end of each financial year. Actuarial gains/(losses) are recognised directly in other comprehensive income. This benefit is presented according to present value after deducting the fair value of the plan assets. The Company determines the net interest on the net defined benefit liability (asset) in respect of a defined benefit by multiplying the net liability (asset) in respect of a defined benefit by the discount rate used to measure the defined benefit obligation as they were determined at the beginning of the annual reporting period.

Accumulated leave is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

q. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

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.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit andl loss.

Equity investments

Investments in subsidiaries and associates are carried at cost. All other equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit andl loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit andl loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as 'contractual revenue receivables' in these financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables and
- Other receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised 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.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

r. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank.

s. Earnings per share

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

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

t. Segment reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

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. Common allocable costs are allocated to each segment on an appropriate basis.

u. Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment'. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and on cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the impact on the financial statements is being evaluated.

3. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

	Office equipments	Furniture & fixtures	Motor cars	Computers	Total
Cost					
At 1 April 2015	9.42	38.61	18.00	16.95	**82.98**
Additions	5.72	0.28	19.37	8.32	**33.69**
Disposals	(0.58)	-	-	-	**(0.58)**
At 31 March 2016	**14.56**	**38.89**	**37.37**	**25.27**	**116.09**
Accumulated depreciation					
Depreciation charge during the year	6.92	13.20	5.29	11.51	**36.92**
Disposals	(0.46)	-	-	-	**(0.46)**
At 31 March 2016	**6.46**	**13.20**	**5.29**	**11.51**	**36.46**
Net carrying value					
At 1 April 2015	**9.42**	**38.61**	**18.00**	**16.95**	**82.98**
At 31 March 2016	**8.10**	**25.69**	**32.08**	**13.76**	**79.63**

(₹ in Lakhs)

	Office equipments	Furniture & fixtures	Motor cars	Computers	Total
Cost					
At 1 April 2016	14.56	38.89	37.37	25.27	**116.09**
Additions	1.30	-	-	3.25	**4.55**
Disposals				(0.36)	**(0.36)**
At 31 March 2017	**15.86**	**38.89**	**37.37**	**28.16**	**120.28**
Accumulated depreciation					
At 1 April 2016	6.46	13.20	5.29	11.51	**36.46**
Depreciation charge during the year	2.63	12.89	6.85	9.58	**31.95**
Disposals	-	-	-	(0.37)	**(0.37)**
At 31 March 2017	**9.09**	**26.09**	**12.14**	**20.72**	**68.04**
Net carrying value					
At 1 April 2016	**8.10**	**25.69**	**32.08**	**13.76**	**79.63**
At 31 March 2017	**6.77**	**12.8**	**25.23**	**7.44**	**52.24**

3A. CAPITAL WORK-IN-PROGRESS

Capital work-in-progress relates to expenditure on lease hold improvement and furniture fixture at the Company's new leased office premises.

4. INTANGIBLE ASSETS

(₹ in Lakhs)

	Computer Software	Product Registration	Total
Cost			
At 1 April 2015	23.82	8,721.56	**8,745.38**
Additions	3.96	7,958.35	**7,962.31**
Disposals	-	(815.50)	**(815.50)**
At 31 March 2016	**27.78**	**15,864.41**	**15,892.19**
Accumulated amortisation			
Amortisation during the year	12.15	3,444.48	**3,456.63**
Disposals	-	(401.06)	**(401.06)**
At 31 March 2016	**12.15**	**3,043.42**	**3,055.57**
Net carrying value			
At 1 April 2015	**23.82**	**8,721.56**	**8,745.38**
At 31 March 2016	**15.63**	**12,820.99**	**12,836.62**

(₹ in Lakhs)

	Computer Software	Product Registration	Total
Cost			
At 1 April 2016	27.78	15,864.41	**15,892.19**
Additions*	31.16	13,575.85	**13,607.01**
Disposals	-	(141.31)	**(141.31)**
At 31 March 2017	**58.94**	**29,298.95**	**29,357.89**
Accumulated amortisation			
At 1 April 2016	12.15	3,043.42	3,055.57
Amortisation during the year	16.48	5,565.72	**5,582.20**
Disposals	-	(130.05)	**(130.05)**
At 31 March 2017	**28.63**	**8,479.09**	**8,507.72**
Net carrying value			
At 1 April 2016	**15.63**	**12,820.99**	**12,836.62**
At 31 March 2017	**30.31**	**20,819.86**	**20,850.17**

** The data compensation element of product registration was initially capitalised based on management estimates.*

In the current year the outcome of negotiations with contracting parties resulted in a reduction of ₹ 729.36 Lakhs (March 31, 2016 : ₹ Nil) in the gross block of product registrations.

4A. INTANGIBLE ASSETS UNDER DEVELOPMENT

Intangible assets under development comprise of costs incurred towards creating product dossiers, fees paid to registration consultants, application fees to the ministries, data compensation costs, data call-in costs and fees for task-force membership.

5. INVESTMENTS

Non-current investments

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Investment carried at cost			
Investment in subsidiaries (Unquoted)			
Investment in equity instruments			
- Axis Crop Science Private Limited (refer note a and b below) 50,00,000 (31st March 2016: 1,66,667, 1st April 2015: 1,66,667) equity shares of ₹ 10 each fully paid-up	544.00	60.67	60.67
- Impairment of Investment in Axis Crop Science Private Limited**	(475.00)	-	-
	69.00	60.67	60.67
- Nihon Agro Service Kabushiki Kaisha 10 (31st March 2016: 10, 1st April 2015: Nil) equity shares of JPY 10,000 each fully paid	0.59	0.59	-
- Sharda Polska SP. ZO.O. 20 (31st March 2016: 20, 1st April 2015: 20) equity shares of PLN 1,000 each fully paid-up	2.99	2.99	2.99
- Sharda Ukraine LLC 62,500 (31st March 2016: 62,500, 1st April 2015: 62,500) equity shares of UAH 1 each fully paid-up	4.25	4.25	4.25
- Sharda Del Ecaudor CIA. LTDA. 398 (31st March 2016: 398, 1st April 2015: 398) equity shares of US$ 1 each fully paid-up	0.20	0.20	0.20

Non-current investments (contd.)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
- Sharda Peru SAC 1,999 (31st March 2016: 1,999, 1st April 2015: 1,999) equity share of PEN 1 each fully paid-up	0.33	0.33	0.33
- Sharda Swiss SARL 20 (31st March 2016: 20, 1st April 2015: 20) equity shares of CHF 1,000 each fully paid-up	8.62	8.62	8.62
- Sharda Do Brasil Comercio De Produtos Quimicos E Agroquimicos LTDA. 30,690 (31st March 2016: 30,690, 1st April 2015: 30,690) equity shares of B. Real 1 each fully paid-up	8.20	8.20	8.20
- Sharda Hellas Agrochemicals Limited 150 (31st March 2016: 150, 1st April 2015: 150) equity shares of EURO 30 each fully paid-up	2.82	2.82	2.82
- Sharda Balkan Agrochemicals Limited 150 (31st March 2016: 150, 1st April 2015: 150) equity shares of EURO 30 each fully paid-up	2.82	2.82	2.82
- Shardaserb DO.O. 1 (31st March 2016: 1, 1st April 2015: 1) Partly paid-up equity share of EURO 500 each (50% of face value has been paid)	0.17	0.17	0.17
- Shardarus LLC. Nil (31st March 2016: Nil, 1st April 2015: 1) equity share of Rubles 9,900 each fully paid-up	-	-	0.17
- Sharda Spain, S.L. 3,050 (31st March 2016: 3,050, 1st April 2015: 3,050) equity shares of EURO 1 each fully paid-up	1.96	1.96	1.96
- Sharda Costa Rica S.A.* 99 (31st March 2016: 99, 1st April 2015: 99) equity shares of COLON 20 each fully paid-up	0.00	0.00	0.00
- Sharda De Guatemala S.A. 49 (31st March 2016: 49, 1st April 2015: 49) equity shares of GTQ 100 each fully paid-up	0.34	0.34	0.34
- Sharda International DMCC 2 (31st March 2016: 2, 1st April 2015: 2) equity shares of AED 1,00,000 each fully paid-up	27.68	27.68	27.68
- Sharda Italia SRL 2,475 (31st March 2016: 2,475, 1st April 2015: 2,475) equity shares of EURO 1 each fully paid-up	1.75	1.75	1.75
- Sharda Hungary Kft 1 (31st March 2016: 1, 1st April 2015: 1) equity share of (31st March 2016: HUF 30,00,000, 1st April 2015:HUF 5,00,000) HUF 30,00,000 each fully paid-up	7.23	7.23	1.25
- Sharda Cropchem Espana, S.L. 61 (31st March 2016: 61, 1st April 2015 : 61) equity shares of EURO 50 each fully paid	2.59	2.59	2.59
- Sharda Poland SP. ZO.O. 100 (31st March 2016: 100, 1st April 2015: 100) equity shares of PLN 50 each fully paid	0.98	0.98	0.98
- Sharda Taiwan Limited 10,000 (31st March 2016: 10,000, 1st April 2015:10,000) equity shares of Taiwan $ 10 each fully paid	2.04	2.04	2.03
- Sharda Cropchem Tunisia SARL 99 (31st March 2016: 99, 1st April 2015:99) equity shares of EURO 10 each fully paid	0.75	0.75	0.75
Sub total (A)	**145.31**	**136.98**	**130.57**

Non-current investments (contd.)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Investments carried at fair value through statement of profit or loss			
Mutual fund units (Unquoted)			
- DSP BlackRock FMP 111-12M - Reg - Growth Nil (31st March 2016: Nil, 1st April 2015: 40,00,000) units of ₹ 10 each	-	-	467.53
- HDFC FMP 1001D August 2013(1) Series 27 Regular - Growth Nil (31st March 2016: Nil, 1st April 2015: 50,00,000) units of ₹ 10 each	-	-	589.89
Sub total (B)	**-**	**-**	**1,057.42**
Total (A+B)	**145.31**	**136.98**	**1,187.99**

** Amount rounded off in Lakhs hence not appearing. The actual amount of investment is ₹ 206 (March 31,2016: ₹ 206, April 1, 2015: ₹ 206).*

*** Note a:*	*₹ Lakhs*
Opening investment as at April 1, 2016	*60.67*
Add: Invested during the year	*483.33*
Less: Provision for impairment	*475.00*
Closing Balance as at March 31, 2017	*69.00*

***Note b:*

The Company has an investment in Axis Crop Science Private Limited (Axis Crop Science) of ₹ 544 Lakhs (March 31, 2016 ₹ 60.67 Lakhs). Basis the audited financial statements for the year ended March 31, 2017, Axis Crop Science has accumulated losses which have substantially eroded its net worth. Having regard to the financial position of Axis Crop Science and considering the expected business outlook, the Management has provided ₹ 475 Lakhs as impairment loss.

Current investments

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Investments carried at fair value through statement of profit or loss			
Investments in mutual funds (Unquoted)			
- Axis Liquid Fund - Growth Nil (31st March 2016: Nil, 1st April 2015: 2,226) units of ₹ 1,000 each	-	-	34.45
- Birla Sun Life Treasury Optimizer Plan - Growth - Regular Plan Nil (31st March 2016: Nil, 1st April 2015: 8,96,257) units of ₹ 100 each	-	-	1,557.27
- DSP BlackRock FMP-Series111-12M - Regular - Growth Nil (31st March 2016: 40,00,000, 1st April 2015: Nil) units of ₹ 10 each	-	506.98	-
- HDFC Arbitrage Fund - Wholesale Plan - Regular Plan - Monthly Dividend 18,65,415 (31st March 2016: Nil, 1st April 2015: Nil) units of ₹ 10 each	203.14	-	-
- HDFC Cash Management Fund - Savings Plan - Growth Nil (31st March 2016: Nil, 01st April 2015: 8,459) units of ₹ 1000 each (₹ 10 each)	-	-	2.47
- HDFC FMP 1001D August 2013(1) Series 27 Regular - Growth Nil (31st March 2016: 50,00,000, 1st April 2015: Nil) units of ₹ 10 each	-	635.16	-
- HDFC FMP 92D March 2016(1)- Regular - Growth - SERIES 35 Nil (31st March 2016: 30,00,000, 1st April 2015: Nil) units of ₹ 10 each	-	302.43	-
- HDFC Gilt Fund Long Term - Growth 32,98,665 (31st March 2016: 39,51,878, 01st April 2015: 85,62,564) units of ₹ 10 each	1,112.93	1,195.62	2,435.46
- HDFC Liquid Fund - Direct Plan - Growth Option Nil (31st March 2016: Nil, 01st April: 36,136) units of ₹ 1000 each (₹ 10 each)	-	-	9.98
- ICICI Prudential FMP Series 78-95 Days Plan K Cumulative Nil (31st March 2016: 100,00,000, 01st April 2015: Nil) units of ₹ 10 each	-	1,011.22	-
- ICICI Prudential Income Opportunities Fund Growth 4,81,914 (31st March 2016: Nil, 1st April 2015: Nil) units of ₹ 100 each	110.88	-	-
- ICICI Prudential Liquid - Regular - Growth Nil (31st March 2016: Nil, 01st April 2015: 803) units of ₹ 100 each	-	-	1.66
- ICICI Prudential Long Term Gilt Fund - Growth 19,52,628 (31st March 2016: 19,52,628, 01st April 2015: 26,53,022) units of ₹ 10 each	1,107.18	978.51	1,254.27
- IDFC Arbitrage Fund - Growth - (Regular Plan) Nil (31st March 2016: 40,61,757, 01st April 2015: 40,61,757) units of ₹ 10 each	-	792.64	744.07
- IDFC Arbitrage Plus Fund - Growth - (Regular Plan) Nil (31st March 2016: 31,54,972, 01st April 2015: 31,54,972) units of ₹ 10 each	-	539.96	510.27
- IDFC Cash Fund - Growth - (Regular Plan) Nil (31st March 2016: Nil, 1st April 2015: 122) units of ₹ 10 each	-	-	2.07
- IDFC Dynamic Bond Fund - Growth - (Regular Plan) 1,06,34,076 (31st March 2016: 1,06,34,076, 01st April 2015: 1,06,34,076) units of ₹ 10 each	2,144.16	1,895.98	1,803.68
- Reliance Arbitrage Advantage Fund Growth Plan Nil (31st March 2016: 33,42,603, 01st April 2015: Nil) units of ₹ 10 each	-	527.32	-
- Reliance Fixed Horizon Fund - XXX- Series 9 - Growth Plan Nil(31st March 2016: 20,00,000, 01st April 2015: Nil) units of ₹ 10 each	-	201.81	-
- Reliance Liquid Fund Treasury Plan - Growth Plan - Growth Option 10,118 (31st March 2016: Nil, 01st April 2015: Nil) units of ₹ 10 each	400.06	-	-
- Tata Liquid Fund Plan A - Growth Nil (31st March 2016: Nil, 01st April 2015: 11,252) units of ₹ 1,000 each	-	-	290.10

Current investments (contd.)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
- Union KBC Asset Allocation Fund - Moderate Plan Growth 4,39,499 (31st March 2016: 4,39,499, 01st April 2015: 4,39,499) units of ₹ 10 each	62.33	56.91	57.06
- Union KBC Capital Protection Oriented Fund Series 1 - Growth Nil (31st March 2016: Nil, 01st April 2015: 2,49,990) units of ₹ 10 each	-	-	33.63
- Union KBC Dynamic Bond Fund - Growth * 61,66,440 (31st March 2016: 25,11,156, 01st April 2015: 9,71,653) units of ₹ 10 each	902.53	338.36	125.04
- Union Capital Protection Oriented Fund Series 7 - Regular Plan - Growth 2,50,000 (31st March 2016: Nil, 01st April 2015: Nil) units of ₹ 10 each	25.11	-	-
- Union KBC Fixed Maturity Plan Series 10 - Regular Plan - Growth Nil (31st March 2016: Nil, 01st April 2015: 10,00,000) units of ₹ 10 each	-	-	109.71
- Union KBC Liquid Fund Growth - Direct Plan Nil (31st March 2016: 2,291, 01st April 2015: Nil) units of ₹ 1,000 each	-	34.73	-
Total	**6,068.32**	**9,017.63**	**8,971.19**

** Lien marked on the units of Union KBC Dynamic Bond Fund for financial year 2016-17 ₹ 902.53 Lakhs (financial year 2015-16: Nil, financial year 2014-15: ₹ 125.04 lakhs) in favour of Union Bank of India for availment of working capital facilities in the form of Letters of Credit. The lien marked on the units of Union KBC Dynamic Bond Fund for financial year 2014-15 ₹ 125.04 lakhs has been released during the financial year 2015-16.*

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Aggregate amount of unquoted investments	6,213.63	9,154.61	10,159.18
Investments carried at cost	145.31	136.98	130.57
Investments carried at fair value through statement of profit or loss	6,068.32	9,017.63	10,028.61

6. LOANS

Non-current

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Unsecured, considered good (carried at cost)			
- Loans to related party (refer Note 35)	1,377.19	1,977.19	-
- Other loans Loans to employees	-	5.06	11.06
Total	**1,377.19**	**1,982.25**	**11.06**

Current

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Unsecured, considered good (carried at cost)			
- Loans to related party (refer Note 35)	-	0.52	2,228.12
- Other loans Loans to employees	5.75	6.01	7.05
Total	**5.75**	**6.53**	**2,235.17**

7. INCOME TAXES

Income tax expenses in the statement of profit and loss comprise

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Current income tax:		
Current income tax charge	5,857.33	6,547.46
Adjustments in respect of current income tax of previous year	(276.28)	1.13
Deferred taxes (expense)/benefit:		
Relating to origination and reversal of temporary differences	2,542.09	1,849.63
	8,123.14	**8,398.22**

Income tax (expense)/benefit recognized in OCI

Deferred tax relating to items recognised in OCI during the year:

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Net (gain)/loss on remeasurement of defined employee benefit plans	1.28	6.31
	1.28	**6.31**

Reconciliation of tax rate and accounting profit multiplied by India's tax rate:

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Profit from operations before income taxes	26,997.71	25,614.31
Tax @34.608% (Indian statutory income tax rate)	9,343.37	8,864.60
Non-deductible expenses for tax purposes:		
Corporate social responsibility expenditure	65.73	49.76
Interest on Income Tax	1.11	18.19
Tax effect on employee-benefit cost	-	0.41
Income tax adjustments:		
Adjustment for tax relating to earlier years	(276.28)	1.13
Effect of deductible temporary differences now recognised as deferred tax assets/liabilities	2,542.09	1,849.63
Unrealised gain/ loss on derivative contract carried at fair value through statement of profit and loss	38.37	25.69
Impairment in investments	164.39	-
Loss on sale of assets	73.35	73.03
Tax on short term capital gain	119.99	321.91
Others	10.19	3.67
Income not taxable for tax purposes		
Tax effect due to non-taxable income	(1,005.12)	(938.42)
Tax effect on actuarial loss on defined benefit obligations	-	(6.33)
Tax related to gain on fair valuation of investments	(40.88)	(96.33)
Tax effect due to difference in depreciation as per Companies Act and Income Tax	(2,858.88)	(1,761.18)
Unrealised gain/ loss on financial liabilities carried at fair value through statement of profit and loss	(54.29)	(7.54)
Income tax expense	**8,123.14**	**8,398.22**

Non current tax assets(net)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Advance tax (Net of provision for income tax of ₹ 17,690.74 Lakhs (31st March 2016: ₹ 12,684.42 Lakhs, 1st April 2015: ₹ 12,684.42 Lakhs)	3,934.58	3,915.75	3,632.93
	3,934.58	**3,915.75**	**3,632.93**

Current tax liabilities(net)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Other provisions			
Provision for income tax (Net of advance tax ₹ 5,535.83 Lakhs (31st March 2016: ₹ 7,287.85 Lakhs, 1st April 2015: ₹ Nil)	324.71	162.19	-
Total	**324.71**	**162.19**	**-**

Deferred tax liability (net)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Deferred tax asset			
Gratuity	38.68	36.50	19.46
Impairment in investments	164.39	-	-
Unrealised gain/ loss on derivative contract carried at fair value through statement of profit and loss	38.37	-	-
Brought forward losses	51.21	-	-
Others	-	36.22	26.45
Gross deferred tax asset	**292.65**	**72.72**	**45.91**
Deferred tax liability			
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for financial reporting	6,930.67	3,920.84	2,178.57
Unrealised gain/ loss on investment carried at fair value through statement of profit and loss	40.88	274.69	184.49
Unrealised gain/ loss on financial liabilities carried at fair value through statement of profit and loss	54.29	-	-
Unrealised gain/ loss on derivative contract carried at fair value through statement of profit and loss	-	69.57	31.91
Gross deferred tax liability	**7,025.84**	**4,265.10**	**2,394.97**
Net deferred tax asset/ (liability)	**(6,733.19)**	**(4,192.38)**	**(2,349.06)**

The gross movement in the deferred income tax account for the year ended March 31, 2017 and March 31, 2016

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16
Net deferred income tax/ (liability) at the beginning	(4,192.38)	(2,349.06)
Credit / (charge) relating to temporary differences	(2,542.09)	(1,849.63)
Temporary differences on other comprehensive expenses	1.28	6.31
Net deferred tax asset/ (liability) at the end	**(6,733.19)**	**(4,192.38)**

8. OTHER ASSETS

Non-current (Unsecured, considered good)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Capital advances	222.45	-	-
Other advances			
- Statutory receivable	424.92	252.55	231.61
- Prepaid employee benefit and other balances	1.43	2.87	2.95
	648.80	**255.42**	**234.56**

Current (Unsecured, considered good)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Payment to vendors for supply of goods and services	79.97	50.30	44.79
Other advances			
- Right of recoveries against expected sales return	1,325.08	-	-
- Prepaid expenses	128.53	128.61	106.98
- Prepaid employee benefit and other balances	34.14	53.58	212.63
Total	**1,567.72**	**232.49**	**364.40**

9. INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Finished Goods (Stock in transit ₹ Nil (31 March 2016: ₹ 1,712.53 Lakhs, 1 April 2015: ₹ 469.83 Lakhs)	6,130.75	5,744.73	3,461.37
Traded goods	-	4.67	55.32
Raw materials including packing materials (Stock in transit ₹ 4,689.78 Lakhs (31 March 2016 ₹ 2,933.54 Lakhs, 1 April 2015 ₹ 2,249.98 Lakhs)	19,431.44	7,181.86	7,692.15
Total	**25,562.19**	**12,931.26**	**11,208.84**

Note:
Amount of write down of inventories to net realisable value and other provisions / losses recognised in the statement of profit and loss as an expense is ₹ 3.18 Lakhs (31 March 16 ₹ 17.93 Lakhs, 1 April 2015: ₹ 3.62 Lakhs)

10. TRADE RECEIVABLES

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Trade receivables (Unsecured, considered good)			
Related parties	8,827.71	8,267.34	4,419.74
Others	51,725.99	42,954.67	30,285.45
Total	**60,553.70**	**51,222.01**	**34,705.19**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

For terms and conditions relating to related party receivables, refer Note 35.

For explanations on the Company's credit risk management process, refer note 38.

11. CASH AND BANK BALANCES

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Cash and cash equivalents			
Balances with banks			
- in current accounts	3,204.46	1,860.02	2,111.57
- in unpaid Dividend accounts	1,804.41	0.84	-
Fixed deposit account			
- with original maturity of less than 3 months *	-	338.44	1,315.36
Cash on hand	0.67	0.18	0.25
	5,009.54	**2,199.48**	**3,427.18**
Other bank balances			
Fixed deposit account			
- with original maturity of more than 3 months but less than 12 months *	3,452.55	3,132.64	3,224.51
	3,452.55	**3,132.64**	**3,224.51**
Total	**8,462.09**	**5,332.12**	**6,651.69**

** There is a lien marked on deposits with bank in favour of Union Bank of India for an amount aggregating ₹ 3,452.55 Lakhs (31 March 2016: ₹ 3,471.08 Lakhs, 1 April 2015: ₹ 4,539.87 Lakhs) for availment of working capital facilities in the form of Letters of Credit and Bank Guarantees.*

12. OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Current	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Derivative instrument - foreign currency forward contracts	90.15	201.00	115.86
Total	**90.15**	**201.00**	**115.86**

13. EQUITY SHARE CAPITAL

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Authorised share capital			
10,50,00,000 (Previous year: 10,50,00,000) equity shares of ₹ 10/- each	10,500.00	10,500.00	10,500.00
Issued, subscribed and fully paid-up			
9,02,20,495 (Previous year: 9,02,20,495) equity shares of ₹ 10/- each	9,022.05	9,022.05	9,022.05

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

Equity shares

	As at 31-Mar-17		As at 31-Mar-16		As at 1-Apr-15	
	No. of Shares	₹ Lakhs	No. of Shares	₹ Lakhs	No. of Shares	₹ Lakhs
At the beginning of the year	90,220,495	9,022.05	9,02,20,495	9,022.05	90,220,495	9,022.05
Outstanding at the end of the year	**90,220,495**	**9,022.05**	**90,220,495**	**9,022.05**	**90,220,495**	**9,022.05**

(b) Terms/rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for dividend and one vote per share held. The dividend proposed by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date

	As at 31-Mar-17 No. of Shares	As at 31-Mar-16 No. of Shares	As at 1-Apr-15 No. of Shares
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium during FY 2011-12	7,21,76,396	7,21,76,396	72,176,396

(d) Details of shareholders holding more than 5% shares in the Company

	As at 31-Mar-17		As at 31-Mar-16		As at 1-Apr-15	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Mr. Ramprakash V. Bubna	14,052,686	15.58%	1,41,52,686	15.69%	1,41,52,686	15.69%
Mrs. Sharda R. Bubna	14,052,685	15.58%	1,41,52,685	15.69%	1,41,52,685	15.69%
Mr. Ashish R. Bubna*	15,180,000	16.83%	1,51,80,000	16.83%	15,180,000	16.83%
Mr. Manish R. Bubna**	15,180,000	16.83%	15,180,000	16.83%	15,180,000	16.83%
DSP Blackrock Mutual Fund	6,051,565	6.71%	5,616,626	6.23%	3,218,733	3.57%

** Shareholding includes 10 Equity shares held jointly by Mr. Ashish R. Bubna and Mrs. Seema A. Bubna, with Mr. Ashish R. Bubna as the first holder.*

*** Shareholding includes 10 Equity shares held jointly by Mr. Manish R. Bubna and Mrs. Anisha M. Bubna, with Mr. Manish R. Bubna as the first holder.*

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

Distribution made and proposed (₹ in Lakhs)

	for the Year ended 31-Mar-17	for the Year ended 31-Mar-16
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended 31 March 2016 ₹ Nil (31 March 2015: ₹ 2.50) per share	-	2,255.51
Tax on final equity dividend	-	459.17
Tax credit on final equity dividend	-	(304.27)
Interim dividend on equity shares (For the year ended 31 March 2017 ₹ 2.00 (31 March 2016: ₹ 3.00) per share	1,802.03	2,706.61
Tax on interim dividend on equity shares	-	143.22
Cash dividends on equity shares declared :		
Interim dividend on equity shares (For the year ended 31 March 2017 ₹ 2.00 (31 March 2016: ₹ Nil) per share	1,802.03	-
Tax on interim dividend on equity shares	-	-

14. OTHER EQUITY

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Capital reserve			
Opening balance	1,491.29	1,491.29	1,491.29
Closing balance	**1,491.29**	**1,491.29**	**1,491.29**
Securities premium account			
Opening balance	2,148.55	2,148.55	2,148.55
Closing balance	**2,148.55**	**2,148.55**	**2,148.55**
General Reserve			
Opening balance	664.93	664.93	664.93
Closing balance	**664.93**	**664.93**	**664.93**
Surplus in the Statement of Profit and Loss			
Opening balance	60,393.38	48,449.50	38,322.61
Add: Profit for the year	18,874.57	17,216.09	10,148.21
Add: Other comprehensive income	(2.40)	(11.97)	(6.61)
Less: Depreciation as per Schedule II of Companies Act, 2013	-	-	14.71
Less: Proposed final dividend on equity shares (Amount per share ₹ Nil (Previous year: ₹ 2.50))	-	2,255.51	-
Less: Tax on final equity dividend	-	459.17	-
Add: Tax credit on final equity dividend	-	304.27	-
Less: Interim dividend on equity shares (Amount per share ₹ 4.00 (Previous year: ₹ 3.00))	3,608.82	2,706.61	-
Less: Tax on interim dividend on equity shares	-	143.22	-
Closing balance	**75,656.73**	**60,393.38**	**48,449.50**
Total	**79,961.50**	**64,698.15**	**52,754.27**

Capital Reserve -

The Company recognises profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

Securities Premium Reserve -

Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium Reserve". The Company may issue fully paid-up bonus shares to its members out of the securities premium reserve and the Company can use this reserve for buy-back of shares.

General Reserve -

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up and not paid-up bonus shares.

15. OTHER FINANCIAL LIABILITIES (CARRIED AT COST)

Non-current

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Capital creditors	55.24	90.05	-
Total	**55.24**	**90.05**	**-**

Current

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Unclaimed dividend	-	0.84	-
Unpaid dividend	1,804.41	-	-
Interest accrued on borrowings	-	0.87	16.69
Others			
Capital creditors	7,095.46	5,009.81	4,235.41
Directors' commission	419.20	551.46	328.59
Salaries & bonus	200.54	169.84	150.49
Total	**9,519.61**	**5,732.82**	**4,731.18**

16. PROVISIONS

Non-current

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Employee benefits obligation:			-
- Gratuity (refer Note 29)	93.42	72.48	43.16
Total	**93.42**	**72.48**	**43.16**

Current

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Employee benefits obligation:			
- Gratuity (refer Note 29)	18.34	14.69	10.83
- Leave benefits	28.81	23.21	23.47
	47.15	**37.90**	**34.30**

17. BORROWINGS (CARRIED AT COST)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Buyer's credit (Secured) *	-	174.62	3,782.53
Total	**-**	**174.62**	**3,782.53**

**Buyer's credit was secured against hypothecation of stocks meant for exports and book debts. Buyer's credit is further secured by personal guarantees of four directors of the Company and by a lien on fixed deposits. Buyer's credit carries interest @ LIBOR plus 100 basis points p.a.*

18. TRADE PAYABLES (CARRIED AT COST)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Total outstanding dues of creditors other than micro enterprises and small enterprises *			
Related parties	160.37	401.01	-
Others	42,691.91	33,313.06	19,023.75
Total	**42,852.28**	**33,714.07**	**19,023.75**

** The Company has not received any intimation from suppliers regarding their status under "The Micro, Small and Medium Enterprises Development Act, 2006" and hence no disclosure as required under the Act has been made.*

19. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Advance from customers	241.92	171.83	200.11
Others			
Deferred revenue	87.48	141.10	153.21
Book overdraft	215.47	-	50.98
Expected return from customers	2,125.91	-	-
Statutory liabilities	1,278.50	920.92	680.31
Tax on interim equity dividend	-	1.40	-
Total	**3,949.28**	**1,235.25**	**1,084.61**

20. REVENUE FROM OPERATIONS

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Export of goods	112,481.78	92,907.17
Other operating revenue		
Export incentives	178.01	70.20
Share of income from task force	19.75	37.87
Excess provisions in respect of earlier year written back	240.96	431.56
Miscellaneous receipts	0.20	0.24
Total	**112,920.70**	**93,447.04**

21. OTHER INCOME

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Interest income on financial assets		
On bank deposits	224.66	144.34
On deposits	0.01	-
On tax refund of earlier year	174.53	-
On loan employee	0.69	1.18
On loan to subsidiary	127.19	152.92
From customer	-	9.01
Dividend received on investments		
Mutual fund units	26.74	-
Dividend received on investments		
On investment in subsidiary	4,005.60	3,512.72
Exchange gain on translation of other assets and liabilities	-	1,271.69
Fair value gain on financial instruments at fair value through statement of profit or loss	992.82	1,220.04
Total	**5,552.24**	**6,311.90**

22. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Inventory at the beginning of the year	7,181.86	7,692.15
Add: Purchases	55,086.65	31,041.37
	62,268.51	**38,733.52**
Less: Inventory at the end of the year	(19,431.44)	(7,181.86)
Total	**42,837.07**	**31,551.66**

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN TRADE

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Inventories at the end of the year		
Traded goods	-	4.67
Finished goods	6,130.75	5,744.73
Total	**6,130.75**	**5,749.40**
Inventories at the beginning of the year		
Traded goods	4.67	55.32
Finished goods	5,744.73	3,461.37
Total	**5,749.40**	**3,516.69**
Changes in inventories of finished goods and stock in trade	**(381.35)**	**(2,232.71)**

24. EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Salaries, wages and bonus	2,216.12	2,004.49
Contribution to provident and other funds	11.67	12.16
Gratuity expenses (Refer note 29)	20.92	21.96
Staff welfare expenses	5.49	4.76
Total	**2,254.20**	**2,043.37**

25. FINANCE COSTS

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Interest on borrowing from bank	0.82	1.59
Interest on Income tax	3.22	52.57
Total	**4.04**	**54.16**

26. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Depreciation on property, plant and equipments	31.95	36.92
Amortisation of intangible assets	5,582.20	3,456.63
Total	**5,614.15**	**3,493.55**

27. OTHER EXPENSES

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Freight and forwarding expenses	1,836.14	1,673.68
Rent	294.77	276.86
Rates and taxes	44.46	53.43
Insurance	243.93	181.42
Repairs and maintenance:		
- Buildings	3.63	1.57
- Others	32.62	34.69
Advertising and sales promotion	840.62	451.85
Sales commission	620.47	828.07
Travelling and conveyance	882.06	1,129.46
Communication expenses	251.37	230.84
Office expenses	490.49	453.79
Legal and professional fees	6,121.56	4,711.48
Directors sitting fees	15.47	12.68
CSR expenditure (refer note 45)	369.45	270.41
Payment to auditor (refer note a below)	58.44	44.39
Impairment of investment (refer note 5)	475.00	-
Exchange loss on translation of other assets and liabilities	1.16	-
Bank charges	788.18	628.69
Loss on sale/ discard of intangible assets	211.96	211.02
Miscellaneous expenses	35.08	29.28
Total	**13,616.86**	**11,223.61**

Note a:

Details of payment to auditor :

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
As auditors:		
- Audit fees	51.35	43.54
- For reimbursement of expense	1.96	3.87
In other capacities:		
- Other services - certification	5.13	7.48
Total	**58.44**	**54.89**

 # Out of which ₹ 10.50 Lakhs is included under the head "Professional charges" in the year ended 31 March 2016

28. EARNINGS PER SHARE (EPS)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Profit for the year (₹ Lakhs)	18,874.57	17,216.09
Weighted average number of equity shares outstanding	90,220,495	90,220,495
Earnings per Share		
Face value per equity share (₹)	10.00	10.00
Basic and diluted earnings per share (₹)	20.92	19.08

29. GRATUITY PLANS

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, an employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at separation date.

The following table set out the funded status of the gratuity plans and the amount recognised in the company's financial statements as at March 31, 2017 and March 31, 2016

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Changes in benefit obligations		
Benefit obligations at the beginning	107.94	94.07
Current service cost	14.69	11.24
Interest expenses	7.34	6.36
Actuarial (gains)/ losses	4.47	17.92
Benefits paid	-	(21.65)
Benefit obligations at the end	134.44	107.94
Change in plan assets		
Fair value of plan assets at the beginning	20.77	40.08
Interest income	1.11	2.62
Return on plan assets excluding amounts included in interest income	0.80	(0.28)
Benefits paid	-	(21.65)
Fair value of plan assets at the end	22.68	20.77
Funded status	111.76	87.17

Amounts recognised in the Statement of Profit and Loss under employee benefit expenses

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Service cost	14.69	11.24
Net Interest on defined benefit liability/ asset	6.23	3.74
Net gratuity cost	**20.92**	**14.98**

Amounts recognised in Statement of other comprehensive income

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16
Remeasurements of the net defined benefit liability / (asset)		
Actuarial (gains) / losses	4.47	17.92
(Return)/ loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/ (asset)	(0.80)	0.28

Plan assets comprise of the following

	As at 31-Mar-17	As at 31-Mar-16
Policy of Insurance	100%	100%

Actuarial assumptions as at the balance sheet date:

	Year ended 31-Mar-17	Year ended 31-Mar-16
Discount rate	7.25%	7.80%
Future salary increase	6.50%	6.50%
Attrition rate		
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Proportion of employees opting for early retirement	1% to 3%	1% to 3%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

(₹ in Lakhs)

	31-Mar-17		31-Mar-16	
	Increase	Decrease	Increase	Decrease
Discount rate varied by 0.5%	128.28	141.21	103.26	113.08
Future salary growth rate varied by 0.5%	137.45	130.43	110.81	105.26
Withdrawal rate varied by 10%	135.75	132.22	109.39	106.40

30. LEASES

Operating lease commitment: Company as lessee

The Company has certain operating leases for office facility which are non cancellable. Such leases are generally with the option of renewal depending on the rent prevailing at the time of renewal. The lease term is 3 years (previous year 3 years) . There is no escalation clause in the lease agreement. There are no sub leases.

Future minimum rentals payable under non-cancellable operating leases are as follows:

	As at 31-Mar-17	As at 31-Mar-16
Within one year	405.00	139.12
After one year but not more than five years	810.00	-

31. CAPITAL AND OTHER COMMITMENTS

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	14,528.25	13,859.53

32. CONTINGENT LIABILITIES

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16
Letters of credit	6,032.99	3,020.28
Service tax matter (refer note below)	785.14	785.14
Total	**6,818.13**	**3,805.42**

Note:
Future cash flows in respect of Service tax matter, if any, is determinable only on receipt of the judgement/decision pending with relevant authorities. The Company does not expect the outcome of the matter stated above to have a material adverse effect on the Company's financial condition, result of operations or cash flows.

33. CAPITALISATION OF EXPENDITURES

During the year, the Company capitalised the following expenses of revenue nature to the cost of Intangible Asset / Intangible Asset Under Development (IAUD), since these expenditures relate to such development. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the company.

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Consultancy for registration	2,638.45	1,107.25
Total	**2,638.45**	**1,107.25**

34. SEGMENT INFORMATION

Business segment of the Company primarily identified and reported taking into account, the different risks and returns, the organization structure and the internal reporting systems are as follows.

Agrochemicals : Insecticides, Herbicides, Fungicides and Biocides
Belts : Conveyor Belts, V Belts and Timing Belts

Information about operating segments

(₹ inLakhs)

	Agrochemicals		Belts		Total Operations	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Revenue						
External sales	112,626.90	93,204.26	293.80	242.78	112,920.70	93,447.04
Other income	-	1,277.34	-	3.38	-	1,280.72
Total revenue	**112,626.90**	**94,481.60**	**293.80**	**246.16**	**112,920.70**	**94,727.76**
Results						
Segment results	22,304.85	20,917.91	23.85	28.52	22,328.70	20,946.43
Other income (Unallocated)					5,552.26	5,031.19
Unallocated expenses					(879.21)	(309.15)
Operating profit					**27,001.75**	**25,668.47**
Finance costs					(4.04)	(54.16)
Profit before tax					**26,997.71**	**25,614.31**
Income taxes					(8,123.14)	(8,398.22)
Profit after tax					**18,874.57**	**17,216.09**
Other segment information						
Segment assets	132,087.62	98,578.83	27.19	69.59	132,114.81	98,648.42
Unallocated assets					20,443.62	20,483.52
Total assets	**132,087.62**	**98,578.83**	**27.19**	**69.59**	**152,558.43**	**119,131.94**

(₹ in Lakhs)

	Agrochemicals		Belts		Total Operations	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Segment liabilities	54,357.29	40,727.34	89.31	113.12	54,446.60	40,840.46
Unallocated liabilities					9,128.28	4,571.28
Total liabilities	**54,357.29**	**40,727.34**	**89.31**	**113.12**	**63,574.88**	**45,411.74**
Capital expenditure:						
Tangible assets (Unallocated)					137.36	33.69
Intangible assets (Including IAUD*) (Allocated)	18,367.37	15,060.98	-	-	18,367.37	15,060.98
Intangible assets (Unallocated)					31.16	3.96
Depreciation (Tangible) (Unallocated)					31.95	36.92
Amortisation (Allocated)	5,582.20	3,551.93	-	-	5,582.20	3,551.93
Capital employed	77,730.33	57,851.49	(62.12)	(43.53)	77,668.21	57,807.96
Capital employed (Unallocated)	-	-	-	-	11,315.34	15,912.24

** IAUD - Intangible Asset Under Development*

Notes

(i) The business of the Company is divided into two business segments. These segments are the basis for management control and hence form the basis for reporting. The business of each segment comprises of:

a) Agrochemicals – This is the main area of the Company's operation and includes the trading of agrochemical products.

b) Belts – Non agro activities includes manufacture and marketing of industrial chemical and other non agricultural related products.

(ii) Segment Revenue in the above segments includes sales of products net of taxes.

(iii) Inter Segment Revenue is taken as comparable third party average selling price for the year.

(iv) Segment Revenue in the geographical segments considered for disclosure are as follows:

a) Revenue within India includes sales to customers located within India.

b) Revenue outside India is further bifurcated into Europe, North American Free Trade Agreement (NAFTA), Latin America (LATAM) and Rest of the World (ROW).

(v) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

(vi) The Company does not have any customer (other than related parties), with whom revenue from transactions is more than 10% of Company's total revenue.

(vii) Based on the "management approach" defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the company's performance and allocate resources based on an analysis of various performance indicators by business segments. Accordingly information has been presented along these segments.

	31-Mar-17							31-Mar-16						
	Within India	Outside India					Total	Within India	Outside India				Total	
		Europe	LATAM	NAFTA	ROW	Total			Europe	LATAM	NAFTA	ROW	Total	
Revenue by Geographical Market	-	57,991.92	13,944.24	31,040.85	9,943.69	112,920.70	112,920.70	-	56,451.02	11,921.52	17,416.73	7,657.77	93,447.04	93,447.04
Carrying amount of Non Current Assets*	4,763.86	27,746.93	3,374.65	8,117.73	4,722.84	43,962.15	48,726.01	4,390.80	21,274.30	3,117.36	6,958.94	2,328.29	33,678.89	38,069.69

** Non-current assets exclude financial instruments and post-employment benefit assets*

No customer individually accounted for more than 10% of the revenues in the years ended March 31,2017 and March 31,2016

35. RELATED PARTY TRANSACTIONS

(A) Names of related parties and thier relationship

(a) Name of subsidiaries

	Place of business/ country of incorporation	Ownership interest held by the Company	
		Year ended 31-Mar-17	Year ended 31-Mar-16
		%	%
Axis Crop Science Private Limited	India	100.00	100.00
Nihon Agro Service Kabushiki Kaisha	Japan	100.00	100.00
Sharda Balkan Agrochemicals Limited	Greece	100.00	100.00
Sharda Costa Rica SA	Costa Rica	99.00	99.00
Sharda Poland SP. ZO.O.	Poland	100.00	100.00
Sharda Cropchem Espana, S.L.	Spain	100.00	100.00
Sharda De Guatemala, S.A.	Guatemala	98.00	98.00
Sharda Del Ecuador CIA. Ltda.	Ecuador	99.50	99.50
Sharda Do Brasil Comercio De Produtos Quimicos E Agroqumicos LTDA	Brazil	99.00	99.00
Sharda Hellas Agrochemicals Limited	Greece	100.00	100.00
Sharda Hungary Kft	Hungary	100.00	100.00
Sharda International DMCC	Dubai	100.00	100.00
Sharda Cropchem Israel Limited	Israel	100.00	100.00
Sharda Italia SRL	Italy	99.00	99.00
Sharda Peru SAC	Peru	99.95	99.95
Sharda Polska SP. ZO.O.	Poland	100.00	100.00
Shardaserb DO.O.	Serbia	100.00	100.00
Sharda Spain, S.L.	Spain	100.00	100.00
Sharda Swiss SARL	Switzerland	100.00	100.00
Sharda Taiwan Limited	Taiwan	100.00	100.00
Sharda Ukraine LLC	Ukraine	100.00	100.00
Sharda Cropchem Tunisia SARL	Tunisia	99.00	99.00
Shardarus LLC (till 02.12.2015)	Russia	-	100.00
Shardacan Limited	Canada	100.00	100.00
Sharda USA LLC	USA	100.00	100.00
Sharda Chile SpA	Chile	100.00	100.00
Sharzam Limited	Zambia	99.99	99.99
Sharda Agrochem Dooel Skopje	Macedonia	100.00	100.00
Sharda Dominicana, S.R.L.	Dominican Republic	99.00	99.00
Sharda EL Salvador S.A. DE CV	El Salvador	99.00	99.00
Siddhivinayak International Limited	Dubai	100.00	100.00
Sharda Bolivia SRL	Bolivia	99.00	99.00
Sharda Colombia S.A.S.	Colombia	99.48	99.48
Sharda De Mexico S. De RL DE CV	Mexico	99.99	99.00
Sharda Europe BVBA	Dilbeek	100.00	100.00
Sharda International Africa (Pty) Ltd	Africa	100.00	100.00
Sharda Malaysia SDN. BHD.	Malaysia	100.00	100.00
Sharda Uruguay S.A.	Urguary	100.00	100.00
Sharpar S.A.	Colombia	90.00	90.00
Sharda Benelux BVBA	Dilbeek	100.00	100.00
Euroazijski Pesticidi D.O.O.	Croatia	100.00	100.00

(b) Key management personnel and their relatives

Mr. Ramprakash V. Bubna	Chairman & Managing Director
Mrs. Sharda R. Bubna	Whole-time Director
Mr. Ashish R. Bubna	Whole-time Director
Mr. Manish R. Bubna	Whole-time Director
Mrs. Seema A. Bubna	Wife of Whole-time Director
Mrs. Anisha M. Bubna	Wife of Whole-time Director
Mr. M.S. Sundara Rajan	Independent Director
Mr. P. R. Srinivasan	Independent Director
Mr. Shitin Desai	Independent Director
Mr. Shobhan Madhukant Thakore	Independent Director
Mrs. Urvashi Saxena	Independent Director
Mr. Gautam Arora	Chief Financial Officer (resigned effective 30.11.2015)
Mr. Conrad Fernandes	Chief Financial Officer (appointed effective 25.01.2016)
Mr. Jetkin N. Gudhka	Company Secretary

(c) Enterprises owned or significantly influenced by key management personnel or their relatives
Jankidevi Bilasrai Bubna Trust

(d) Name of associate
Sharda Private (Thailand) Limited

(B) Related party transaction

(a) Key management personnel compensation:

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Short- term employee benefits	1168.63	1,163.88
Post-employment benefits	30.39	28.14

(b) With Subsidiaries:

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Loans given to:		
Axis Crop Science Private Limited	100.00	100.00
Sharda Hungary Kft	-	55.00
Sharda Cropchem Espana, S.L.	-	42.59
Outstanding interest converted into loan :		
Axis Crop Science Private Limited	54.86	131.35
Loans / Interest repaid by: *		
Axis Crop Science Private Limited	827.19	106.48
Sharda International DMCC	-	379.69
Sharda Cropchem Espana, S.L.	-	42.70
Sharda Hungary Kft	0.52	55.18
Interest income / accrual:		
Axis Crop Science Private Limited	127.19	146.54

(b) With Subsidiaries:

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Sharda International DMCC	-	5.58
Sharda Cropchem Espana, S.L.	-	0.11
Sharda Hungary Kft	-	0.69
Sale of finished goods:		
Sharda Cropchem Espana, S.L.	5,365.49	4,028.99
Sharda Hungary Kft	4,922.94	2,194.92
Sharda De Mexico S. De RL DE CV	3,809.91	3,607.40
Sharda Poland SP.ZO.O	2,533.03	6,016.99
Sharda International Africa	928.94	-
Sharda Columbia S.A.S	177.57	-
Rate discount given:		
Sharda Columbia S.A.S	-	85.84
Purchase of finished goods:		
Sharda International DMCC	166.08	654.95

** loans were given in accordance with the terms and conditions of the loan agreement and carries an interest rate 8% p.a. and is repayable on demand.*

(c) Other transactions with KMP

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Rent paid to:		
Mr. Ramprakash V. Bubna	32.75	30.76
Mrs. Sharda R. Bubna	106.45	99.98
Mr. Ashish R. Bubna	32.75	30.76
Mr. Manish R. Bubna	40.94	38.45
Mrs. Seema A. Bubna	40.94	38.45
Mrs. Anisha M. Bubna	40.94	38.45
Remuneration to Key Management Personnel		
Mr. Ramprakash V. Bubna	150.00	150.00
Mrs. Sharda R. Bubna	30.00	30.00
Mr. Ashish R. Bubna	125.00	125.00
Mr. Manish R. Bubna	125.00	125.00
Mr. Conrad Fernandes	65.78	13.28
Mr. Jetkin Gudhka	12.27	10.51
Mr. Gautam Arora	-	97.36
Director's Sitting Fees		
Mr. M.S. Sundara Rajan	3.79	2.86
Mr. P. R. Srinivasan	2.41	1.60
Mr. Shitin Desai	3.75	2.74
Mr. Shobhan Madhukant Th	2.07	1.83
Mrs. Urvashi Saxena	3.45	3.65
Directors' Commission		
Mr. Ramprakash V. Bubna	282.30	261.85
Mr. Ashish R. Bubna	189.14	175.44
Mr. Manish R. Bubna	189.14	175.44

(c) Other transactions with KMP

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Donations Paid to:		
Jankidevi Bilasrai Bubna Trust	56.00	41.50
Fixed deposits of directors placed / (released) as lien with bank for credit facility:		
Mr. Ramprakash V. Bubna	141.31	(213.74)
Mrs. Sharda R. Bubna	135.35	219.29
Post-employment benefits:		
Mr. Ramprakash V. Bubna	10.00	10.00
Mrs. Sharda R. Bubna	10.00	10.00
Mr. Ashish R. Bubna	3.96	3.59
Mr. Manish R. Bubna	3.83	3.47
Mr. Conrad Fernandes	1.40	0.19
Mr. Jetkin Gudhka	1.20	0.89

(d) Loans to/ from related parties:

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Loan to Sharda Hungary KFt		
Beginning of the year	0.52	-
Loans advanced/ received	-	55.00
Loans repayment received/ made	-	55.17
Interest charged	-	0.69
Interest received/ paid	0.52	-
End of the year	-	0.52

	Year ended 31-Mar-17	Year ended 31-Mar-16
Loans to Axis Crop Science Private Limited		
Beginning of the year	1,977.19	1,852.32
Loans advanced/ received	100.00	100.00
Loans repayment received/ made	700.00	30.00
Interest charged (Net off TDS, Gross amount ₹ 127.19 Lakhs (March 31, 2016 ₹ 146.54 Lakhs))	114.47	131.34
Interest received/ paid	114.47	76.47
End of the year	1,377.19	1,977.19

	Year ended 31-Mar-17	Year ended 31-Mar-16
Loan to Sharda International DMCC		
Beginning of the year	-	374.11
Loans repayment received/ made	-	379.69
Interest charged	-	5.58
End of the year	-	-

Rate of interest:

	Year ended 31-Mar-17	Year ended 31-Mar-16
Axis Crop Science Private Limited	8%	8%
Sharda Cropchem Espana, S.L.	-	8%
Sharda Hungary Kft	-	8%

(D) Outstanding balance as at Balance Sheet date

	Year ended 31-Mar-17	Year ended 31-Mar-16
Loan Balances		
Axis Crop Science Private Limited	1,377.19	1,977.19
Sharda Hungary Kft	-	0.52
Receivable		
Sharda De Mexico - Sale of finished goods	3,002.49	2,349.12
Sharda Cropchem Espana, S. L.	1,680.90	2,026.90
Sharda Colombia	175.57	-
Sharda Poland	1,372.24	2,352.54
Sharda Hungary KFT	1,946.91	1,538.79
Sharda International Africa (PTY) L	649.60	-
Trade Payable		
Sharda International DMCC - Purchase of Finished Goods	160.37	401.01
Fixed deposits of directors placed / (released) as lien with bank for credit facility:		
Mr. Ramprakash V. Bubna	1,347.41	1,206.10
Mrs. Sharda R. Bubna	1785.96	1650.61

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 year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

36. HEDGING ACTIVITIES AND DERIVATIVES

Derivatives not designated as hedging instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions. The Company enters into foreign exchange forward contracts with the intention to reduce the foreign exchange risk of expected sales and purchases, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

(₹ in Lakhs)

Nature of instrument	Foreign currency	As at 31-March-17		As at 31-March-16	
		Amount (FCY Mn.)	Amount (₹ Lakhs)	Amount (FCY Mn.)	Amount (₹ Lakhs)
Forward contract- Sell	**USD**	1.05	771.04	5.65	3,742.92
	EUR	3.25	2,374.32	7.10	5,346.84
	CAD	0.27	150.77	0.25	214.84
Forward contract- Buy	**USD**	-	-	0.89	589.73
	CAD	0.50	255.21	-	-

37. FAIR VALUE MEASUREMENTS

The following table shows the carrying amounts and fair values of financial assets and financial libilities, including their levels in the fair level heirarchy .

As at 31 March 2017 (₹ in Lakhs)

	Date of Valuation	Carrying Amount			Fair value			
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3	Total Fair Value
Financial assets								
Financial assets measured at fair value								
Investment in mutual funds	31-Mar-17	6,068.32	-	-	-	6,068.32	-	6,068.32
Derivative financial assets	31-Mar-17	90.15	-	-	-	90.15	-	90.15
Loans	31-Mar-17	-	-	5.75	-	5.75	-	5.75
Total Financial Assets		**6,158.47**	**-**	**5.75**	**-**	**6,164.22**	**-**	**6,164.22**

As at 31 March 2016 (₹ in Lakhs)

	Date of Valuation	Carrying Amount			Fair value			
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets								
Financial assets measured at fair value								
Investment in mutual funds	31-Mar-16	9,017.63	-	-	-	9,017.63	-	9,017.63
Derivative financial assets	31-Mar-16	201.00	-	-	-	201.00	-	201.00
Loans	31-Mar-16	-	-	11.07	-	11.07	-	11.07
Total Financial Assets		**9,218.63**	**-**	**11.07**	**-**	**9,229.70**	**-**	**9,229.70**
Financial liabilities measured at fair value								
Borrowings	31-Mar-16	-	-	175.49				
Total Financial liabilities		**-**	**-**	**175.49**	**-**	**-**	**-**	**-**

As at April 1, 2015 (₹ in Lakhs)

	Date of Valuation	Carrying Amount			Fair value			
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets								
Investment in mutual funds	1-Apr-15	10,028.61	-	-	-	10,028.61	-	10,028.61
Derivative financial assets	1-Apr-15	115.86	-	-	-	115.86	-	115.86
Loans	1-Apr-15	-	-	11.06	-	11.06	-	11.06
					-	-	-	-
Total Financial Assets		**10,144.47**	**-**	**11.06**	**-**	**10,155.53**	**-**	**10,155.53**
Financial Liabilities								
Borrowings	1-Apr-15	-	-	3,799.22				
Total Financial liabilities		**-**	**-**	**3,799.22**	**-**	**-**	**-**	**-**

The management assessed that cash and cash equivalents, trade receivables, trade payables, buyers credit and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

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 is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation Technique used to determine Fair Value:-

The following table shows the valuation techniques used in measuring Level 2 fair values for financial instruments at fair value in the balance sheet.

Type	Valuation Technique
Investment in Mutual Funds (Level2)	The fair value is determined based on NAV as on the reporting date provided by respective Asset Management Companies.
Foreign Currency Forward Contracts (Level2)	The fair value is determined using quoted forward exchange rates at the reporting date.
Loans (Level2)	Fair value is devied based on Discounted cash flows. The valuation model considers the present value of expected payment, discounting using a risk adjusted discount rate.

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

Market risk

The Company operates internationally and a major portion of its business is transacted in United States Dollars and Euros and purchases from overseas suppliers mainly in US Dollars. The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the Indian Rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates / depreciates against these currencies.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

(₹ in Lakhs)

Nature of instrument	Foreign currency	As at 31-March-17		As at 31-March-16	
		Amount (FCY Mn.)	Amount (₹ Lakhs)	Amount (FCY Mn.)	Amount (₹ Lakhs)
Unhedged currency exposure on:-					
a) Receivables	USD	43.04	27,820.41	21.77	14,435.82
	EUR	33.26	22,832.81	27.75	20,824.55
	HUF	837.93	1,881.67	600.85	1,431.46
	CZK	21.16	543.25	32.96	911.00
	PLN	16.26	2,675.28	23.11	4,063.20
	MXN	9.20	319.41	-	-
	GBP	0.15	122.86	0.08	80.43
	CAD	2.52	1,207.75	0.57	292.83
	COP	784.51	175.57	-	-
	ZAR	0.51	24.63	-	-
b) Payables	USD	56.07	36,359.35	37.26	24,707.79
	EUR	16.41	11,329.72	16.41	12,315.00
	HUF	274.21	615.77	223.67	532.86
	CZK	4.00	102.61	9.36	258.60
	PLN	3.13	514.97	3.56	625.19
	CHF	0.004	2.59	0.001	0.69
	GBP	0.05	40.89	0.04	41.35
	PHP	0.09	1.18	0.11	1.66
	CAD	0.60	283.63	0.08	38.66
	ZAR	1.29	62.64	0.45	20.06
	JPY	4.18	24.36	1.91	11.29
	AUD	0.005	2.22	0.01	6.56

Further, the Company has not hedged its investments in subsidiaries outside India (For list of subsidiaries refer Note 5).

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

(₹ in Lakhs)

	Change in USD Rate	Effect on profit and loss	Effect on equitty
31-March-17	1%	(85.39)	-59.70
	-1%	85.39	59.70
31-March-16	1%	(102.72)	(69.04)
	-1%	102.72	69.04

(₹ in Lakhs)

	Change in EUR Rate	Effect on profit and loss	Effect on equitty
31-March-17	1%	115.03	80.42
	-1%	(115.03)	(80.42)
31-March-16	1%	85.10	57.20
	-1%	(85.10)	(57.20)

Credit Risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 60,553.70 Lakhs and ₹ 51,222.01 Lakhs as of March 31,2017 and March 31,2016, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the Company 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.

Trade Receivables

The company has established credit policy under which each new customer is analysed individually for credit worthiness before Company's standard payment and delivery terms and conditions are offered. The Company review external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

The following table represents ageing of trade receivables March 31, 2017:

(₹ in Lakhs)

Particulars	More than 6 months	Less than 6 months	Total
Trade Receivables (net)	60,328.65	225.05	60,553.70

The following table represents ageing of trade receivables March 31, 2016:

(₹ in Lakhs)

Particulars	More than 6 months	Less than 6 months	Total
Trade Receivables (net)	51,064.42	157.59	51,222.01

All the trade receivables are considered good. Hence the company has not impaired its trade receivables.

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks. with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units. Loans represent loan given to related parties & employees for which the company does not foresee any impairment loss

Liquidity Risk

The 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 of 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 damages to the Company's reputation. The Company monitors the level of expected cash inflows on trade receivables and loans together with expeceted cash outflows on trade payables & other financial liabilities

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.The company had short term borrowings as at March 31, 2016 which has been repaid in current year. The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

As of March 31, 2017, the Company had a working capital of ₹ 45,616.89 Lakhs including cash and cash equivalents of ₹ 5,009.54 Lakhs and current investments of ₹ 6,068.32 Lakhs. As of March 31, 2016, the Company had a working capital of ₹ 37,886.19 Lakhs including cash and cash equivalents of ₹ 2,199.48 Lakhs and current investments of ₹ 9,017.63 Lakhs.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2017:

(₹ in Lakhs)

Particulars	Upto 1 year	1-2 years	More than 2 years	Total
Trade payables	42,852.28	-	-	42,852.28
Other financial liabilities	9,519.61	27.62	27.62	9,574.85

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2016:

(₹ in Lakhs)

Particulars	Upto 1 year	1-2 years	More than 2 years	Total
Borrowings	174.62	-	-	174.62
Trade payables	33,714.07	-	-	33,714.07
Other financial liabilities	5,732.82	30.01	60.04	5,822.87

39. CAPITAL MANAGEMENT

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-tem and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

40 FIRST-TIME ADOPTION OF IND AS

These financial statements, for the year ended 31 March 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Indian GAAP to Ind AS.

Ind AS optional exemptions

1. Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Company has applied same exemption for investment in associates.

2. Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Indian GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their Indian GAAP carrying value.

Property, plant and equipment, including intangible assets, were carried in the balance sheet prepared in accordance with Indian GAAP on the basis of valuations as on 31 March 2015. The Company has elected to regard those values of the assets as deemed cost at the date of the revaluation. Accordingly, the Company has not revalued the assets at 1 April 2015 again.

Reconciliation of equity as previously reported under Indian GAAP to Ind AS

(₹ in Lakhs)

	Foot notes	As at 31-Mar-16			As at 1-Apr-15		
		As per Indian GAAP	Effects of transition to Ind- AS	As per Ind-AS	As per Indian GAAP	Effects of transition to Ind- AS	As per Ind-AS
ASSETS							
Non-current assets							
Property, plant and equipment		79.63	-	79.63	82.98	-	82.98
Intangible assets	1	12,836.62	-	12,836.62	8,643.39	101.99	8,745.38
Intangible assets under development	1	20,982.27	-	20,982.27	14,874.96	(197.29)	14,677.67
Financial assets							
Investments	2	136.98	-	136.98	1,030.57	157.42	1,187.99
Loans	3	1,983.19	(0.94)	1,982.25	12.00	(0.94)	11.06
Non current tax assets		3,915.75	-	3,915.75	3,632.93	-	3,632.93
Other non current assets	3	255.17	0.25	255.42	233.62	0.94	234.56
Total non-current assets		**40,189.61**	**(0.69)**	**40,188.92**	**28,510.45**	**62.12**	**28,572.57**
Current assets							
Inventories		12,931.26		12,931.26	11,208.84	-	11,208.84
Financial Assets							
Investments	2	8,198.30	819.33	9,017.63	8,587.63	383.56	8,971.19
Trade receivables		51,222.01	-	51,222.01	34,705.19	-	34,705.19
Cash and cash equivalents		2,199.48	-	2,199.48	3,427.18	-	3,427.18
Bank balance other than cash and cash equivalents		3,132.64	-	3,132.64	3,224.51	-	3,224.51
Loans	3	6.53	-	6.53	2,236.34	(1.17)	2,235.17
Other financial assets	4	183.04	17.96	201.00	23.68	92.18	115.86
Other current assets	3	231.79	0.70	232.49	363.22	1.18	364.40
Total current assets		**78,105.05**	**837.99**	**78,943.04**	**63,776.59**	**475.75**	**64,252.34**
TOTAL ASSETS		**118,294.66**	**837.30**	**119,131.96**	**92,287.04**	**537.87**	**92,824.91**
EQUITY AND LIABILITIES							
Equity							
Equity share capital		9,022.05	-	9,022.05	9,022.05	-	9,022.05
Other equity	2,3,4,5,6,7	64,162.56	535.59	64,698.15	49,672.79	3,081.48	52,754.27
Total equity		**73,184.61**	**535.59**	**73,720.20**	**58,694.84**	**3,081.48**	**61,776.32**
Liabilities							
Non-current liabilities							
Financial liabilities							
Other financial liabilities		90.05	-	90.05	-	-	-
Provisions		72.48	-	72.48	43.16	-	43.16
Deferred tax liability (net)	5	3,890.67	301.71	4,192.38	2,159.11	189.95	2,349.06
Total non-current liabilities		**4,053.20**	**301.71**	**4,354.91**	**2,202.27**	**189.95**	**2,392.22**
Current liabilities							
Financial liabilities							
Borrowings		174.62	-	174.62	3,782.53	-	3,782.53
Trade payables							
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1	33,714.07	-	33,714.07	19,042.63	(18.88)	19,023.75
Other financial liabilities		5,732.82	-	5,732.82	4,731.18	-	4,731.18
Other current liabilities	6	1,235.25	-	1,235.25	3,799.29	(2,714.68)	1,084.61
Current tax liabilities(net)		162.19	-	162.19	-	-	-
Provisions		37.90	-	37.90	34.30	-	34.30
Total current liabilities		**41,056.85**	**-**	**41,056.85**	**31,389.93**	**(2,733.56)**	**28,656.37**
TOTAL EQUITY AND LIABILITIES		**118,294.66**	**837.30**	**119,131.96**	**92,287.04**	**537.87**	**92,824.91**

Reconciliation Statement of profit and loss as previously reported under Indian GAAP to Ind AS

(₹ in Lakhs)

	Foot notes	As at 31-Mar-16		
		As per Indian GAAP	Effects of transition to Ind- AS	As per Ind-AS
Revenue from operations	7	93,434.93	12.11	93,447.04
Other income	2,4	6,106.60	205.30	6,311.90
Total Income		**99,541.53**	**217.41**	**99,758.94**
Expenses				
Cost of materials consumed		31,551.66	-	31,551.66
Purchase of traded goods	8	28,050.09	(39.10)	28,010.99
Changes in Inventories of traded and finished goods		(2,232.71)	-	(2,232.71)
Employee benefit expenses	3	2,060.49	(17.12)	2,043.37
Finance costs		54.16	-	54.16
Depreciation and amortisation expenses		3,493.55	-	3,493.55
Other expenses	7,8	11,172.39	51.21	11,223.61
Total expenses		**74,149.63**	**(5.01)**	**74,144.63**
Profit before tax		**25,391.90**	**222.42**	**25,614.31**
Tax expense				
Current tax		6,573.91	-	6,547.46
Adjustment for tax relating to earlier years		1.13	-	1.13
Deferred tax	5	1,731.56	91.63	1,849.63
Total tax expense		**8,306.60**	**91.63**	**8,398.22**
Profit before prior period adjustments		**17,085.30**	**130.79**	**17,216.09**
Prior period adjustments (net of tax)	1	(49.97)	49.97	-
Profit for the year		**17,035.33**	**180.76**	**17,216.09**
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurement of the defined benefit liability/assets, net of tax effet		-	(11.97)	(11.97)
Total comprehensive income for the year		**17,035.33**	**168.79**	**17,204.12**

Explanations for reconciliation of Balance Sheet and statement of profit and loss as previously reported under Indian GAAP to Ind AS

1. Intangible assets

The Company has elected to measure all of its property, plant and equipment and intangible assets at their Indian GAAP carrying value.

Under Indian GAAP, amortisation of intangible assets for capitalisations done in financial year 2015-16 relating to previous years was disclosed under 'Prior Period Adjustments'. Under Ind AS, these amounts are recorded by restating intangible assets on the date of transition to Ind AS.

2. FVTPL financial assets

Under Indian GAAP, Company recognised long-term and current investments in mutual funds at cost less provision for diminution in the value of investments other than temporary. Under Ind AS, Company recognised such mutual fund investments as at FVTPL and measured them at fair value through profit or loss.

On the transition date, an increase of ₹ 157.42 Lakhs between the long term investments fair value and amortised cost has been recognised in retained earnings.

On the transition date, an increase of ₹ 383.56 Lakhs between the current investments fair value and amortised cost has been recognised in retained earnings.Further for the year ended March 31, 2016 an increase of ₹ 819.33 Lakhs between the instruments fair value and amortised cost has been recognised in the statement of profit and loss.

3. Amortized Cost financial assets

Under Indian GAAP, the Company accounted for loan to employees at cost i.e. the amount actually paid. Under Ind AS, such loans are recognised at fair value on initial recognition and at amortised costs on subsequent measurement. Accordingly, on the date of transition, ₹ 2.11 lakhs (₹ 0.94 lakhs relating to non-current portion and ₹ 1.18 lakhs relating to current portion) is treated as prepaid employee benefit cost and has been recognised in retained earnings.

4. Forward contracts

Under Indian GAAP, the company recorded the premium or discount arising at the inception of such a forward exchange contract and amortised the same as expense or income over the life of the contract. Exchange differences on such a contract was recognised in the statement of profit and loss in the reporting period in which the exchange rates change.Under Ind AS 109, the company has recognised Derivative instruments at FVTPL which has resulted in increase in value of derivative as of March 31, 2015 by ₹ 92.18 Lakhs and as of March 31, 2016 by ₹ 74.22 Lakhs

5. Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

In addition, the various transitional adjustments has led to temporary differences. Accordingly, Company has accounted for deferred tax on such differences in retained earnings at the transition date, thereby increasing deferred tax liabilities by ₹ 189.95 Lakhs and reducing retained earnings by the same amount.

6. Dividends

In Indian GAAP, dividend payable is recorded as a liability in the period to which it relates. Under Ind AS, dividend to holders of equity instruments is recognized as a liability in the period in which the obligation to pay is established.Accordingly, proposed dividends and the related tax have increased the retained earnings by ₹ 2,714.68 Lakhs, at the transition date and as on March 31, 2016.

7. Deferred revenue :

The Company offers rebate to customers in the form of reward points. Under Ind AS an adjustment has been made for such sales by accounting them as deferred sales revenue.

8. Advertising and sales:

Under Indian GAAP, the cost of product distributed as free samples was recorded under cost of materials consumed. Under Ind AS, these are reflected as advertising and sales promotion under other expenses.

41. STATEMENT OF CASH FLOW

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

42. DETAILS OF SPECIFIED BANK NOTES (SBN)

(Amount in ₹)

	SBN	Other denominations	Total
Closing Cash In hand as on November 8, 2016	240,000	-	240,000
Add: Permitted Receipts	-	256,000	256,000
Less: Permitted Payment		215,233	215,233
Less: Amount Deposited in Bank	240,000	-	240,000
Closing Cash In hand as on December 30, 2016	-	40,767	40,767

43. LOANS AND ADVANCES IN THE NATURE OF LOANS GIVEN TO SUBSIDIARIES AND ASSOCIATES AND FIRMS/COMPANIES IN WHICH THE DIRECTORS ARE INTERESTED.

(₹ in Lakhs)

Name of subsidiary	2016-17		2015-16	
	31-Mar-17	Maximum amount outstanding during the year	31-Mar-16	Maximum amount outstanding during the year
Axis Crop Science Private Limited	1,377.19	2,001.97	1,977.19	1,977.19
Sharda Cropchem Espana S L	-	-	-	42.70
Sharda International DMCC	-	-	-	376.67
Sharda Hungary KFT	-	0.52	0.52	49.39
Total	**1,377.19**		**1,977.71**	

44. DETAILS OF LOANS & INVESTMENT AS REQUIRED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

a) Loans

(₹ in Lakhs)

Name of subsidiary	31-Mar-2017		31-Mar-2016	
	Amount given during the year	Outstanding amount	Amount given during the year	Outstanding amount
Loans given to subsidiaries (refer Note below)				
Axis Crop Science Private Limited (Interest @ 8% p.a.(Previous year 8% p.a.))	100.00	1,377.19	100.00	1,977.19
Sharda Hungary KFT (Interest @ 8% p.a. (Previous year 8%p.a.))	-	-	55.00	0.52
Sharda Cropchem Espana S L (Interest @ 8%p.a.(Previous year 8%p.a.))	-	-	42.59	-

Note:
Loans given are unsecured and repayable on demand. Loans have been given to meet their working capital requirements.

b) Investments

Details required u/s 186 have been disclosed in Note 5 of the financial statements.

45. DETAILS OF CSR EXPENDITURE

(₹ in Lakhs)

		Year ended 31-Mar-17	Year ended 31-Mar-16
a)	Gross amount required to be spent by the company during the year	369.44	270.30
b)	Amount spent during the year ending on March 31,2017		
	i) Construction/ acquisition of any assets	-	-
	ii) On purpose other than (i) above	369.45	270.41
		369.45	**270.41**

As per our report of even date
For S R B C & CO LLP
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vinayak Pujare**
Partner
Membership No. 101143

Place : Mumbai
Date : May 22, 2017

For and on behalf of the Board of Directors of
SHARDA CROPCHEM LIMITED

Ramprakash V. Bubna
Chairman & Managing Director
DIN: 00136568

Manish R. Bubna
Whole-time Director
DIN: 00137394

Conrad Fernandes
Chief Financial Officer

Jetkin Gudhka
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of Sharda Cropchem Limited

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of Sharda Cropchem Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated 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 "the consolidated Ind AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its Associate in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and its associate, the aforesaid consolidated 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 consolidated state of affairs of the Group and its associate as at March 31, 2017, their consolidated profit including other comprehensive income, their consolidated

cash flows and consolidated statement of changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and its associate, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

(a) We / the other auditors whose reports we have relied upon 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 of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor who is appointed under Section 139 of the Act and one of its subsidiary company incorporated in India, none of the directors of the Group's company incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and the subsidiary company incorporated in India, refer to our separate report in "Annexure 1" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements as also the other financial information of the subsidiaries and its associate, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate – Refer Note 35 to the consolidated Ind AS financial statements;

ii. The Group and its associate did not have any long-term contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and its associate incorporated in India during the year ended March 31, 2017.

iv. The Holding Company and the subsidiary incorporated in India, have provided requisite disclosures in Note 46 to these consolidated Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Group and as produced to us by the Management of the Holding Company.

OTHER MATTERS

(a) We did not audit the financial statements and other financial information, in respect of 28 subsidiaries, whose Ind AS financial statements include total assets of ₹ 8,278.34 Lakhs and net assets of ₹ 116.63 Lakhs as at March 31, 2017, and total revenues of ₹ 17,184.89 Lakhs, and net cash outflow of ₹ 33.30 Lakhs for the year ended on that date. These Ind AS financial statements and other financial information have been audited by other auditors, and such financial statements, other financial information and their auditor's reports have been furnished to us by the Management. The consolidated Ind AS financial statements also include the Group's share of result of ₹ Nil for the year ended March 31, 2017, as considered in the consolidated Ind AS financial statements, in respect of the associate, whose financial statements and other financial information have been audited by another auditor and whose report has been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and the associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and the associate, is based solely on the reports of such other auditors.

(b) We did not audit the consolidated financial statements and other financial information of a subsidiary, whose consolidated financial statements in respect of its 11 downstream subsidiaries, includes total assets of ₹ 16,738.96 Lakhs and net assets of ₹ 9,215.61 Lakhs as at March 31, 2017 and total revenues of ₹ 27,834.90 Lakhs, and net cash inflow of ₹ 1,208.30 for the year ended on that date. These consolidated financial statements, prepared in accordance with accounting principles generally accepted in the subsidiary's country of incorporation, have been audited by another auditor under generally accepted auditing standards applicable in that country. The Company's management has converted these consolidated financial statements from accounting principles generally accepted in the country of incorporation of the subsidiary, to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion, in so far as it relates to the balances and affairs of the said subsidiary, is based on the report of the other auditor on the said consolidated financial statements, and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**
Partner
Membership Number: 101143

Place : Mumbai
Date : May 22, 2017

ANNEXURE 1 OF THE INDEPENDENT AUDITOR'S REPORT

of even date on the Consolidated Financial Statement of Sharda Cropchem Limited

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

In conjunction with our audit of the consolidated financial statements of Sharda Cropchem Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Sharda Cropchem Limited (hereinafter referred to as the "Holding Company") and its subsidiary company, which is company incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiary company, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the

Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

AUDITOR'S 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Holding Company and its subsidiary company, which is company incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding 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.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to a subsidiary company, which is company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**
Partner
Membership Number: 101143

Place : Mumbai
Date : May 22, 2017

CONSOLIDATED BALANCE SHEET

as at March 31, 2017

(₹ in Lakhs)

	Note	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
ASSETS				
Non-current assets				
Property, plant and equipment	3	95.62	141.62	147.12
Capital work-in-progress	4	132.81	-	-
Goodwill	7	39.48	40.36	38.14
Other intangible assets	5	20,850.31	12,837.61	8,747.61
Intangible assets under development	6	23,107.41	20,984.68	14,681.24
Financial assets				
Investments	8	-	-	1,057.42
Loans	9	-	5.06	11.06
Other financial assets	15	0.15	-	-
Deferred tax asset (net)	10	337.73	216.15	193.28
Non current tax assets (net)	10	4,056.45	4,054.32	3,654.12
Other non-current assets	11	979.05	600.36	381.15
Total non-current assets		**49,599.01**	**38,880.16**	**28,911.14**
Current assets				
Inventories	12	28,777.09	15,983.54	13,958.17
Financial Assets				
Investments	8	6,068.32	9,017.63	8,971.19
Trade receivables	13	67,256.00	61,997.86	45,444.35
Cash and cash equivalents	14	7,222.52	3,233.22	3,799.02
Bank balance other than cash and cash equivalents	14	3,573.12	3,254.19	3,224.51
Loans	9	5.75	6.01	7.05
Other financial assets	15	92.46	200.99	115.86
Other current assets	11	2,368.58	563.83	953.09
Total current assets		**115,363.84**	**94,257.27**	**76,473.24**
TOTAL ASSETS		**164,962.85**	**133,137.43**	**105,384.38**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	16	9,022.05	9,022.05	9,022.05
Other equity	17	86,961.71	71,522.85	58,599.36
Equity attributable to equity holders of the Company		95,983.76	80,544.90	67,621.41
Non-controlling interests		1.97	9.39	2.64
Total equity		**95,985.73**	**80,554.29**	**67,624.05**
Liabilities				
Non-current liabilities				
Financial liabilities				
Other financial liabilities	18	55.24	90.05	-
Provisions	19	116.22	92.62	54.82
Deferred tax liability (net)	10	8,073.17	5,483.90	3,443.50
Total non-current liabilities		**8,244.63**	**5,666.57**	**3,498.32**
Current liabilities				
Financial liabilities				
Borrowings	20	24.11	199.98	3,806.66
Trade payables	21	45,742.71	38,373.20	22,790.14
Other financial liabilities	18	9,723.69	5,966.10	5,880.47
Other current liabilities	22	4,737.99	1,944.54	1,493.41
Current tax liabilities(net)	10	453.74	392.92	255.52
Provisions	19	50.25	39.83	35.81
Total current liabilities		**60,732.49**	**46,916.57**	**34,262.01**
TOTAL EQUITY AND LIABILITIES		**164,962.85**	**133,137.43**	**105,384.38**

The accompanying notes form an integral part of the financial statements.

As per our report of even date
For S R B C & CO LLP
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vinayak Pujare**
Partner
Membership No. 101143

Place : Mumbai
Date : May 22, 2017

For and on behalf of the Board of Directors of
SHARDA CROPCHEM LIMITED

Ramprakash V. Bubna
Chairman & Managing Director
DIN: 00136568

Manish R. Bubna
Whole-time Director
DIN: 00137394

Conrad Fernandes
Chief Financial Officer

Jetkin Gudhka
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2017

(₹ in Lakhs)

	Note	Year ended 31-Mar-17	Year ended 31-Mar-16
Revenue from operations	23	139,922.68	122,211.55
Other income	24	1,568.48	2,545.30
Total Income		**141,491.16**	124,756.85
Expenses			
Cost of materials consumed	25	42,837.07	31,556.94
Purchase of traded goods		47,443.83	49,408.51
Changes in Inventories of finished goods and stock in trade	26	(543.97)	(2,540.94)
Employee benefit expenses	27	2,887.67	2,729.60
Finance costs	28	4.77	55.18
Depreciation and amortisation expenses	29	5,625.90	3,505.32
Other expenses	30	16,060.71	13,913.78
Total expenses		**114,315.98**	**98,628.39**
Profit before tax		**27,175.18**	**26,128.46**
Tax expense			
Current tax	10	5,957.26	6,624.78
Adjustment for tax relating to earlier years	10	(287.54)	(14.17)
Deferred tax	10	2,469.02	1,998.24
Total tax expense		**8,138.74**	**8,608.85**
Profit for the year		**19,036.44**	**17,519.61**
Other Comprehensive Income			
Items that will not be reclassified to the statement of profit or loss			
Remeasurement of the defined employee benefit liability/assets		1.55	(20.97)
Income tax relating to items that will not be reclassified to profit or loss		2.71	7.15
Items that will be reclassified to the statement of profit or loss			
Exchange differences on translation of financial statement of foreign operations		(0.43)	684.68
Total comprehensive income for the year net of tax		**3.83**	**670.86**
Total comprehensive income for the year		**19,040.27**	**18,190.47**
Profit for the year		**19,036.44**	**17,519.61**
Attributable to:			
Equity holders of the parent		19,043.86	17,512.86
Non-controlling interests		(7.42)	6.75
Total comprehensive income for the year		**19,040.27**	**18,190.47**
Attributable to:			
Equity holders of the parent		19,047.69	18,183.72
Non-controlling interests		(7.42)	6.75
Earnings per share (₹ per share)			
Basic and diluted (Face value per share of ₹ 10 each)	31	21.11	19.41

The accompanying notes form an integral part of the financial statements.

As per our report of even date
For S R B C & CO LLP
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vinayak Pujare**
Partner
Membership No. 101143

Place : Mumbai
Date : May 22, 2017

For and on behalf of the Board of Directors of
SHARDA CROPCHEM LIMITED

Ramprakash V. Bubna
Chairman & Managing Director
DIN: 00136568

Manish R. Bubna
Whole-time Director
DIN: 00137394

Conrad Fernandes
Chief Financial Officer

Jetkin Gudhka
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2016

(₹ in Lakhs)

	Equity Share Capital	Other Equity				Other comprehensive income		Total attributable to owners of the Company	Non-controlling interests	Total
		Security premium account	Retained earnings	Capital reserves	General reserves	Exchange differences on translation of foreign operations	Other item of other comprehensive income			
As on 01 April 2015	**9,022.05**	**2,168.55**	**53,594.85**	**1,581.11**	**664.93**	**589.92**	**-**	**67,621.41**	**2.64**	**67,624.05**
Profit for the year	-	-	17,512.86	-	0.01	-	-	17,512.87	6.75	17,519.62
Other comprehensive income	-	-	-	-	-	684.68	(13.82)	670.86	-	670.86
Total comprehensive Income	-	**-**	**17,512.86**	**-**	**0.01**	**684.68**	**(13.82)**	**18,183.73**	**6.75**	**18,190.48**
Dividends (including tax on dividend)	-	-	(5,260.24)	-	-	-	-	(5,260.24)	-	(5,260.24)
As on 31 March 2016	**9,022.05**	**2,168.55**	**65,847.47**	**1,581.11**	**664.94**	**1,274.60**	**(13.82)**	**80,544.90**	**9.39**	**80,554.29**

for the year ended 31 March 2017

(₹ in Lakhs)

	Equity Share Capital	Other Equity				Other comprehensive income		Total attributable to owners of the Company	Non-controlling interests	Total
		Security premium account	Retained earnings	Capital reserves	General reserves	Exchange differences on translation of foreign operations	Other item of other comprehensive income			
As on 01 April 2016	**9,022.05**	**2,168.55**	**65,847.47**	**1,581.11**	**664.94**	**1,274.60**	**(13.82)**	**80,544.90**	**9.39**	**80,554.29**
Profit for the year	-	-	19,043.86	-	(0.01)	-	-	19,043.85	(7.42)	19,036.43
Other comprehensive income	-	-	-	-	-	(0.43)	4.26	3.83	-	3.83
Total comprehensive Income	-	**-**	**19,043.86**	**-**	**(0.01)**	**(0.43)**	**4.26**	**19,047.68**	**(7.42)**	**19,040.26**
Dividends (including tax on dividend)	-	-	(3,608.82)	-	-	-	-	(3,608.82)	-	(3,608.82)
As on 31 March 2017	**9,022.05**	**2,168.55**	**81,282.51**	**1,581.11**	**664.93**	**1,274.17**	**(9.56)**	**95,983.76**	**1.97**	**95,985.73**

The accompanying notes form an integral part of the financial statements.

As per our report of even date
For S R B C & CO LLP
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vinayak Pujare**
Partner
Membership No. 101143

Place : Mumbai
Date : May 22, 2017

For and on behalf of the Board of Directors of
SHARDA CROPCHEM LIMITED

Ramprakash V. Bubna
Chairman & Managing Director
DIN: 00136568

Manish R. Bubna
Whole-time Director
DIN: 00137394

Conrad Fernandes
Chief Financial Officer

Jetkin Gudhka
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2017

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Cash flow from operating activities		
Profit before tax	27,175.18	26,128.46
Adjustment to reconcile profit before tax to cash generated by operating activities:		
Depreciation and amortisation expenses	5,625.90	3,505.32
Unrealised exchange loss / (gain)	8.92	(1,562.75)
Loss on disposal of property, plant and equipment	211.96	211.02
Profit on sale of investments	(992.82)	(941.69)
Provision for gratuity	24.98	42.07
Bad debts	65.25	73.82
Liabilities/ provisions no longer required written back	(614.63)	(432.94)
Finance costs	1.55	55.18
Interest income	(226.76)	(155.15)
Dividend income	(26.74)	(0.04)
Operating profit before working capital changes	**31,252.79**	**26,923.30**
Movements in working capital:		
(Increase)/decrease in trade receivables	(7,386.67)	(16,627.33)
(Increase)/decrease in inventories	(12,820.31)	(1,304.58)
(Increase)/decrease in loans	(14.84)	33.03
(Increase)/decrease in other assets	(1,954.11)	170.93
(Increase)/decrease in other financial assets	57.55	23.86
Increase/(decrease) in trade payables	9,931.34	16,016.00
Increase/(decrease) in provisions	(71.73)	(0.25)
Increase/(decrease) in other financial liabilities and other liabilities	4,767.27	1,354.85
Cash generated from operations	**23,761.29**	**26,589.81**
Income taxes paid	(5,612.30)	(6,925.98)
Net cash flow from operating activities (A)	**18,148.99**	**19,663.83**
Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work in progress)	(352.44)	(42.29)
Purchase of intangible assets, including intangible assets under development and capital advances	(13,879.35)	(14,064.56)
Proceeds from sale of property, plant and equipment	0.08	0.35
Purchase of mutual fund	(26,333.99)	(32,390.21)
Proceed from sale of investments in mutual fund	30,276.12	34,342.91
Investment of bank deposits	(2,357.48)	(5,030.05)
Redemption of bank deposits	2,038.40	5,145.06
Interest received	226.76	10.46
Dividends	26.74	0.04
Net cash flow used in investing activities (B)	**(10,355.16)**	**(12,028.29)**

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Cash flows from financing activities		
Repayment of borrowings	(175.87)	(3,606.68)
Finance costs paid	(3.35)	(18.48)
Dividend paid	(3,608.82)	(4,962.12)
Dividend tax paid	-	(298.12)
Net cash flow used in financing activities (C)	**(3,788.04)**	**(8,885.40)**
Exchange difference arising on conversion debited to foreign currency translation reserve (D)	0.38	684.68
Net increase/(decrease) in cash and cash equivalents (A + B + C + D)	**4,006.17**	**(565.18)**
Cash and cash equivalents at the beginning of the year	3,233.22	3,799.02
Exchange differences on translation of foreign currency cash and cash equivalent	(16.87)	(0.62)
Cash and cash equivalents at the end of the year	**7,222.52**	**3,233.22**
Components of cash and cash equivalents		
Cash on hand	5.07	4.21
With banks	7,217.45	3,229.01
Total cash and cash equivalents as per the cash flow statement (refer note 14)	**7,222.52**	**3,233.22**

The accompanying notes form an integral part of the financial statements.

As per our report of even date
For S R B C & CO LLP
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vinayak Pujare**
Partner
Membership No. 101143

Place : Mumbai
Date : May 22, 2017

For and on behalf of the Board of Directors of
SHARDA CROPCHEM LIMITED

Ramprakash V. Bubna
Chairman & Managing Director
DIN: 00136568

Manish R. Bubna
Whole-time Director
DIN: 00137394

Conrad Fernandes
Chief Financial Officer

Jetkin Gudhka
Company Secretary

NOTES

to consolidated financial statements for the year ended March 31, 2017

1. CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of Sharda Cropchem Limited (the Company), its subsidiaries (collectively, the Group) and an associate for the year ended 31 March 2017. The Company is a public limited company incorporated in India under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India.

The Group is principally engaged in export of agro-chemicals (technical grade and formulations) and non-agro products such as conveyor belts, rubber belts/sheets, dyes and dye intermediates to various countries across the world.

The registered office of the Company is located at Domnic Holm, 29th Road, Bandra (W), Mumbai 400050.

The consolidated financial statements were authorised for issue in accordance with a resolution passed at the meeting of the Board of Directors held on May 22, 2017.

2.1 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

For all periods upto and including the year ended 31 March 2016, the Group has prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2017 are the first financial statements of the Group under Ind AS. Refer Note 44 for information on how the Group adopted Ind AS.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

2.2 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company its subsidiaries and an associate as at 31 March 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other

events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

The list of companies which are included in consolidation and the Parent Company's holdings therein are as under:

Sr. No.	Name	Country of incorporation	March 31, 2017	March 31, 2016
	Subsidiaries:			
1	Axis Crop Science Private Limited	India	100.00%	100.00%
2	Nihon Agro Service Kabushiki Kaisha	Japan	100.00%	100.00%
3	Sharda Agrochem Dooel Skopje*	Macedonia	100.00%	100.00%
4	Sharda Balkan Agrochemicals Limited *	Greece	100.00%	100.00%
5	Sharda Chile SpA*	Chile	100.00%	100.00%
6	Sharda Costa Rica SA	Costa Rica	99.00%	99.00%
7	Sharda Cropchem Espana, S.L.	Spain	100.00%	100.00%
8	Sharda Cropchem Israel Limited	Israel	100.00%	100.00%
9	Sharda Cropchem Tunisia SARL*	Tunisia	99.00%	99.00%
10	Sharda De Guatemala, S.A.*	Guatemala	98.00%	98.00%
11	Sharda Del Ecuador CIA. LTDA*	Ecuador	99.50%	99.50%
12	Sharda Do Brasil Comercio DE Produtos Quimicos E Agroquimicos LTDA*	Brazil	99.00%	99.00%
13	Sharda Dominicana S.R.L.*	Dominican Republic	99.00%	99.00%
14	Sharda EL Salvador S. A. DE CV*	El Salvador	99.00%	99.00%

Sr. No.	Name	Country of incorporation	March 31, 2017	March 31, 2016
15	Sharda Hellas Agrochemicals Limited *	Greece	100.00%	100.00%
16	Sharda Hungary Kft*	Hungary	100.00%	100.00%
17	Sharda International DMCC	U.A.E.	100.00%	100.00%
18	Sharda Italia SRL*	Italy	99.00%	99.00%
19	Sharda Peru SAC*	Peru	99.95%	99.95%
20	Sharda Poland SP. ZO.O	Poland	100.00%	100.00%
21	Sharda Polska SP. ZO.O.*	Poland	100.00%	100.00%
22	Sharda Spain, S.L. *	Spain	100.00%	100.00%
23	Sharda Swiss SARL*	Switzerland	100.00%	100.00%
24	Sharda Taiwan Limited*	Taiwan	100.00%	100.00%
25	Sharda Ukraine LLC*	Ukraine	100.00%	100.00%
26	Sharda USA LLC *	USA	100.00%	100.00%
27	Shardacan Limited*	Canada	100.00%	100.00%
28	Shardaserb DO.O *	Serbia	100.00%	100.00%
29	Sharzam Limited*	Zambia	99.99%	99.99%
30	Euroazijski Pesticidi D.O.O.	Croatia	100.00%	100.00%
31	Sharda Benelux BVBA*	Belgium	100.00%	100.00%
32	Sharda Bolivia SRL	Bolivia	99.00%	99.00%
33	Sharda Colombia S.A.S.	Colombia	99.48%	99.48%
34	Sharda De Mexico S. DE RL DE CV	Mexico	99.99%	99.00%
35	Sharda Europe BVBA	Belgium	100.00%	100.00%
36	Sharda International Africa (PTY) Limited	South Africa	100.00%	100.00%
37	Sharda Malaysia SDN. BHD.	Malaysia	100.00%	100.00%
38	Sharda Uruguay S.A.	Uruguay	100.00%	100.00%
39	Sharpar S.A.*	Paraguay	90.00%	90.00%
40	Siddhivinayak International Limited	U.A.E.	100.00%	100.00%
	Associate:			
41	Sharda Private (Thailand) Limited	Thailand	49.00%	49.00%

** The financial statements of these companies are drawn for the calendar year ended December 31, 2016 in compliance with respective local laws. All material adjustments for the effect of significant transactions or events occurred upto March 31, 2017, if any, have been given effect to in preparation of these Consolidated Financial Statements.*

The financial statements of all other entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Company, i.e., year ended on 31 March 2017.

2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate' in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

b. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

c. Foreign currency translation

The Group's consolidated financial statements are presented in Indian Rupee ₹, which is also the Group's functional currency. Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

Transactions and balances

Transactions in foreign currency are recorded applying the exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates prevailing on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction. Exchange differences arising as a result of the above are recognized as income or expenses in the statement of profit and loss. Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or

reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

d. Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments- forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

e. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (Note 40)
- Financial instruments (including those carried at amortised cost) (Note 40)

f. Revenue Recognition

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

Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates and cash discounts. The Group operates a loyalty programme where customers accumulate points for purchases made. Revenue related to the award points is deferred and recognised when

the points are redeemed. The amount of revenue is based on the number of points redeemed relative to the total number expected to be redeemed.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

g. Government grants and Export Incentives :

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs for which it is intended to compensate are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Export Incentives are recognised in the Statement of Profit and Loss as a part of other operating revenues

h. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets

against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

i. Use of estimates

The preparation of financial statements in conformity with Indian Accounting Standards requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

j. Property, Plant and Equipment and Depreciation

The Group has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Indian GAAP and use that as its deemed cost in accordance with the exemption provided under Ind AS 101.

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

Depreciation is provided after impairment, if any, using the straight-line method as per the useful lives of the assets estimated by the management, or at rates prescribed under Schedule II of the Companies Act 2013, except in respect of certain assets located outside India in whose case the estimated useful life of the assets has been assessed as per the condition of the assets. The Group has used the following rates to provide depreciation on its fixed assets.

Asset class	Estimated useful life adopted by foreign subsidiaries	Schedule II adopted by Indian Subsidiaries
Computers	6-7 years	3 years
Furniture and Fixtures	15-16 years	10 years
Office Equipment	21-22 years	5 years
Motor Cars	10-11years	8 years
Cylinders	6-7 years	15 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

k. Intangible assets and amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as finite.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life are considered to modify the amortisation period, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Computer Software

Expenses on implementation of Computer Software are amortised on a straight-line basis over a period of four years.

Research and Development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset

Cost of Product Registration generally comprise of costs incurred towards creating product dossiers, fees paid to registration consultants, application fees to the ministries, data compensation costs, data call-in costs and fees for task-force membership.

In situations where consideration for data compensation is under negotiation and is pending finalisation of contractual agreements, cost is determined on a best estimate basis by the management, and revised to actual amounts on conclusion of agreements.

Product Registration and Licence charges are amortised on a straight-line basis over a period of five years.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

l. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

m. Inventories

Raw materials, traded goods and finished goods are valued at lower of cost or net realizable value. Cost includes direct material and direct expenses. Cost is determined on a weighted average basis as per individual location which is done on specific identification of batches. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sales.

n. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

o. Provisions

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

p. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The group does not recognize a contingent liability but discloses its existence in the financial statements

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contigent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

q. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

Gratuity liability is a defined benefit obligation which is provided for on the basis of an actuarial valuation on Projected Unit cost method made at the end of each financial year. Actuarial gains/(losses) are recognised directly in other comprehensive income. This benefit is presented according to present value after deducting the fair value of the plan assets. The Group determines the net interest on the net defined benefit liability (asset) in respect of a defined benefit

by multiplying the net liability (asset) in respect of a defined benefit by the discount rate used to measure the defined benefit obligation as they were determined at the beginning of the annual reporting period.

Accumulated leave is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

r. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

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.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of amounts from OCI to statement of profit and loss, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily

derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the group has transferred substantially all the risks and rewards of the asset, or

(b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as 'contractual revenue receivables' in these financial statements)

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables and
- Other receivables

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised 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.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such changes are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

s. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank.

t. Earnings per share

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

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

u. Segment reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

v. Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment'. The amendments are applicable to the Group from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and on cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

3. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

	Office equipments	Furniture & fixtures	Motor cars	Computers	Cylinders	Total
Cost						
At 1 April 2015	31.58	66.92	21.00	19.86	7.76	**147.12**
Additions	6.43	1.16	19.37	9.71	1.66	**38.33**
Disposals	(0.74)	-	-	-	-	**(0.74)**
Translation exchange difference	2.57	3.34	-	0.16	-	**6.07**
At 31 March 2016	**39.84**	**71.42**	**40.37**	**29.73**	**9.42**	**190.78**
Accumulated depreciation						
Depreciation charge during the year	11.66	16.41	6.13	12.86	0.73	**47.79**
Disposals	(0.54)	-	-	-	-	**(0.54)**
Translation exchange difference	0.92	0.98	-	0.01	-	**1.91**
At 31 March 2016	**12.04**	**17.39**	**6.13**	**12.87**	**0.73**	**49.16**
Net carrying value						
At 1 April 2015	**31.58**	**66.92**	**21.00**	**19.86**	**7.76**	**147.12**
At 31 March 2016	**27.80**	**54.03**	**34.24**	**16.86**	**8.69**	**141.62**

(₹ in Lakhs)

	Office equipments	Furniture & fixtures	Motor cars	Computers	Cylinders	Total
Cost						
At 31 March 2016	39.84	71.42	40.37	29.73	9.42	**190.78**
Additions	1.30	0.96	-	3.90	-	**6.16**
Disposals	-	-	-	(0.36)	-	**(0.36)**
Translation exchange difference	(5.04)	(5.77)	-	(1.26)	-	**(12.07)**
At 31 March 2017	**36.10**	**66.61**	**40.37**	**32.01**	**9.42**	**184.51**
Accumulated depreciation						
At 31 March 2016	12.04	17.39	6.13	12.87	0.73	**49.16**
Depreciation charge during the year	8.89	15.25	7.69	10.60	0.75	**43.18**
Disposals	-	-	-	(0.36)	-	**(0.36)**
Translation exchange difference	(1.30)	(1.04)	-	(0.75)	-	**(3.09)**
At 31 March 2017	**19.63**	**31.60**	**13.82**	**22.36**	**1.48**	**88.89**
Net carrying value						
At 31 March 2016	**27.8**	**54.03**	**34.24**	**16.86**	**8.69**	**141.62**
At 31 March 2017	**16.47**	**35.01**	**26.55**	**9.65**	**7.94**	**95.62**

4. CAPITAL WORK-IN-PROGRESS

Capital work-in-progress relates to expenditure on lease hold improvement and furniture fixture at the Company's new leased office premises.

5. OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

	Computer Software	Product Registration and Licences (refer note 36)	Total
Cost			
At 1 April 2015	25.26	8,722.35	**8,747.61**
Additions	4.11	7,958.35	**7,962.46**
Disposals	-	(815.51)	**(815.51)**
Translation exchange difference	0.13	0.06	**0.19**
At 31 March 2016	**29.50**	**15,865.25**	**15,894.75**
Accumulated amortisation			
Amortisation during the year	12.78	3,444.75	**3,457.53**
Disposals	-	(401.07)	**(401.07)**
Translation exchange difference	0.66	0.02	**0.68**
At 31 March 2016	**13.44**	**3,043.70**	**3,057.14**
Net carrying value			
At 1 April 2015	**25.26**	**8,722.35**	**8,747.61**
At 31 March 2016	**16.06**	**12,821.55**	**12,837.61**

(₹ in Lakhs)

	Computer Software	Product Registration and Licences (refer note 36	Total
Cost			
At 31 March 2016	29.50	15,865.25	**15,894.75**
Additions*	31.16	13,575.85	**13,607.01**
Disposals	-	(141.31)	**(141.31)**
Translation exchange difference	(0.02)	(0.42)	**(0.44)**
At 31 March 2017	**60.64**	**29,299.37**	**29,360.01**
Accumulated amortisation			
At 31 March 2016	13.44	3,043.70	**3,057.14**
Amortisation during the year	16.74	5,565.98	**5,582.72**
Disposals	-	(130.05)	**(130.05)**
Translation exchange difference	0.06	(0.17)	**(0.11)**
At 31 March 2017	**30.24**	**8,479.46**	**8,509.70**
Net carrying value			
At 31 March 2016	**16.06**	**12,821.55**	**12,837.61**
At 31 March 2017	**30.40**	**20,819.91**	**20,850.31**

** The data compensation element of product registration was initially capitalised based on management estimates.*

In the current year the outcome of negotiations with contracting parties resulted in a reduction of ₹ 729.36 Lakhs (March 31, 2016 ₹ Nil) in the gross block of product registrations.

6. INTANGIBLE ASSETS UNDER DEVELOPMENT

Intangible assets under development generally comprise of costs incurred towards creating product dossiers, fees paid to registration consultants, application fees to the ministries, data compensation costs, data call-in costs and fees for task-force membership.

7. GOODWILL

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16
Carrying value at the beginning	40.36	38.14
Foreign currency exchange gain / (loss)	(0.88)	2.22
Carrying value at the end	**39.48**	**40.36**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the groups of CGU's, which benefit from the synergies of the acquisition. The chief operating decision maker reviews the goodwill for any impairment at the operating segment level, which is represented through groups of CGU's.

8. INVESTMENTS

Non-current investments

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Investment (carried at fair value through statement of profit or loss)			
Mutual funds units (Unquoted)			
- DSP BlackRock FMP 111-12M - Reg - Growth Nil (31st March 2016: Nil, 1st April 2015: 40,00,000) units of ₹ 10 each	-	-	467.52
- HDFC FMP 1001D August 2013(1) Series 27 Regular - Growth Nil (31st March 2016: Nil, 1st April 2015: 50,00,000) units of ₹ 10 each	-	-	589.90
Total	**-**	**-**	**1,057.42**

Current investments

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Investment (carried at fair value through statement of profit or loss)			
Investments in mutual funds (Unquoted)			
- Axis Liquid Fund - Growth Nil (31st March 2016: Nil, 1st April 2015: 2,226) units of ₹ 1,000 each	-	-	34.45
- Birla Sun Life Treasury Optimizer Plan - Growth - Regular Plan Nil (31st March 2016: Nil, 1st April 2015: 8,96,257) units of ₹ 100 each	-	-	1,557.27
- DSP BlackRock FMP-Series111-12M - Regular - Growth Nil (31st March 2016: 40,00,000, 1st April 2015: Nil) units of ₹ 10 each	-	506.98	-
- HDFC Arbitrage Fund - Wholesale Plan - Regular Plan - Monthly Dividend 18,65,415 (31st March 2016: Nil, 1st April 2015: Nil) units of ₹ 10 each	203.14		-
- HDFC Cash Management Fund - Savings Plan - Growth Nil (31st March 2016: Nil, 01st April 2015: 8,459) units of ₹ 1000 each (₹ 10 each)	-	-	2.47
- HDFC FMP 1001D August 2013(1) Series 27 Regular - Growth Nil (31st March 2016: 50,00,000, 1st April 2015: Nil) units of ₹ 10 each	-	635.16	-
- HDFC FMP 92D March 2016(1)- Regular - Growth - SERIES 35 Nil (31st March 2016: 30,00,000, 1st April 2015: Nil) units of ₹ 10 each	-	302.43	-
- HDFC Gilt Fund Long Term - Growth 32,98,665 (31st March 2016: 39,51,878, 01st April 2015: 85,62,564) units of ₹ 10 each	1,112.93	1,195.62	2,435.46
- HDFC Liquid Fund - Direct Plan - Growth Option Nil (31st March 2016: Nil, 01st April: 36,136) units of ₹ 1000 each (₹ 10 each)	-	-	9.98
- ICICI Prudential FMP Series 78-95 Days Plan K Cumulative Nil (31st March 2016: 100,00,000, 01st April 2015: Nil) units of ₹ 10 each	-	1,011.22	-
- ICICI Prudential Income Opportunities Fund Growth 4,81,914 (31st March 2016: Nil, 1st April 2015: Nil) units of ₹ 100 each	110.88	-	-
- ICICI Prudential Liquid - Regular - Growth Nil (31st March 2016: Nil, 01st April 2015: 803) units of ₹ 100 each	-	-	1.66

Current investments (contd.)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
- ICICI Prudential Long Term Gilt Fund - Growth 19,52,628 (31st March 2016: 19,52,628, 01st April 2015: 26,53,022) units of ₹ 10 each	1,107.18	978.51	1,254.27
- IDFC Arbitrage Fund - Growth - (Regular Plan) Nil (31st March 2016: 40,61,757, 01st April 2015: 40,61,757) units of ₹ 10 each	-	792.64	744.07
- IDFC Arbitrage Plus Fund - Growth - (Regular Plan) Nil (31st March 2016: 31,54,972, 01st April 2015: 31,54,972) units of ₹ 10 each	-	539.96	510.27
- IDFC Cash Fund - Growth - (Regular Plan) Nil (31st March 2016: Nil, 1st April 2015: 122) units of ₹ 10 each	-	-	2.07
- IDFC Dynamic Bond Fund - Growth - (Regular Plan) 1,06,34,076 (31st March 2016: 1,06,34,076, 01st April 2015: 1,06,34,076) units of ₹ 10 each	2,144.16	1,895.98	1,803.68
- Reliance Arbitrage Advantage Fund Growth Plan Nil (31st March 2016: 33,42,603, 01st April 2015: Nil) units of ₹ 10 each	-	527.32	-
- Reliance Fixed Horizon Fund - XXX- Series 9 - Growth Plan Nil(31st March 2016: 20,00,000, 01st April 2015: Nil) units of ₹ 10 each	-	201.81	-
- Reliance Liquid Fund Treasury Plan - Growth Plan - Growth Option 10,118 (31st March 2016: Nil, 01st April 2015: Nil) units of ₹ 10 each	400.06	-	-
- Tata Liquid Fund Plan A - Growth Nil (31st March 2016: Nil, 01st April 2015: 11,252) units of ₹ 1,000 each	-	-	290.10
- Union KBC Asset Allocation Fund - Moderate Plan Growth 4,39,499 (31st March 2016: 4,39,499, 01st April 2015: 4,39,499) units of ₹ 10 each	62.33	56.91	57.06
- Union KBC Capital Protection Oriented Fund Series 1 - Growth Nil (31st March 2016: Nil, 01st April 2015: 2,49,990) units of ₹ 10 each	-	-	33.63
- Union KBC Dynamic Bond Fund - Growth * 61,66,440 (31st March 2016: 25,11,156, 01st April 2015: 9,71,653) units of ₹ 10 each	902.53	338.36	125.04
- Union Capital Protection Oriented Fund Series 7 - Regular Plan - Growth 2,50,000 (31st March 2016: Nil, 01st April 2015: Nil) units of ₹ 10 each	25.11	-	-
- Union KBC Fixed Maturity Plan Series 10 - Regular Plan - Growth Nil (31st March 2016: Nil, 01st April 2015: 10,00,000) units of ₹ 10 each	-	-	109.71
- Union KBC Liquid Fund Growth - Direct Plan Nil (31st March 2016: 2,291, 01st April 2015: Nil) units of ₹ 1,000 each	-	34.73	-
Total	**6,068.32**	**9,017.63**	**8,971.19**

** Lien marked on the units of Union KBC Dynamic Bond Fund for financial year 2016-17 ₹ 902.53 Lakhs (financial year 2015-16: Nil, financial year 2014-15: ₹ 125.04 Lakhs) in favor of Union Bank of India for availment of working capital facilities in the form of Letters of Credit. The lien marked on the units of Union KBC Dynamic Bond Fund for financial year 2014-15 ₹ 125.04 Lakhs has been released during the financial year 2015-16.*

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Aggregate amount of unquoted investments	6,068.32	9,017.63	10,028.61
Investment carried at fair value through statement of profit or loss	6,068.32	9,017.63	10,028.61

9. LOANS

Non-current

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Unsecured, considered good (carried at cost)			
Loans to employees	-	5.06	11.06
Total	**-**	**5.06**	**11.06**

Current			(₹ in Lakhs)
	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Unsecured, considered good (carried at cost)			
Loans to employees	5.75	6.01	7.05
Total	**5.75**	**6.01**	**7.05**

10. INCOME TAXES

Income tax expenses in the statement of profit and loss comprises		(₹ in Lakhs)
	As at 31-Mar-17	As at 31-Mar-16
Current income tax:		
Current income tax charge	5,957.26	6,624.78
Adjustments in respect of current income tax of previous year	(287.54)	(14.17)
Deferred taxes (expense)/benefit:		
Relating to origination and reversal of temporary differences	2,469.02	1,998.24
Total	**8,138.74**	**8,608.85**

Income tax (expense)/benefit recognized in OCI

Deferred tax relating to items recognised in OCI during the year:		(₹ in Lakhs)
	As at 31-Mar-17	As at 31-Mar-16
Net (gain)/loss on remeasurement of defined employee benefit plans	2.71	6.33
Total	**2.71**	**6.33**

Reconciliation of tax rate and accounting profit multiplied by India's tax rate:		(₹ in Lakhs)
	As at 31-Mar-17	As at 31-Mar-16
Profit from operations before income taxes	27,572.45	25,614.31
Tax @34.608% (Indian statutory income tax rate)	9,343.37	8,864.60
Non-deductible expenses for tax purposes:		
Corporate social responsibility expenditure	65.73	49.76
Interest on Income Tax	1.11	18.19
Tax effect on employee-benefit cost	-	0.41
Income tax adjustments:		
Adjustment for tax relating to earlier years	(287.54)	(14.17)
Effect of deductible temporary differences now recognised as deferred tax assets/liabilities	2,536.79	1,998.24
Unrealised gain/ loss on derivative contract caried at fair value through statement of profit and loss	38.37	25.69
Impairment of investment	164.39	-
Loss on sale of assets	73.35	73.03
Tax on short term capital gain	119.99	321.91
Others	10.19	3.67
Income not deductible for tax purposes		
Tax effect due to non-taxable income	(1,005.12)	(938.42)
Tax effect on actuarial loss on defined benefit obligations	-	(6.33)
Tax related to gain on fair valuation of investments	(40.88)	(96.33)
Tax effect due to difference in depreciation as per Companies Act and Income Tax	(2,858.88)	(1,734.73)
Unrealised gain/ loss on financial liabilities caried at fair value through statement of profit and loss	(54.29)	(7.54)
Profit taxable at higher /lower /nil tax rates in certain jurisdictions	32.16	50.87
Income tax expense	**8,138.74**	**8,608.85**

Non current tax assets(net)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Advance tax (Net of provision for income tax of ₹ 17,690.74 Lakhs (31st March 2016: ₹ 12,684.42 Lakhs, 1st April 2015: ₹ 12,684.42 Lakhs))	4,056.45	4,054.32	3,654.12
Total	**4,056.45**	**4,054.32**	**3,654.12**

Current tax liabilities(net)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Other provisions			
Provision for income tax (Net of advance tax ₹ 5,535.83 Lakhs (31st March 2016: ₹ 7,287.85 Lakhs, 1st April 2015: Nil)	453.74	392.92	255.52
Total	**453.74**	**392.92**	**255.52**

Deferred tax assets (net)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Deferred tax asset			
Temporary difference related to profit on stock reserves	306.68	216.15	187.51
Others	31.05	-	7.42
Gross deferred tax asset	**337.73**	**216.15**	**194.93**
Deferred tax liability			
Others	-	-	1.65
Gross deferred tax liability	-	**-**	**1.65**
Net deferred tax asset/ (liability)	**337.73**	**216.15**	**193.28**

Deferred tax liability (net)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Deferred tax asset			
Gratuity	38.68	36.50	19.46
Impairment of investment	164.39	-	-
Unrealised gain/ loss on derivative contract carried at fair value through statement of profit and loss	38.37	-	-
Brought forward losses	51.21	-	-
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for financial reporting	1.68	-	-
Others	-	36.22	-
Gross deferred tax asset	**294.33**	**72.72**	**19.46**
Deferred tax liability			
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for financial reporting	6,932.35	3,922.52	2178.57
Undistributed profit	1,339.98	1,564.55	1252.48
Unrealised gain/ loss on investment carried at fair value through statement of profit and loss	40.88	-	-
Unrealised gain/ loss on financial liabilities/ derivative contracts carried at fair value through statement of profit and loss	54.29	69.55	31.91
Gross deferred tax liability	8,367.50	**5,556.62**	**3,462.96**
Net deferred tax asset/ (liability)	**(8,073.17)**	**(5,483.90)**	**(3,443.50)**

The gross movement in the deferred income tax account for the year ended March 31, 2017 and March 31, 2016 (₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16
Net deferred income tax asset/ (liability) at the beginning	(5,267.75)	(3,250.22)
Credit / (charge) relating to temporary difference	(2,469.02)	(1,998.24)
Temporary difference on other comprehensive income	1.29	(19.29)
Translation difference	0.04	-
Net deferred income tax asset/ (liability) at the end	**(7,735.44)**	**(5,267.75)**

11. OTHER ASSETS

Non-current (Unsecured, considered good) (₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Capital advances	222.45	-	-
Other advances			
- Statutory receivable	747.73	591.03	378.20
- Prepaid employee benefit and other balances	8.87	9.33	2.95
Total	**979.05**	**600.36**	**381.15**

Current (Unsecured, considered good) (₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Payment to vendor for supply of goods and services	641.55	277.56	367.60
Other advances			
- Right of recoveries against expected sales return	1,325.08	-	-
- Prepaid expenses	146.88	147.28	135.50
- Prepaid employee benefit and other balances	255.07	138.99	449.99
Total	**2,368.58**	**563.83**	**953.09**

12. INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Finished Goods (Stock in transit Nil (31 March 2016: ₹ 1,712.53 Lakhs, 1 April 2015: ₹ 469.83 Lakhs)	6,130.75	5,744.73	3,461.37
Traded goods	3,214.90	3,056.95	2,799.37
Raw materials including packing materials (Stock in transit ₹ 4,689.78 Lakhs (31 March 2016 ₹ 2,933.54 Lakhs, 1 April 2015 ₹ 2,249.98 Lakhs)	19,431.44	7,181.86	7,697.43
Total	**28,777.09**	**15,983.54**	**13,958.17**

Note:-
Amount of write down of inventories to net realisable value and other provisions / losses recognised in the statement of profit and loss as an expense is ₹ 3.18 Lakhs (March 31, 16 ₹ 17.93 Lakhs, April 1, 2015: ₹ 3.62 Lakhs)

13. TRADE RECEIVABLES

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Unsecured, considered good	67,256.00	61,997.86	45,444.35
Total	**67,256.00**	**61,997.86**	**45,444.35**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

For explanations on the Company's credit risk management process, refer note 41.

14. CASH AND BANK BALANCES

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Cash and cash equivalents			
Balances with banks			
- in current account	5,413.04	2,889.73	2,475.07
- in unpaid dividend account	1,804.41	0.84	-
Fixed deposit account			
- with original maturity of less than 3 months*	-	338.44	1,319.27
Cash on hand	5.07	4.21	4.68
	7,222.52	**3,233.22**	**3,799.02**
Other Bank balances			
Fixed deposit account			
- with original maturity of more than 3 months but less than 12 months*	3,573.12	3,132.64	3,224.51
- with original maturity of more than 12 months	-	121.55	-
	3,573.12	**3,254.19**	**3,224.51**
Total	**10,795.64**	**6,487.41**	**7,023.53**

** There is a lien marked on deposits with bank in favour of Union Bank of India for an amount aggregating ₹ 3,452.55 Lakhs (March 31, 2016: ₹ 3,471.08 Lakhs, April 1, 2015: ₹ 4,539.87 Lakhs) for availment of additional working capital facilities in the form of Letters of Credit and Bank Guarantees.*

15. OTHER FINANCIAL ASSETS

Non current

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Other Bank balance - Fixed deposit account			
- Deposits with original maturity of more than 12 months	0.15	-	-
Total	**0.15**	**-**	**-**

Current

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
- Derivative instrument - foreign currency forward contracts	92.46	200.99	115.86
Total	**92.46**	**200.99**	**115.86**

16. EQUITY SHARE CAPITAL

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Authorised share capital			
10,50,00,000 (Previous year: 10,50,00,000) equity shares of ₹ 10/- each	10,500.00	10,500.00	10,500.00
Issued, subscribed and fully paid-up			
9,02,20,495 (Previous year: 9,02,20,495) equity shares of ₹ 10/- each	**9,022.05**	**9,022.05**	**9,022.05**

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

Equity shares

	As at 31-Mar-17		As at 31-Mar-16		As at 1-Apr-15	
	No. of Shares	₹ Lakhs	No. of Shares	₹ Lakhs	No. of Shares	₹ Lakhs
At the beginning of the year	9,02,20,495	9,022.05	9,02,20,495	9,022.05	9,02,20,495	9,022.05
Outstanding at the end of the year	**9,02,20,495**	**9,022.05**	**9,02,20,495**	**9,022.05**	**9,02,20,495**	**9,022.05**

(b) Terms/rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for dividend and one vote per share held. The dividend proposed by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date

	As at 31-Mar-17 No. of Shares	As at 31-Mar-16 No. of Shares	As at 1-Apr-15 No. of Shares
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium during FY 2011-12	7,21,76,396	7,21,76,396	7,21,76,396

(d) Details of shareholders holding more than 5% shares in the Company

	As at 31-Mar-17		As at 31-Mar-16		As at 1-Apr-15	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Mr. Ramprakash V. Bubna	1,40,52,686	15.58%	1,41,52,686	15.69%	1,41,52,686	15.69%
Mrs. Sharda R. Bubna	1,40,52,685	15.58%	1,41,52,685	15.69%	1,41,52,685	15.69%
Mr. Ashish R. Bubna*	1,51,80,000	16.83%	1,51,80,000	16.83%	1,51,80,000	16.83%
Mr. Manish R. Bubna**	1,51,80,000	16.83%	1,51,80,000	16.83%	1,51,80,000	16.83%
DSP Blackrock Mutual Fund	6,051,565	6.71%	56,16,626	6.23%	3,218,733	3.57%

* Shareholding includes 10 Equity shares held jointly by Mr. Ashish R. Bubna and Mrs.Seema A. Bubna, with Mr.Ashish R. Bubna as the first holder.

** Shareholding includes 10 Equity shares held jointly by Mr. Manish R. Bubna and Mrs. Anisha M. Bubna, with Mr. Manish R. Bubna as the first holder.

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

Distribution made and proposed (₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended 31 March 2016 ₹ Nil (31 March 2015: ₹ 2.50) per share	-	2,255.51
Tax on final equity dividend	-	459.17
Tax credit on final equity dividend	-	(304.27)
Interim dividend on equity shares (For the year ended 31 March 2017 ₹ 2.00 (31 March 2016: ₹ 3.00) per share	1,802.03	2,706.61
Tax on interim dividend on equity shares	-	143.22
Cash dividends on equity shares declared :		
Interim dividend on equity shares (For the year ended 31 March 2017 ₹ 2.00 (31 March 2016: ₹ Nil) per share	1,802.03	-
Tax on interim dividend on equity shares	-	-

17. OTHER EQUITY

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Capital reserve			
Opening balance	1,581.11	1,581.11	1,568.44
Add: On account of acquisition of subsidiaries	-	-	12.67
Closing balance	**1,581.11**	**1,581.11**	**1,581.11**
Securities premium reserve			
Opening balance	2,168.55	2,168.55	2,168.55
Closing balance	**2,168.55**	**2,168.55**	**2,168.55**
General reserve			
Opening balance	664.94	664.93	664.93
Add: Amount transferred from surplus balance in the statement of profit and loss	(0.01)	0.01	-
Closing balance	**664.93**	**664.94**	**664.93**
Foreign currency translation reserve			
Opening balance	1,274.60	589.92	284.94
Add: Foreign currency translation reserve for the year	(0.43)	684.68	304.98
Closing balance	**1,274.17**	**1,274.60**	**589.92**
Surplus in the Statement of Profit and Loss			
Opening balance	65,833.65	53,594.85	41,865.50
Add: Profit for the year	19,043.86	17,512.86	11,756.98
Add: Other comprehensive income	4.26	(13.82)	-
Less: Depreciation as per Schedule II of Companies Act, 2013			14.96
Less: Transfer to capital reserve on account of acquisition of residual stake in Axis Crop Science Private Limited.	-	-	12.67
Less: Proposed final dividend on equity shares (Amount per share ₹ Nil (Previous year: ₹ 2.50))	-	2,255.51	-
Less: Tax on final equity dividend	-	459.17	-
Less: Tax credit on final equity dividend	-	(304.27)	-
Less: Interim dividend on equity shares (Amount per share ₹ 4.00 (Previous year: ₹ 3.00)	3,608.82	2,706.61	-
Less: Tax on interim dividend on equity shares	-	143.22	-
Closing balance	**81,272.95**	**65,833.65**	**53,594.85**
Total	**86,961.71**	**71,522.85**	**58,599.36**

Capital Reserve -

The Company recognises profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

Securities Premium Reserve -

Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium Reserve". The Company may issue fully paid-up bonus shares to its members out of the securities premium reserve and the Company can use this reserve for buy-back of shares.

General Reserve -

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up and not paid-up bonus shares.

18. OTHER FINANCIAL LIABILITIES

Non-current (carried at cost)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Capital creditors	55.24	90.05	-
Total	**55.24**	**90.05**	**-**

Current (carried at cost, unless otherwise specified)			(₹ in Lakhs)
	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Financial assets (carried at fair value through statement of profit and loss)			
- Foreign currency forward contracts	-	2.79	-
Financial assets			
- Unclaimed dividend	-	0.84	-
- Unpaid dividend	1,804.41	-	-
- Current maturity of long term borrowings	-	-	0.23
- Interest accrued on borrowings	-	1.80	17.67
Others			
- Capital creditors	7,095.46	5,009.81	4,235.41
- Directors' commission	419.20	551.46	328.59
- Salaries & bonus	313.76	310.42	279.32
- Product claims payable	-	-	14.38
- Others	90.86	88.98	1,004.87
Total	**9,723.69**	**5,966.10**	**5,880.47**

19. PROVISIONS

Non-current			(₹ in Lakhs)
	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Employee benefit obligation:			
- Gratuity (refer note 32)	116.22	92.62	54.82
	116.22	**92.62**	**54.82**

Current			(₹ in Lakhs)
	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Employee benefit obligation:			
- Gratuity (refer note 32)	19.28	16.62	12.34
- Leave benefits	28.81	23.21	23.47
Others			
Provision for cash discount	2.16	-	-
Total	**50.25**	**39.83**	**35.81**

20. BORROWINGS (CARRIED AT COST)

			(₹ in Lakhs)
	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Buyer's credit (Secured)*	-	174.62	3,782.53
Others (Unsecured)**	24.11	25.36	24.13
Total	**24.11**	**199.98**	**3,806.66**

** Buyer's credit was secured against hypothecation of stocks meant for exports and book debts. Buyer's credit is further secured by personal guarantees of four directors of the Company and by a lien on fixed deposits. Buyer's credit carries interest @ LIBOR plus 100 basis points p.a.*

*** Others in Short term borrowings of ₹ 24.11 Lakhs (financial year 2015-16: ₹ 25.36 Lakhs, financial year 2014-15: ₹ 25.13 Lakhs) include:-*

- *loan amounting to ₹ 9.26 Lakhs (financial year 2015-16: ₹ 8.64 Lakhs, financial year 2014-15: ₹ 7.86 Lakhs) (Previous year: ₹ 8.64 Lakhs) has been taken by Axis Crop Science Private Limited from Mr. Anil Kumta. It is repayable on demand and carries an interest rate of 8.00% p.a. (financial year 2015-16: 8.00% p.a., financial year 2014-15: 11.00% p.a.) (Previous year 8.00% p.a.);*
- *loan amounting to ₹ 14.85 Lakhs (financial year 2015-16: ₹ 16.36 Lakhs, financial year 2014-15: ₹ 15.95 Lakhs) has been taken by Sharda Europe BVBA from Mr. Jacques Ryon. It is repayable on demand and does not carry any interest;*
- *loan amounting to ₹ Nil Lakhs (financial year 2015-16: ₹ 0.36 Lakhs, financial year 2014-15: ₹ 0.30 Lakhs) has been taken by Sharda Hungary Kft from Mr. Zoltan Papp. It is repayable on demand and does not carry any interest.*

21. TRADE PAYABLES (CARRIED AT COST)

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Trade payables	45,742.71	38,373.20	22,790.14
Total	**45,742.71**	**38,373.20**	**22,790.14**

22. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Advance from customers:			
- Deposits	50.30	51.15	41.80
- Other advances	401.72	446.28	360.75
Others			
- Deferred revenue	87.48	141.10	153.21
- Book overdraft	215.47	-	50.98
- Expected return from customers	2,395.14	-	-
- Statutory liabilities	1,562.50	1,227.12	807.55
- Tax on interim equity dividend	-	1.40	-
- Promotional schemes	25.38	77.49	79.12
Total	**4,737.99**	**1,944.54**	**1,493.41**

23. REVENUE FROM OPERATIONS

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Export of goods	139,009.67	121,575.17
Other operating revenue		
- Export incentives	178.01	70.20
- Share of income from task force	19.75	37.87
- Royalty income	98.16	-
- Custom duty received	2.46	95.37
- Excess provisions in respect of earlier years written back	614.63	432.94
Total	**139,922.68**	**122,211.55**

24. OTHER INCOME

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Interest income on financial assets		
- On bank deposits	226.52	144.69
- On deposits	0.01	-
- On tax refund of earlier year	176.47	-
- On loan to employee	0.69	1.18
- From customer	0.24	10.46
Dividend received on investments		
- Mutual fund units	26.74	0.04
Exchange gain on translation of other assets and liabilities	-	886.92
Fair value gain on financial instruments at fair value through statement of profit or loss	992.82	1,220.04
Income from custodian services	39.20	27.25
Miscellaneous income	105.79	254.72
Total	**1,568.48**	**2,545.30**

25. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Inventory at the beginning of the year	7,181.86	7,697.43
Add: Purchases	55,086.65	31,041.37
	62,268.51	38,738.80
Less: Inventory at the end of the year	19,431.44	7,181.86
Total	**42,837.07**	**31,556.94**

26. CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN TRADE

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Inventories at the end of the year		
Traded goods	3,214.90	3,056.95
Finished goods	6,130.75	5,744.73
Total	**9,345.65**	**8,801.68**
Inventories at the beginning of the year		
Traded goods	3,056.95	2,799.37
Finished goods	5,744.73	3,461.37
Total	**8,801.68**	**6,260.74**
Changes in inventories of finished goods and stock in trade	**(543.97)**	**(2,540.94)**

27. EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Salaries, wages and bonus	2,826.04	2,661.67
Contribution to provident and other funds	11.67	11.09
Gratuity expense (Refer note 32)	29.24	32.86
Staff welfare expenses	20.72	23.98
Total	**2,887.67**	**2,729.60**

28. FINANCE COSTS

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Interest on borrowings from bank	1.55	2.61
Inrerest on income tax	3.22	52.57
Total	**4.77**	**55.18**

29. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Depreciation on property, plant and equipment	43.18	47.79
Amortisation of intangible assets	5,582.72	3,457.53
Total	**5,625.90**	**3,505.32**

30. OTHER EXPENSES

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Freight and forwarding expenses	2,121.16	1,873.31
Rent	402.56	391.54
Rates and taxes	151.84	100.36
Insurance	317.83	226.88
Repairs and maintenance		
- Buildings	3.63	1.57
- Others	41.90	40.42
Advertising and sales promotion	1,145.13	674.32
Sales commission	1,279.93	1,812.78
Travelling and conveyance	1,035.58	1,241.51
Communication expenses	272.89	246.00
Office expenses	579.91	546.76
Legal and professional fees	6,909.14	5,143.21
Directors sitting fees	16.14	27.60
CSR expendiiture	369.45	270.41
Payment to auditor	76.69	56.53
Exchange loss on translation of other assets and liabilities	4.27	-
Bad debts/advances written off	65.25	73.82
Unrealized loss on forward currency contracts	-	2.75
Marketing expenses	-	39.10
Bank charges	928.47	777.63
Loss on sale/ discard of intangible assets	211.96	211.02
Miscellaneous expenses	126.98	156.26
Total	**16,060.71**	**13,913.78**

31. EARNINGS PER SHARE (EPS)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Profit for the year (₹ Lakhs)	19,043.86	17,512.86
Weighted average number of equity shares outstanding	90,220,495	90,220,495
Earnings per Share		
Face value per equity share (₹)	10.00	10.00
Basic and diluted earnings per share (₹)	21.11	19.41

32. GRATUITY PLANS

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, an employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at separation date.

The following table set out the funded status of the gratuity plans and the amount recognised in the Goup's financial statements as at March 31, 2017 and March 31, 2016

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Changes in benefit obligations		
Benefit obligations at the beginning	130.02	107.24
Current service cost	21.33	16.52
Interest expenses	9.02	7.32
Actuarial (gains)/ losses	(2.19)	20.59
Benefits paid	-	(21.65)
Benefit obligations at the end	**158.18**	**130.02**
Change in plan assets		
Fair value of plan assets at the beginning	20.77	40.08
Interest income	1.11	2.62
Return on plan assets excluding amounts included in interest income	0.80	(0.28)
Benefits paid	-	(21.65)
Fair value of plan assets at the end	**22.68**	**20.77**
Funded status	111.76	87.17

Amounts recognised in the Statement of Profit and Loss under employee benefit expenses

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Service cost	21.33	16.52
Net Interest on defined benefit liability/ asset	7.91	4.70
Net gratuity cost	**29.24**	**21.22**

Amounts recognised in Statement of other comprehensive income

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16
Remeasurements of the net defined benefit liability / (asset)		
Actuarial (gains) / losses	(2.19)	20.59
(Return)/ loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/ (asset)	(0.80)	0.00

Plan assets comprise of the following

	As at 31-Mar-17	As at 31-Mar-16
Policy of Insurance	100%	100%

Actuarial assumptions as at the balance sheet date:

	Year ended 31-Mar-17	Year ended 31-Mar-16
Discount rate	7.25%	7.80%
Future salary increase	6.50%	6.50%
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Proportion of employees opting for early retirement	1% to 3%	1% to 3%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in Lakhs)

	31-Mar-17		31-Mar-16	
	Increase	Decrease	Increase	Decrease
Discount rate varied by 0.5%	150.79	166.39	124.29	136.30
Future salary growth rate varied by 0.5%	162.19	152.90	133.87	125.96
Withdrawal rate varied by 10%	159.63	155.82	131.53	128.41

33. LEASES

Operating lease commitment: Group as lessee

The Group has certain operating leases for office facility which are non cancellable. Such leases are generally with the option of renewal depending on the rent prevailing at the time of renewal. The lease term is 3 years (Previous year 3 years). There is no escalation clause in the lease agreement. There are no sub leases.

Future minimum rentals payable under non-cancellable operating leases are as follows:

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16
Within one year	405.00	139.12
After one year but not more than five years	810.00	-

34. CAPITAL AND OTHER COMMITMENTS

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	14,528.25	13,859.53

35. CONTINGENT LIABILITIES

(₹ in Lakhs)

	As at 31-Mar-17	As at 31-Mar-16
Letters of credit	6,032.99	3,020.28
Service tax matter (refer Note below)	785.14	785.14
Claims against the Company not acknowledged as debt	349.85	357.73
Total	**7,167.98**	**4,163.15**

Note: Future cash flows in respect of Service tax matter, if any, is determinable only on receipt of the judgment/decision pending with relevant authorities. The Company does not expect the outcome of the matter stated above to have a material adverse effect on the Company's financial condition, result of operations or cash flows.

36. CAPITALISATION OF EXPENDITURES

During the year, the Company capitalised the following expenses of revenue nature to the cost of Intangible Asset/ Intangible Asset Under Development (IAUD), since these expenditures relate to such development. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the company.

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Consultancy for registration	2,638.45	1,107.25
Total	**2,638.45**	**1,107.25**

37. SEGMENT INFORMATION

Business segment of Group primarily identified and reported taking into account, the different risks and returns, the organization structure and the internal reporting systems are as follows.

Agrochemicals	:	Insecticides, Herbicides, Fungicides and Biocides
Belts	:	Conveyor Belts, V Belts and Timing Belts
Others	:	Dyes and Dye Intermediates and General Chemical

Information about business segments

(₹ in Lakhs)

	Agrochemicals		Belts		Others		Total perations	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Revenue								
External sales	119,880.86	103,005.31	19,229.07	18,136.92	812.75	1,069.32	139,922.68	122,211.55
Other income	74.59	1,088.06	-	84.05	-	4.86	74.59	1,176.97
Total revenue	**119,955.45**	**104,093.37**	**19,229.07**	**18,220.97**	**812.75**	**1,074.18**	**139,997.27**	**123,388.52**
Results								
Segment results	22,685.10	21,898.13	3,249.19	3,203.42	155.61	25.65	26,089.90	25,127.20
Other income (Unallocated)							1,493.89	1,368.33
Unallocated expenses							(403.84)	(311.89)
Operating profit							**27,179.95**	**26,183.64**
Finance costs							(4.77)	(55.18)
Profit before tax							**27,175.18**	**26,128.46**
Income taxes							(8,138.74)	(8,608.85)
Profit after tax							**19,036.44**	**17,519.61**
Other segment information								
Segment assets	135,600.26	105,942.07	7,117.67	7,221.15	431.28	392.48	143,149.21	113,555.70
Unallocated assets							21,813.64	19,581.73
Total assets	**135,600.26**	**105,942.07**	**7,117.67**	**7,221.15**	**431.28**	**392.48**	**164,962.85**	**133,137.43**
Segment liabilities	55,436.39	44,394.71	2,408.95	2,239.17	123.00	62.42	57,968.34	46,696.30
Unallocated liabilities							11,008.78	5,886.84
Total liabilities	**55,436.39**	**44,394.71**	**2,408.95**	**2,239.17**	**123.00**	**62.42**	**68,977.12**	**52,583.14**

(₹ in Lakhs)

	Agrochemicals		Belts		Others		Total perations	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Capital expenditure:								
Tangible assets (Unallocated)							138.97	38.33
Intangible assets (Including IAUD*) (Allocated)	18,367.37	15,060.98	-	-	-	-	18,367.37	15,060.98
Intangible assets (Unallocated)							31.16	4.11
Depreciation (Unallocated)							43.18	47.79
Amortisation (Allocated)	5,565.72	3,444.48	-	-	-	-	5,565.72	3,444.48
Amortisation (Unallocated)							17.00	13.05
Capital employed	80,163.87	61,547.36	4,708.72	4,981.98	308.28	330.06	85,180.87	66,859.40
Capital employed (Unallocated)							10,804.86	13,694.89

** IAUD - Intangible Asset Under Development*

Notes

(i) The business of the Group is divided into two business segments. These segments are the basis for management control and hence form the basis for reporting. The business of each segment comprises of:

a) Agrochemicals – This is the main area of the Group's operation and includes the trading of agrochemical products.

b) Belts – Non agro activities includes manufacture and marketing of industrial chemical and other non agricultural related products.

(ii) Segment Revenue in the above segments includes sales of products net of taxes.

(iii) Inter Segment Revenue is taken as comparable third party average selling price for the year.

(iv) Segment Revenue in the geographical segments considered for disclosure are as follows:

a) Revenue within India includes sales to customers located within India.

b) Revenue outside India is further bifurcated into Europe, North American Free Trade Agreement (NAFTA), Latin America (LATAM) and Rest of the World (ROW).

(v) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

(vi) The Group does not have any customer (other than related parties), with whom revenue from transactions is more than 10% of Group's total revenue.

(vii) Based on the "management approach" defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocate resources based on an analysis of various performance indicators by business segments. Accordingly information has been presented along these segments.

(₹ in Lakhs)

	31-Mar-17							31-Mar-16						
	Within India	Outside India					Total	Within India	Outside India					Total
		Europe	LATAM	NAFTA	ROW	Sub Total			Europe	LATAM	NAFTA	ROW	Sub Total	
Revenue by Geographical Market	1,840.60	65,915.20	19,013.41	38,811.64	14,341.83	138,082.08	139,922.68	2,900.66	62,057.09	18,008.90	27,114.58	12,130.32	119,310.89	122,211.55
Carrying amount of Non Current Assets*	4,780.82	27,884.09	3,507.84	8,319.63	4,768.75	44,480.31	49,261.13	4,441.34	21,327.48	3,271.78	7,247.60	2,370.75	34,217.61	38,658.95

** Non-current assets exclude financial instruments and post-employment benefit assets*

No customer individually accounted for more than 10% of the revenues in the year ended March 31,2017 and March 31,2016

38. RELATED PARTY DISCLOSURES

(A) Names of related parties and thier relationship

(a) Key management personnel and their relatives

Mr. Ramprakash V. Bubna	Chairman & Managing Director
Mrs. Sharda R. Bubna	Whole-time Director
Mr. Ashish R. Bubna	Whole-time Director
Mr. Manish R. Bubna	Whole-time Director
Mrs. Seema A. Bubna	Wife of Whole-time Director
Mrs. Anisha M. Bubna	Wife of Whole-time Director
Mr. Jacques Ryon	Director in Sharda Europe BVBA
Mr. Anil Kumta	Director in Axis Crop Science Private Limited
Mr. M.S. Sundara Rajan	Independent Director
Mr. P. R. Srinivasan	Independent Director
Mr. Shitin Desai	Independent Director
Mr. Shobhan Madhukant Thakore	Independent Director
Mrs. Urvashi Saxena	Independent Director
Mr. Gautam Arora	Chief Financial Officer (resigned effective 30.11.2015)
Mr. Conrad Fernandes	Chief Financial Officer (appointed effective 25.01.2016)
Mr. Jetkin N. Gudhka	Company Secretary

(b) Enterprises owned or significantly influenced by key management personnel or their relatives

Jankidevi Bilasrai Bubna Trust

(c) Name of associate

Sharda Private (Thailand) Limited

(B) Related party transactions

(a) Key management personnel compensation:

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Short- term employee benefits	1172.11	1,170.01
Post-employment benefits	30.39	28.14

(b) Other transactions with KMP

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Rent paid to:		
Mr. Ramprakash V. Bubna	32.75	30.76
Mrs. Sharda R. Bubna	106.45	99.98
Mr. Ashish R. Bubna	32.75	30.76
Mr. Manish R. Bubna	40.94	38.45
Mrs. Seema A. Bubna	40.94	38.45
Mrs. Anisha M. Bubna	40.94	38.45
Remuneration to Key Management Personnel:		
Mr. Ramprakash V. Bubna	150.00	150.00
Mrs. Sharda R. Bubna	30.00	30.00

(b) Other transactions with KMP

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Mr. Ashish R. Bubna	125.00	125.00
Mr. Manish R. Bubna	125.00	125.00
Mr. Conrad Fernandes (from 25.01.2016)	65.78	13.28
Mr. Jetkin N. Gudhka	12.27	10.51
Mr. Anil Kumta	3.48	6.13
Mr. Gautam S. Arora (up to 30.11.2015)	-	97.36
Director's Sitting Fees		
Mr. M.S. Sundara Rajan	3.79	2.86
Mr. P. R. Srinivasan	2.41	1.60
Mr. Shitin Desai	3.75	2.74
Mr. Shobhan Madhukant Thakore	2.07	1.83
Mrs. Urvashi Saxena	3.45	3.65
Directors' Commission:		
Mr. Ramprakash V. Bubna	282.30	261.85
Mr. Ashish R. Bubna	189.14	175.44
Mr. Manish R. Bubna	189.14	175.44
Outstanding interest converted into loan :		
Mr. Anil Kumta	0.62	0.78
Interest repaid to:		
Mr. Anil Kumta	0.74	-
Others:		
Mr. Anil Kumta (Travel Expenses)	2.38	4.30
Mr. Anil Kumta (Telephone Expenses)	0.20	0.24
Mr. Anil Kumta (Interest on unsecured loan)	0.74	0.69
Donations paid to:		
Donations paid to Jankidevi Bilasrai Bubna Trust	56.00	41.50
Fixed deposits of directors placed / (released) as lien with bank for credit facility:		
Mr. Ramprakash V. Bubna	141.31	(213.74)
Mrs. Sharda R. Bubna	135.35	219.29
Post-employment benefits:		
Mr. Ramprakash V. Bubna	10.00	10.00
Mrs. Sharda R. Bubna	10.00	10.00
Mr. Ashish R. Bubna	3.96	3.59
Mr. Manish R. Bubna	3.83	3.47
Mr. Conrad Fernandes	1.40	0.19
Mr. Jetkin Gudhka	1.20	0.89

(c) Loans to/ from related parties:

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Loan from Mr. Anil Kumta:		
Beginning of the year	9.26	8.64
Loans received	-	-
Loans repaid	-	-
Interest charged	0.74	0.69
Interest paid	0.74	0.07
End of the year	**9.26**	**9.26**

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Loan from Mr. Jacques Ryon		
Beginning of the year	16.36	17.20
Loans received	-	-
Loans repaid (including exchange difference)	-	-
Translation difference	(1.51)	(0.84)
End of the year	**14.85**	**16.36**

Rate of interest:

	Year ended 31-Mar-17	Year ended 31-Mar-16
Mr. Anil Kumta	8%	8%

(D) Outstanding balance as at Balance Sheet date

(₹ in Lakhs)

	Year ended 31-Mar-17	Year ended 31-Mar-16
Loan balance:		
Mr. Anil Kumta	9.26	8.64
Mr. Jacques Ryon	14.85	16.36
Payable:		
Interest payable to Mr. Anil Kumta	-	0.62
Fixed deposits of directors placed as lien with bank for credit facility:		
Outstanding as at the Balance Sheet date		
Mr. Ramprakash V. Bubna (lien given)	1,347.41	1,206.10
Mrs. Sharda R. Bubna (lien given)	1,785.96	1,650.61

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 year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

39. HEDGING ACTIVITIES AND DERIVATIVES

Derivatives not designated as hedging instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions.

The Company enters into foreign exchange forward contracts with the intention to reduce the foreign exchange risk of expected sales and purchases, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

(₹ in Lakhs)

Nature of instrument	Foreign currency	As at 31-March-17		As at 31-March-16	
		Amount (FCY Mn.)	Amount (₹ Lakhs)	Amount (FCY Mn.)	Amount (₹ Lakhs)
Forward contract- Sell	**USD**	1.05	771.04	5.65	3,742.92
	EUR	3.55	2,581.46	7.91	5,932.23
	CAD	0.27	150.77	0.25	127.47
	GBP	0.20	162.62	-	-
Forward contract- Buy	**USD**	-	-	0.89	589.73
	CAD	0.50	255.21	-	-

40. FAIR VALUE MEASUREMENTS

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair level heirarchy .

As at 31 March 2017 (₹ in Lakhs)

	Date of Valuation	Carrying Amount			Fair value			
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3	Total Fair Value
Financial assets								
Financial assets measured at fair value								
Investment in mutual funds	31-Mar-17	6,068.32	-	-	-	6,068.32	-	6,068.32
Derivative financial assets	31-Mar-17	92.46	-	-	-	92.46	-	92.46
Loans	31-Mar-17	-	-	5.75	-	5.75	-	5.75
Total Financial Assets		**6,160.78**	**-**	**5.75**	**-**	**6,166.53**	**-**	**6,166.53**
Financial Liabilities								
Financial liabilities not measured at fair value								
Borrowings	31-Mar-17	-	-	24.11				
Total Financial liabilities		**-**	**-**	**24.11**	**-**	**-**	**-**	**-**

As at 31 March 2016 (₹ in Lakhs)

	Date of Valuation	Carrying Amount			Fair value			
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets								
Financial assets measured at fair value								
Investment in mutual funds	31-Mar-16	9,017.63	-	-	-	9,017.63	-	9,017.63
Derivative financial assets	31-Mar-16	200.99	-	-	-	200.99	-	200.99
Loans	31-Mar-16	-	-	11.07	-	11.07	-	11.07
Total Financial Assets		**9,218.62**	**-**	**11.07**	**-**	**9,229.69**	**-**	**9,229.69**
Financial Liabilities								
Financial liabilities measured at fair value								
Derivative financial liability	31-Mar-16	2.79	-	-	-	2.79	-	2.79
Financial liabilities not measured at fair value								
Borrowings	31-Mar-16	-	-	201.78				
Total Financial liabilities		**2.79**	**-**	**201.78**	**-**	**2.79**	**-**	**2.79**

As at April 1, 2015 (₹ in Lakhs)

	Date of Valuation	Carrying Amount			Fair value			
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets								
Investment in mutual funds	1-Apr-15	10,028.61	-	-	-	10,028.61	-	10,028.61
Derivative financial assets	1-Apr-15	115.86	-	-	-	115.86	-	115.86
Loans	1-Apr-15	-	-	18.11	-	18.11	-	18.11
Total Financial Assets		**10,144.47**	**-**	**18.11**	**-**	**10,162.58**	**-**	**10,162.58**
Financial Liabilities								
Borrowings	1-Apr-15	-	-	3,824.56				
Total Financial liabilities		**-**	**-**	**3,824.56**	**-**	**-**	**-**	**-**

The management assessed that cash and cash equivalents, trade receivables, trade payables, buyers credit and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

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 maximize 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 is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation Technique used to determine Fair Value:-

The following table shows the valuation techniques used in measuring Level 2 fair values for financial instruments at fair value in the balance sheet.

Type	Valuation Technique
Investment in Mutual Funds (Level 2)	The fair value is determined based on NAV as on the reporting date provided by respective Asset Management Companies.
Foreign Currency Forward Contracts (Level 2)	The fair value is determined using quoted forward exchange rates at the reporting date.
Loans (Level 2)	Fair value is derived based on Discounted cash flows. The valuation model considers the present value of expected payment, discounting using a risk adjusted discount rate.

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

Market risk

The Group operates internationally and a major portion of its business is transacted in United States Dollars and Euros and purchases from overseas suppliers mainly in US Dollars. The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the Indian Rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Group's operations are adversely affected as the Rupee appreciates / depreciates against these currencies.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

(₹ in Lakhs)

Nature of instrument	Foreign currency	As at 31-March-17		As at 31-March-16	
		Amount (FCY Mn.)	Amount (₹ Lakhs)	Amount (FCY Mn.)	Amount (₹ Lakhs)
Unhedged currency exposure on:-					
a) Receivables	USD	38.56	25,004.15	17.02	11,685.69
	EUR	33.67	23,250.47	25.33	19,008.70
	GBP	1.52	1,234.52	0.88	838.09
	AUD	0.02	11.64	0.23	115.35
	PLN	16.16	2,660.03	23.11	4,063.20
	HUF	-	-	3.66	8.70
	CZK	21.16	543.25	32.96	911.00
	CAD	2.79	1,358.52	0.57	292.83
b) Payables	USD	64.05	41,534.11	36.66	24,306.78
	EUR	16.08	11,105.53	16.41	12,317.21
	HUF	274.21	615.77	223.67	532.86
	CZK	4.00	102.61	9.36	258.60
	PLN	3.08	506.31	3.56	625.19
	CHF	0.004	2.59	0.001	0.69
	GBP	0.16	126.49	0.04	41.35
	PHP	0.09	1.18	0.11	1.66
	CAD	1.11	538.84	0.07	38.66
	ZAR	1.29	62.64	0.45	20.06
	AUD	0.01	2.22	0.01	6.56
	AED	0.12	20.79	-	-
	JPY	4.18	24.36	1.91	11.29
c) Advance paid to suppliers	EUR	0.04	27.31	-	-
d) Advance received from customers	AUD	0.03	13.76	-	-
	EUR	0.03	17.91	-	-
	GBP	0.01	7.20	-	-

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

(₹ in Lakhs)

	Change in USD Rate	Effect on profit and loss	Effect on equitty
31-March-17	1%	665.38	466.10
	-1%	(665.38)	(466.10)
31-March-16	1%	(126.21)	(84.92)
	-1%	126.21	84.92

(₹ in Lakhs)

	Change in EUR Rate	Effect on profit and loss	Effect on equitty
31-March-17	1%	343.47	240.60
	-1%	(343.47)	(240.60)
31-March-16	1%	66.92	45.03
	-1%	(66.92)	(45.03)

Credit Risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 67,256.00 Lakhs and ₹ 61,997.86 Lakhs as of March 31, 2017 and March 31, 2016 respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Trade Receivables

The company has established credit policy under which each new customer is analysed individually for credit worthiness before Group's standard payment and delivery terms and conditions are offered. The Group review external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

The following table represents ageing of trade receivables March 31, 2017:

(₹ in Lakhs)

	More than 6 months	Less than 6 months	Total
Trade Receivables (net)	738.53	66,517.47	67,256.00

The following table represents ageing of trade receivables March 31, 2016:

(₹ in Lakhs)

	More than 6 months	Less than 6 months	Total
Trade Receivables (net)	1,113.21	60,884.65	61,997.86

All the trade receivables are considered good. Hence the Group has not impaired its trade receivables.

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units. Loans represent loan given to related parties & employees for which the company does not foresee any impairment loss.

Liquidity Risk

The liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach of 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 damages to the Group's reputation. The Group monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables & other financial liabilities.

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company had short term borrowings as at March 31, 2016 which has been repaid in current year. The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

As of March 31, 2017, the Company had a working capital of ₹ 54,631.35 Lakhs including cash and cash equivalents of ₹ 7,222.52 Lakhs and current investments of ₹ 6,068.32 Lakhs. As of March 31, 2016, the Company had a working capital of ₹ 47,340.70 Lakhs including cash and cash equivalents of ₹ 3,233.22 Lakhs and current investments of ₹ 9,017.63 Lakhs.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2017:

(₹ in Lakhs)

Particulars	Upto 1 year	1-2 years	More than 2 years	Total
Borrowings	24.11	-	-	24.11
Trade Payables	45,742.71	-	-	45,742.71
Other financial liabilities	9,723.69	27.62	27.62	9,778.93

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2016:

(₹ in Lakhs)

Particulars	Upto 1 year	1-2 years	More than 2 years	Total
Borrowings	199.98	-	-	199.98
Trade payables	38,373.20	-	-	38,373.20
Other financial liabilities	5,966.10	30.01	60.04	6,056.15

42. CAPITAL MANAGEMENT

The Groups objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plans and long-tem and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

43. ADDITIONAL INFORMATION RELATED TO THE SUBSIDIARIES CONSIDERED IN THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

Sr. No.		Year ended 31-Mar-17								Year ended 31-Mar-16							
		Net Assets *		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income		Net Assets *		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets / (liabilities)	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount	As % of consolidated net assets / (liabilities)	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
	Parent																
1	Sharda Cropchem Limited	92.56%	88,838.24	80.52%	15,335.05	0.00%	-	80.42%	15,335.05	91.37%	73,592.56	78.34%	13,720.38	41.53%	278.61	76.99%	13,998.99
	Indian Subsidiaries																
2	Axis Crop Science Private Limited	0.02%	22.93	-1.80%	(343.32)	0.00%	-	-1.80%	(343.32)	-0.15%	(123.75)	-0.95%	(166.97)	-0.28%	(1.85)	-0.93%	(168.82)
	Foreign Subsidiaries																
3	Euroazijski Pesticide d.o.o	0.01%	8.61	-0.08%	(14.91)	0.00%	-	-0.08%	(14.91)	0.03%	22.42	0.07%	11.86	0.00%	-	0.07%	11.86
4	Nihon Agro Service Kabushiki Kaisha	0.00%	0.24	0.00%	(0.36)	0.08%	0.02	0.00%	(0.34)	0.00%	0.59	0.00%	-	0.00%	-	0.00%	-
5	Sharda Agrochem Dooel Skopje	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
6	Sharda Balkan Agrochemicals Limited	0.00%	1.38	0.00%	-	-0.08%	(0.02)	0.00%	(0.02)	0.00%	1.40	0.01%	1.02	0.00%	-	0.01%	1.02
7	Sharda Benelux BVBA	0.00%	2.34	-0.01%	(1.28)	0.00%	-	-0.01%	(1.28)	0.00%	3.22	-0.01%	(1.25)	0.00%	-	-0.01%	(1.25)
8	Sharda Bolivia SRL	-0.06%	(54.08)	-0.03%	(5.37)	0.00%	-	-0.03%	(5.37)	-0.06%	(51.67)	0.13%	22.87	0.00%	-	0.13%	22.87
9	Sharda Chile SpA	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
10	Sharda Colombia S.A.S	0.03%	27.65	0.28%	54.14	0.00%	-	0.28%	54.14	-0.02%	(12.13)	2.81%	492.13	0.00%	-	2.71%	492.13
11	Sharda Costa Rica SA	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
12	Sharda Cropchem Espana, S.L.	0.17%	158.44	0.39%	73.41	-50.08%	(12.47)	0.32%	60.94	0.17%	138.90	0.18%	31.32	0.69%	4.61	0.20%	35.93
13	Sharda Cropchem Tunisia SARL	0.00%	0.65	0.00%	-	-0.28%	(0.07)	0.00%	(0.07)	0.00%	0.71	0.00%	-	-0.01%	(0.06)	0.00%	(0.06)
14	Sharda De Guatemala, S. A.	0.00%	0.02	0.00%	-	0.00%	-	0.00%	-	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
15	Sharda De Mexico S. De RL DE CV	0.78%	747.64	-0.37%	(69.99)	0.00%	-	-0.37%	(69.99)	0.20%	162.09	5.62%	984.46	0.00%	-	5.41%	984.46
16	Sharda Del Ecuador CIA. LTDA	0.00%	0.24	0.00%	-	0.04%	0.01	0.00%	0.01	0.00%	0.23	0.00%	(0.04)	0.00%	0.01	0.00%	(0.03)
17	Sharda Do Brasil Comercio De Produtos Quimicos E Agroquimicos LTDA	-0.03%	(32.73)	-0.09%	(17.34)	-16.67%	(4.15)	-0.11%	(21.49)	-0.01%	(11.23)	-0.07%	(13.07)	0.28%	1.88	-0.06%	(11.19)

(₹ in Lakhs)

Sr. No.		Year ended 31-Mar-17								Year ended 31-Mar-16							
		Net Assets *		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income		Net Assets *		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets / (liabilities)	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount	As % of consolidated net assets / (liabilities)	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
18	Sharda Dominicana S.R.L.	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
19	Sharda EL Salvador S.A. DE CV	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
20	Sharda Europe BVBA	-0.01%	(9.69)	-0.01%	(1.11)	0.00%	-	-0.01%	(1.11)	-0.01%	(9.55)	0.00%	0.85	0.00%	-	0.00%	0.85
21	Sharda Hellas Agrochemicals Limited	0.00%	1.27	0.00%	-	-0.08%	(0.02)	0.00%	(0.02)	0.00%	1.29	0.01%	0.94	0.00%	-	0.01%	0.94
22	Sharda Hungary Kft	0.09%	82.13	0.53%	100.45	10.80%	2.69	0.54%	103.14	-0.02%	(18.33)	-0.38%	(66.30)	-0.79%	(5.31)	-0.39%	(71.61)
23	Sharda International Africa (PTY) Ltd.	-0.08%	(73.47)	-0.39%	(74.36)	0.00%	-	-0.39%	(74.36)	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
24	Sharda International DMCC	6.84%	6,565.26	20.71%	3,944.39	0.00%	-	20.69%	3,944.39	9.10%	7,332.24	16.10%	2,818.95	62.01%	415.98	17.79%	3,234.93
25	Sharda Italia SRL	0.00%	3.48	0.01%	2.67	-10.92%	(2.72)	0.00%	(0.05)	0.00%	3.49	0.00%	0.20	0.03%	0.21	0.00%	0.41
26	Sharda Malaysia SDN. BHD.	0.00%	(0.68)	0.00%	(0.30)	0.00%	-	0.00%	(0.30)	0.00%	(0.47)	0.00%	0.10	0.00%	-	0.00%	0.10
27	Sharda Peru SAC	-0.22%	(207.75)	-0.21%	(39.35)	-39.24%	(9.77)	-0.26%	(49.12)	-0.20%	(158.63)	-0.18%	(31.52)	1.88%	12.61	-0.10%	(18.91)
28	Sharda Poland SP. ZO.O	-0.14%	(133.49)	0.51%	99.18	205.78%	51.24	0.79%	150.42	-0.35%	(278.20)	-1.64%	(284.65)	-5.36%	(35.93)	-1.76%	(320.58)
29	Sharda Polska SP. ZO.O.	0.00%	0.31	0.00%	0.10	0.04%	0.01	0.00%	0.11	0.00%	0.21	0.00%	0.34	0.00%	0.01	0.00%	0.35
30	Sharda Spain, S.L.	0.00%	(1.91)	0.00%	(0.68)	0.20%	0.05	0.00%	(0.63)	0.00%	(1.29)	0.00%	(0.78)	0.00%	0.01	0.00%	(0.77)
31	Sharda Swiss SARL	0.01%	6.20	0.00%	(0.17)	0.04%	0.01	0.00%	(0.16)	0.01%	6.35	0.02%	4.32	0.01%	0.07	0.02%	4.39
32	Sharda Taiwan Limited	0.00%	2.14	0.00%	-	0.36%	0.09	0.00%	0.09	0.00%	2.05	0.00%	0.01	0.00%	-	0.00%	0.01
33	Sharda Ukraine LLC	0.00%	0.13	0.00%	0.11	-0.04%	(0.01)	0.00%	0.10	0.00%	0.03	0.00%	(0.01)	0.00%	(0.01)	0.00%	(0.02)
34	Sharda Uruguay S.A	0.01%	5.41	0.00%	0.14	0.00%	-	0.00%	0.14	0.00%	3.61	0.00%	(0.81)	0.00%	-	0.00%	(0.81)
35	Sharda USA LLC	0.00%	(0.07)	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.07)	0.00%	-	0.00%	-	0.00%	-
36	Shardacan Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
37	Shardarus LLC	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.00%	0.01	0.00%	-	0.00%	0.01
38	Shardaserb DO.O.	0.00%	(0.21)	0.00%	(0.22)	0.05%	0.01	0.00%	(0.21)	0.00%	0.01	0.00%	0.22	0.01%	0.02	0.00%	0.24
39	Sharpar S.A.	0.02%	20.93	0.00%	(0.21)	0.00%	-	0.00%	(0.21)	0.04%	32.59	0.00%	-	0.00%	-	0.00%	-
40	Sharzam Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
41	Siddhivinayak International Limited	0.00%	4.17	0.00%	(4.23)	0.00%	-	-0.02%	(4.23)	-0.09%	(84.40)	-0.02%	(4.97)	0.00%	-	-0.05%	(4.97)
	Minority Interests in all subsidiaries	0.00%	(1.97)	0.04%	7.42	0.00%	-	0.04%	7.42	-0.01%	(9.39)	-0.04%	(6.75)	0.00%	-	-0.04%	(6.75)
	Total	**100.00%**	**95,983.76**	**100.00%**	**19,043.86**	**100.00%**	**24.90**	**100.00%**	**19,068.76**	**100.00%**	**80,544.90**	**100.00%**	**17,512.86**	**100.00%**	**670.86**	**100.00%**	**18,183.72**

Net assets = total assets minus total liabilities

44 FIRST-TIME ADOPTION OF IND AS

These financial statements, for the year ended 31 March 2017, are the first the Group has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) and subsequent amendment thereafter.

Accordingly, the Group has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at 1 April 2015, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Indian GAAP to Ind AS.

A. Ind AS optional exemptions

1. Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The group elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The group has applied same exemption for investment in associates.

2. Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Indian GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their Indian GAAP carrying value.

Property, plant and equipment, including intangible assets, were carried in the balance sheet prepared in accordance with Indian GAAP on the basis of valuations as on 31 March 2015. The Group has elected to regard those values of the assets as deemed cost at the date of the revaluation. Accordingly, the Group has not revalued the assets at 1 April 2015 again.

B. Ind AS mandatory exceptions

1. Non-controlling interests

Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition.

Consequently, the group has applied the above requirement prospectively.

44. FIRST-TIME ADOPTION OF IND AS (CONTD.)

Group reconciliation of equity as previously reported Indian GAAP to IND AS

(₹ in Lakhs)

	Foot notes	As at 31-Mar-16			As at 1-Apr-15		
		As per Indian GAAP	Effects of transition to Ind- AS	As per Ind-AS	As per Indian GAAP	Effects of transition to Ind- AS	As per Ind-AS
ASSETS							
Non-current assets							
Property, plant and equipment	1	142.55	(0.93)	141.62	152.21	(5.09)	147.12
Goodwill on consolidation	1	38.14	2.22	40.36	38.14	-	38.14
Other intangible assets	1	12,837.45	0.16	12,837.61	8,644.97	102.64	8,747.61
Intangible assets under development	1	20,984.34	0.34	20,984.68	14,878.45	(197.21)	14,681.24
Financial assets							
Investments	2	-	-	-	900.00	157.42	1,057.42
Loans	3	6.00	(0.94)	5.06	12.00	(0.94)	11.06
Deferred tax asset (net)	5	-	216.15	216.15	5.77	187.51	193.28
Non current tax assets		4,054.32	-	4,054.32	3,654.12	-	3,654.12
Other non-current assets	3	600.11	0.25	600.36	380.21	0.94	381.15
Total non-current assets		**38,662.91**	**217.25**	**38,880.16**	**28,665.87**	**245.27**	**28,911.14**
Current assets							
Inventories		15,983.54	-	15,983.54	13,958.17	-	13,958.17
Financial assets							
Investments	2	8,198.30	819.33	9,017.63	8,587.63	383.56	8,971.19
Trade receivables		61,997.86	-	61,997.86	45,444.35	-	45,444.35
Cash and cash equivalents		3,233.22	-	3,233.22	3,799.02	-	3,799.02
Bank balances other than cash and cash equivalents		3,254.19	-	3,254.19	3,224.51	-	3,224.51
Loans	3	6.01	-	6.01	8.23	(1.18)	7.05
Other financial assets	4	42,643.04	17.95	42,660.99	23.68	92.18	115.86
Other current assets	3	563.15	0.68	563.83	951.91	1.18	953.09
Total current assets		**135,879.31**	**837.96**	**136,717.27**	**75,997.50**	**475.74**	**76,473.24**
TOTAL ASSETS		**174,542.22**	**1,055.21**	**175,597.43**	**104,663.37**	**721.01**	**105,384.38**
EQUITY AND LIABILITIES							
Equity							
Equity share capital		9,022.05	-	9,022.05	9,022.05	-	9,022.05
Other equity	2,3,4,5,6,7	72,059.19	(536.34)	71,522.85	56,429.18	2,170.18	58,599.36
Total equity attributable to equity holders of the Company		**81,081.24**	**(536.34)**	**80,544.90**	**65,451.23**	**2,170.18**	**67,621.41**
Non-controlling interests		9.39	-	9.39	2.64	-	2.64
Total equity		**81,090.63**	**(536.34)**	**80,554.29**	**65,453.87**	**2,170.18**	**67,624.05**
Liabilities							
Non-current liabilities							
Financial liabilities							
Other financial liabilities		90.05	-	90.05	-	-	-
Provisions		92.62	-	92.62	54.82	-	54.82
Deferred tax liability (net)	5	3,892.35	1,591.55	5,483.90	2,159.11	1,284.39	3,443.50
Total non-current liabilities		**4,075.02**	**1,591.55**	**5,666.57**	**2,213.93**	**1,284.39**	**3,498.32**
Current liabilities							
Financial liabilities							
Borrowings		199.98	-	199.98	3,806.66	-	3,806.66
Trade payables	1	38,373.20	-	38,373.20	22,809.02	(18.88)	22,790.14
Other financial liabilities	6	5,966.10	-	5,966.10	8,595.15	(2,714.68)	5,880.47
Other current liabilities		1,944.54	-	1,944.54	1,493.41	-	1,493.41
Current tax liabilities (net)		392.92	-	392.92	255.52	-	255.52
Provisions		39.83	-	39.83	35.81	-	35.81
Total current liabilities		**46,916.57**	**-**	**46,916.57**	**36,995.57**	**(2,733.56)**	**34,262.01**
TOTAL EQUITY AND LIABILITIES		**132,082.22**	**1,055.21**	**133,137.43**	**104,663.37**	**721.01**	**105,384.38**

Reconciliation consolidated statement of profit and loss as previously reported Indian GAAP to IND AS

(₹ in Lakhs)

	Foot notes	As at 31-Mar-16		
		As per Indian GAAP	Effects of transition to Ind- AS	As per Ind-AS
Revenue from operations	7	122,199.44	12.11	122,211.55
Other income	2, 4	2,340.00	205.30	2,545.30
Total revenue		**124,539.44**	**217.41**	**124,756.85**
Expenses				
Cost of materials consumed		31,556.94	-	31,556.94
Purchase of traded goods	8	49,447.61	(39.10)	49,408.51
Changes in inventories of traded and finished goods		(2,540.94)	-	(2,540.94)
Employee benefit expenses	3	2,749.39	(19.80)	2,729.59
Finance costs		55.18	-	55.18
Depreciation and amortisation expenses		3,505.32	-	3,505.32
Other expenses	7, 8	13,862.57	51.22	13,913.79
Total expenses		**98,636.07**	**(7.68)**	**98,628.39**
Profit before tax		**25,903.37**	**225.09**	**26,128.46**
Tax expense				
Current tax		6,624.78	-	6,624.78
Adjustment for tax relating to earlier years		(14.17)	-	(14.17)
Deferred tax	5	1,739.01	259.23	1,998.24
Total tax expense		**8,349.62**	**259.23**	**8,608.85**
Profit before prior period adjustments		**17,553.75**	**(34.14)**	**17,519.61**
Prior period adjustments (net of tax)	1	(49.97)	49.97	-
Profit for the year		**17,503.78**	**15.83**	**17,519.61**
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurement of the net defined benefit liability/ assets, net of tax effect		-	(13.82)	(13.82)
Items that will be reclassified to profit or loss				
Exchange differences on translation of foreign operations	9	-	684.68	684.68
Total other comprehensive Income for the year net of tax		**-**	**670.86**	**670.86**
Total comprehensive income for the year		**17,503.78**	**686.69**	**18,190.47**
Profit for the year				
Attributable to:		17,497.03	9.08	17,512.86
Equity holders of the parent		6.75	6.75	6.75
Non-controlling interests				
Total comprehensive income for the year				
Attributable to:				
Equity holders of the parent		17,497.03	679.94	18,183.72
Non-controlling interests		6.75	6.75	6.75

Explanations for reconciliation of Balance Sheet and Statement of Profit and loss as previously reported under Indian GAAP to Ind AS

1. Property, plant and equipment, Goodwill on consolidation, Other intangible assets and Intangible assets

The Group has elected to measure all of its property, plant and equipment and intangible assets at their Indian GAAP carrying value. Under Indian GAAP, amortisation of intangible assets for capitalisations done in financial year 2015-16 relating to previous years was disclosed under 'Prior Period Adjustments'. Under Ind AS, these amounts are recorded by restating intangible assets on the date of transition to Ind AS. Property, plant and equipment, Goodwill on consolidation, Other intangible assets and Intangible assets under development are recognised at each balance sheet presented (i.e. including comparatives) translated at the closing rate at the date of that balance sheet..

2. FVTPL financial assets

Under Indian GAAP, Company recognised long-term and current investments in mutual funds at cost less provision for diminution in the value of investments other than temporary. Under Ind AS, Company recognised such mutual fund investments as at FVTPL and measured them at fair value through profit or loss.

On the transition date, an increase of ₹ 157.42 Lakhs between the long term investments fair value and amortised cost has been recognised in retained earnings.

On the transition date, an increase of ₹ 383.56 Lakhs between the current investments fair value and amortised cost has been recognised in retained earnings.Further for the year ended March 31, 2016 an increase of ₹ 819.33 Lakhs between the instruments fair value and amortised cost has been recognised in the statement of profit and loss.

3. Amortized Cost financial assets

Under Indian GAAP, the Company accounted for loan to employees at cost i.e. the amount actually paid. Under Ind AS, such loans are recognised at fair value on initial recognition and at amortised costs on subsequent measurement. Accordingly, on the date of transition, ₹ 2.11 lakhs (₹ 0.94 lakhs relating to non-current portion and ₹ 1.18 lakhs relating to current portion) is treated as prepaid employee benefit cost and has been recognised in retained earnings.

4. Forward contracts

Under Indian GAAP, the company recorded the premium or discount arising at the inception of such a forward exchange contract and amortised the same as expense or income over the life of the contract. Exchange differences on such a contract was recognised in the statement of profit and loss in the reporting period in which the exchange rates change.Under Ind AS 109, the company has recognised derivative instruments at FVTPL which has resulted in increase in value of derivative as of March 31, 2015 by ₹ 92.18 Lakhs and as of March 31, 2016 by ₹ 74.22 Lakhs.

5. Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences etween the carrying amount of an asset or liability in the balance sheet and its tax base. In addition, the various transitional adjustments has led to temporary differences. Accordingly, Company has accounted for deferred tax on such differences in retained earnings at the transition date, thereby increasing deferred tax liabilities by ₹ 189.95 Lakhs and reducing retained earnings by the same amount.

6. Dividends

In Indian GAAP, dividend payable is recorded as a liability in the period to which it relates. Under Ind AS, dividend to holders of equity instruments is recognized as a liability in the period in which the obligation to pay is established.Accordingly, proposed dividends and the related tax have increased the retained earnings by ₹ 2,714.68 Lakhs, at the transition date and as on March 31, 2016.

7. Deferred revenue :

The Company offers rebate to customers in the form of reward points. Under Ind AS an adjustment has been made for such sales by accounting them as deferred sales revenue.

8. Advertising and sales:

Under Indian GAAP, the cost of product distributed as free samples was recorded under cost of materials consumed. Under Ind AS, these are reflected as advertising and sales promotion under other expenses

9. Exchange differences on translation of foreign operations

Under Ind-AS, exchange differences on translation of foreign operations are recorded in other comprehensive income.

45. STATEMENT OF CASH FLOW

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

46. DETAILS OF SPECIFIED BANK NOTES (SBN)

(Amount in ₹)

Particulars	SBN	Other denominations	Total
Closing Cash In hand as on 8-Nov-16	252,500	153	252,653
Add: Permitted Receipts	-	281,000	281,000
Less: Permitted Payment	-	218,493	218,493
Less: Amount Deposited in Bank	252,500	-	252,500
Closing Cash In hand as on 30-Dec-16	-	62,660	62,660

As per our report of even date
For S R B C & CO LLP
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vinayak Pujare**
Partner
Membership No. 101143

Place : Mumbai
Date : May 22, 2017

For and on behalf of the Board of Directors of
SHARDA CROPCHEM LIMITED

Ramprakash V. Bubna
Chairman & Managing Director
DIN: 00136568

Manish R. Bubna
Whole-time Director
DIN: 00137394

Conrad Fernandes
Chief Financial Officer

Jetkin Gudhka
Company Secretary

Shareholders are requested to submit this form to Registrar & Transfer Agent

To,
Karvy Computershare Pvt. Ltd
Karvy Selenium Tower B,
6th Floor, Plot No 31 & 32
Financial District,
Nanakramguda, Serilingampally Mandal
Hyderabad – 500 032

UPDATION OF SHAREHOLDER INFORMATION

I/We request you to record the following information against my/our Folio No/DP ID/Client ID:

General Information:

Folio No./DP ID/Client ID:	
Name of the first named Shareholder:	
PAN:*	
CIN/Registration No.:* (applicable to Corporate Shareholders)	
Tel No. with STD Code	
Mobile No.:	
Email Id:	

** Self attested copy of the documents(s) enclosed*

Bank Details

IFSC:	
MICR:	
Bank A/c Type:	
Bank A/c. No.: *	
Name of the Bank:	
Bank Branch Address:	

** A blank cancelled cheque is enclosed to enable verification of bank detais*

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/We would not hold the Company/RTA responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained by you till I/We hold the securities under the above mentioned Folio No./ Beneficiary Account

Date :
Place :

_____
Signature of Sole/First Holder

Sharda Cropchem Limited
Corporate Identity No. L51909MH2004PLC145007
Registered Office: Domnic Holm, 29th Road, Bandra (West), Mumbai – 400 050
Tel. No.: 91 22 6678 2800 Fax No.: 91 22 6678 2828
Email address: co.sec@shardaintl.com Website: www.shardacropchem.com

ATTENDANCE SLIP

**14th ANNUAL GENERAL MEETING ON ON THURSDAY, SEPTEMBER 21, 2017 AT 3.00 P.M.
AT CRYSTAL HALL, HOTEL PARLE INTERNATIONAL, B. N. AGARWAL COMMERCIAL COMPLEX,
VILE PARLE (EAST), MUMBAI – 400 057**

Registered Folio / DP ID and Client ID	
Name and Address of the Shareholder(s)	
No. of shares held	
Joint Holder 1	
Joint Holder 2	

I/We hereby record my/our presence at the 14th Annual General Meeting of the Company at Crystal Hall, Hotel Parle International, B. N. Agarwal Commercial Complex, Vile Parle (East), Mumbai – 400 057 on Thursday, September 21, 2017 at 3.00 P.M.

_____
Member's/Proxy's Signature

Notes:

1. Please complete the Folio/DP ID - Client ID No. and name, sign this Attendance Slip and hand it over at the Entrance of the Meeting Hall.
2. The copy of the Annual Report for 2016-17 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form has been sent to the email ids of the shareholders whose email ids are registered with the Company and physical copies have been posted to those shareholders individually at their registered address, whose email ids are not registered with the Company.

Sharda Cropchem Limited
Corporate Identity No. L51909MH2004PLC145007
Registered Office: Domnic Holm, 29th Road, Bandra (West), Mumbai – 400 050
Tel. No.: 91 22 6678 2800 Fax No.: 91 22 6678 2828
Email address: co.sec@shardaintl.com Website: www.shardacropchem.com

PROXY FORM

[Pursuant to Section 105(6) of Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member (s)	
Registered address	
Email Id	
Folio No/ DP ID- Client ID No.	

I/We, being the member(s) of _____ shares of Sharda Cropchem Limited, hereby appoint:

1. Name: _____
   Address: _____
   Email Id: _____ Signature: _____ , or failing him;
2. Name: _____
   Address: _____
   Email Id: _____ Signature: _____ , or failing him;
3. Name: _____
   Address: _____
   Email Id: _____ Signature: _____ , or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the fourteenth Annual General Meeting of the Company, to be held on Thursday, September 21, 2017 at 3.00 p.m. at Crystal Hall, Hotel Parle International, B. N. Agarwal Commercial Complex, Vile Parle (East), Mumbai – 400 057 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
Ordinary Business	
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2017, together with the Reports of the Board of Directors and Auditors thereon.
2.	To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2017, together with the Report of the Auditors thereon.
3.	To confirm the payment of Interim Dividend as Final Dividend for the Financial Year ended March 31, 2017.
4.	To appoint a Director in place of Mrs. Sharda R. Bubna (DIN: 00136760), who retires by rotation and being eligible, offers herself for re-appointment.
5.	Ratification of Appointment of Statutory Auditor.

Signed this_____day of _____, 2017
Signature of shareholder: _____
Signature of proxy holder(s): _____

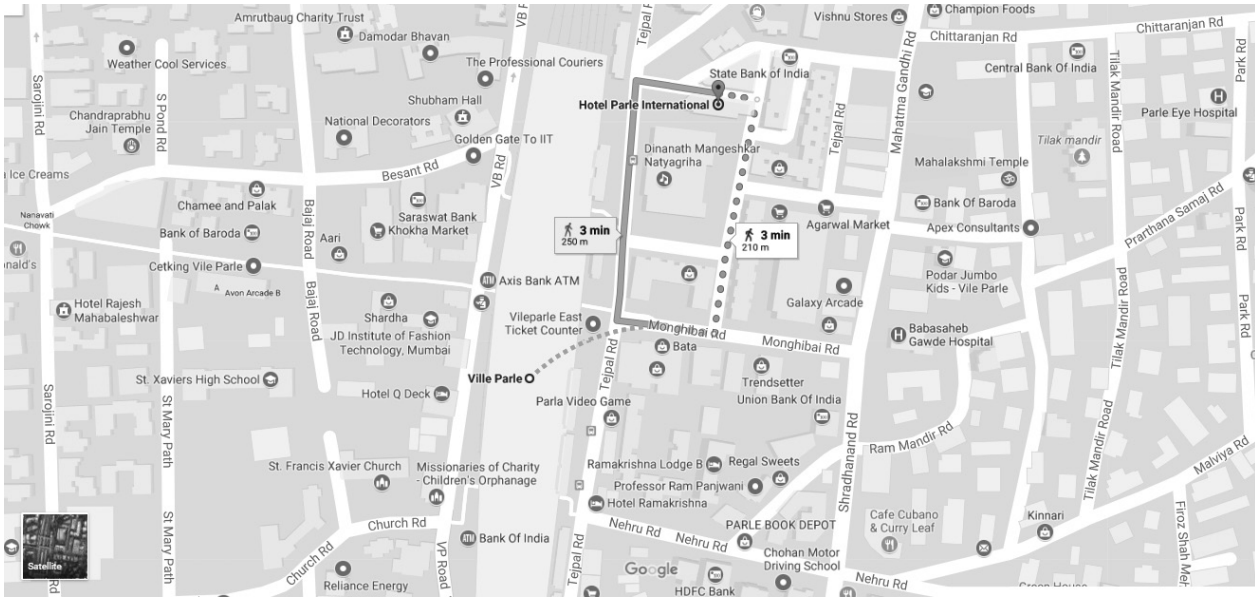
Affix Revenue Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed, stamped and deposited at 2nd Floor, Prime Business Park, Darshratlal Joshi Road, Vile Parle (west), Mumbai - 400056. not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. For Resolutions and Notes, please refer to the Notice of the 14th Annual General Meeting.
4. Please complete all details including details of member(s) in above box before submission.
5. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

ROUTE MAP

TO THE VENUE OF THE 14TH AGM OF SHARDA CROPCHEM LIMITED



Note: The route provided originates from Vile Parle (East) Railway Station

Date : Thursday, September 21, 2017

Venue : Crystal Hall, Hotel Parle International, B. N. Agarwal Commercial Complex, Vile Parle (East), Mumbai – 400 057

Time : 3.00 p.m.

NOTES



Sharda Cropchem Limited

Registered Office:

Domnic Holm,
29th Road, Bandra (West)
Mumbai – 400 050
Tel. No.: 91 22 6678 2800
Fax No.: 91 22 6678 2828
Email address: co.sec@shardaintl.com
Website: www.shardacropchem.com