

INDEPENDENT AUDITOR'S REPORT

To the Members of **SHARDA POLAND SP. ZO.O**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **SHARDA POLAND SP. ZO.**, which comprise the Balance Sheet as at 31.12.2016, 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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 [Rule 7 of the Companies (Accounts) Rules, 2014 and 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 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 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 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 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 Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 31.12.2016, its profit/loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

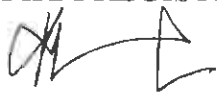
Report on Other Legal and Regulatory Requirements

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



- (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 Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended
- (e) On the basis of written representations received from the directors as on 31.12.2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31.12.2016, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) 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:
1. The Company does not have any pending litigations which would impact its financial position;
 2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 4. As per books of accounts of the Company and as represented by the management of the Company, the Company did not have cash balance as on November 8, 2016 and December 30, 2016 and has no cash dealings during this period

**For V.K.BESWAL & ASSOCIATES,
CHARTERED ACCOUNTANTS,
FIRM REGISTRATION NO: 101083W**



**CA K.V.BESWAL
PARTNER**

M.NO.131054

PLACE : MUMBAI

DATED : 17.04.2017



SHARDA POLAND SP. ZO.O

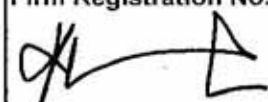
BALANCE SHEET AS AT 31ST MARCH 2017

(Amount in INR)

Particulars	Note No	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
ASSETS				
Non -Current Assets				
Non current tax assets		26,38,490	21,68,584	-
Other Non- Current Assets	3	1,77,683	1,90,039	9,936
		28,16,173	23,58,623	9,936
Current assets				
Inventories	4	4,64,54,969	10,98,36,486	86,68,101
Financial assets				
Trade Receivables	5	11,65,49,543	15,61,02,167	7,42,38,353
Cash & cash equivalents	6	4,76,708	2,30,409	36,304
Other Financial Assets	7	1,23,158	-	-
Other Current Assets	8	-	9,70,813	-
Total current assets		16,36,04,378	26,71,39,875	8,29,42,758
Total assets		16,64,20,551	26,94,98,498	8,29,52,694
EQUITY AND LIABILITIES				
Equity				
Equity share capital	9	96,269	96,269	96,269
Other equity				
Retained earnings	10	11,68,034	1,13,04,980	90,16,939
Other reserves	10	19,55,243	(31,73,125)	4,19,406
Total equity		32,19,546	82,28,124	95,32,614
Current liabilities				
Financial liabilities				
Borrowings	11	-	-	15,01,933
Trade Payables	12	14,15,23,490	24,01,50,095	5,97,23,479
Other Payables	13	11,58,924	2,13,698	52,705
Current tax liabilities		22,47,631	-	16,71,440
Provisions	14	1,31,46,376	44,99,951	56,467
Other current liabilities	15	51,24,584	1,64,06,630	1,04,14,056
Total current liabilities		16,32,01,005	26,12,70,374	7,34,20,080
Total equity and liabilities		16,64,20,551	26,94,98,498	8,29,52,694

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

As per our report of even date
For V.K.BESWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 101083W

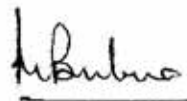


CA K.V.BESWAL
[PARTNER]
Membership Number - 131054
PLACE : MUMBAI

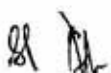
Date: 17 APR 2017



For and on behalf of the Board of Directors of
SHARDA POLAND SP.ZO. O



R. V. Bubna
[President]



SHARDA POLAND SP. ZO.O

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR)

Particulars	Note No	Year ended 31-Mar-17	Year ended 31-Mar-16
Revenue from Operations	16	33,34,62,162	53,14,45,025
Other Income	17	30,62,714	38,686
Total income		33,65,24,876	53,14,83,711
Expenses			
Purchase of traded goods	18	25,38,74,399	59,85,18,683
(Increase)/ decrease in inventories	19	6,33,81,517	(10,11,68,385)
Other expenses	20	2,69,35,429	3,18,45,372
Total expenses		34,41,91,345	52,91,95,670
Profit before tax		(76,66,469)	22,88,041
Tax expenses			
Income tax adjustment of previous years	21	1,58,677	-
Current tax	21	23,11,800	-
Deferred tax		-	-
Total Tax expense		24,70,477	-
Profit for the year		(1,01,36,946)	22,88,041
Other Comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		51,28,368	(35,92,531)
Income tax effect		-	-
Other comprehensive income for the year, net of tax		51,28,368	(35,92,531)
Total comprehensive income for the year		(50,08,578)	(13,04,490)
Earning per equity share			
Equity share of par value of PLN 50 each			
Basic & Diluted		(1,01,369)	22,880

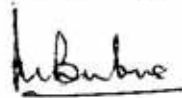
The accompanying notes are an integral part of the financial statements.

As per our report of even date
For V.K.BESWAL & ASSOCIATES
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R. V. Bubna
[President]

Date: 17 APR 2017

SHARDA POLAND SP. ZO. O

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2016

(Amount in INR)

Particulars	Equity Share Capital	Reserves & Surplus	Items of other comprehensive income	Total equity
		Retained earnings	Foreign Currency translation reserve	
As on 01 April 2015	96,269	90,16,939	4,19,406	95,32,614
Net Profit for the period		22,88,041	-	22,88,041
Other comprehensive income		-	(35,92,531)	(35,92,531)
Total Comprehensive Income		22,88,041	(35,92,531)	(13,04,490)
As on 31 March 2016	96,269	1,13,04,980	(31,73,125)	82,28,124

FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR)

Particulars	Equity Share Capital	Reserves & Surplus	Items of other comprehensive income	Total equity
		Retained earnings	Foreign Currency translation reserve	
As on 01 April 2016	96,269	1,13,04,980	(31,73,125)	82,28,124
Net Profit for the period		(1,01,36,946)	-	(1,01,36,946)
Other comprehensive income		-	51,28,368	51,28,368
Total Comprehensive Income		(1,01,36,946)	51,28,368	(50,08,578)
As on 31 March 2017	96,269	11,68,034	19,55,243	32,19,546

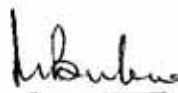
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For and on behalf of the Board of Directors of
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[PARTNER]
Membership Number - 131054

R. V. Bubna
[President]

PLACE : MUMBAI
Date: 17 APR 2017

SHARDA POLAND SP. ZO. O

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in INR)

Particulars	Year ended 31-Mar-17	Year ended 31-Mar-16
Cash flow from operating activities		
Profit before tax for the year	(76,66,469)	22,88,041
Profit before tax	(76,66,469)	22,88,041
Adjustments to reconcile profit before tax to net cash flows		
Exchange difference on translation of assets and liabilities	51,28,368	(35,92,531)
Operating profit before working capital changes	(25,38,101)	(13,04,490)
Movements in working capital :		
Decrease / (increase) in other current assets	9,70,813	(9,70,813)
Increase/ (decrease) in trade payables	(9,86,26,605)	18,04,26,616
Increase / (decrease) in short-term provisions	86,46,425	44,43,484
Increase/ (decrease) in other current liabilities	(1,12,82,046)	59,92,574
Increase/ (decrease) in other Financial Assets	(1,23,158)	-
Decrease / (increase) in trade receivables	3,95,52,624	(8,18,63,813)
Decrease / (increase) in inventories	6,33,81,517	(10,11,68,385)
Decrease / (increase) in other Payables	9,45,226	1,60,993
Decrease / (increase) in other non-current assets	12,356	(1,80,103)
Cash generated from / (used in) operations	9,39,051	55,36,062
Income taxes paid (net of refunds)	(6,92,752)	(38,40,024)
Net cash flow from/ (used in) operating activities (A)	2,46,299	16,96,038
Cash flows from investing activities		
Net cash flow from/ (used in) investing activities (B)	-	-
Cash flows from financing activities		
Proceeds / (repayment) of short term borrowings	-	(15,01,933)
Net cash flow from/ (used in) in financing activities (C)	-	(15,01,933)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	2,46,299	1,94,105
Cash and cash equivalents at the beginning of the year	2,30,409	36,304
Cash and cash equivalents at the end of the year	4,76,708	2,30,409
Components of cash and cash equivalents		
With banks- on current account	4,76,708	2,30,409
Total cash and cash equivalents (note 6)	4,76,708	2,30,409

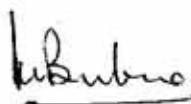
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As per our report of even date
For V.K.BESWAL & ASSOCIATES
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For and on behalf of the Board of Directors of
SHARDA POLAND SP. ZO.O



CA K.V.BESWAL
[PARTNER]
Membership Number - 131054

R. V. Bubna
[President]

PLACE : MUMBAI

Date: 17 APR 2017

1. Corporate information

Sharda Poland SP ZO.O (the company) was incorporated on 03.05.2014 in Poland. The holding company is Sharda Cropchem Limited (Formerly known Sharda Worldwide Exports Pvt. Ltd.) from the date of incorporation

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2016, were prepared 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 are the first financial statements of the company under Ind AS.

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

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

2.1 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Ind AS 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.

(b) Property, plant and equipment

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

Depreciation is provided after impairment, if any, using the straight-line method as per the useful lives of the assets estimated by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(c) 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.

Product registration costs 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

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

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 expenditure is carried forward when its future recoverability can reasonably be regarded as assured and is amortized over the period of expected future benefit. During the period of development, the assets under development are tested for impairment annually.

On transition to Ind AS, the company has elected to continue with the carrying value of all its intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

(d) Impairment of assets



The carrying amount of assets at each balance sheet date is reviewed for impairment. If an indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value using a pre-tax discount rate, that reflects current market assessment of the time value of money and the risks specific to the asset.

(ii) After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

(e) Investments and other financial assets

i) Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.



For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(f) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

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.

(g) 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.

(h) 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 statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank.

(i) Revenue

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. Revenues from the sale of goods in the ordinary course of business is measured net of returns and 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.

(j) Foreign currency translation

(i) Functional and presentation currency

The financial statements are presented in INR which is functional and presentation currency of parent company.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).



Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

(k) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the Poland where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(l) Leases**As a lessee**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

(m) Provisions and Contingent Liabilities**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.

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 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

(n) 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.



Notes to financial statements for the year ended 31st March 2017

3 Other Non - Current Assets

Particulars	As at	As at	As at
	31-Mar-2017	31-Mar-2016	1-Apr-2015
	INR	INR	INR
Security Deposit	1,77,883	1,90,039	9,936
Total	1,77,883	1,90,039	9,936

4 Inventories

Particulars	As at	As at	As at
	31-Mar-2017	31-Mar-2016	1-Apr-2015
	INR	INR	INR
Finished goods	4,64,54,969	10,98,36,486	86,68,101
Total	4,64,54,969	10,98,36,486	86,68,101

5 Trade Receivables

Particulars	As at	As at	As at
	31-Mar-2017	31-Mar-2016	1-Apr-2015
	INR	INR	INR
Trade Receivables ,unsecured considered good	11,65,49,543	15,61,02,167	7,42,38,353
Total	11,65,49,543	15,61,02,167	7,42,38,353

6 Cash & cash equivalents

Particulars	As at	As at	As at
	31-Mar-2017	31-Mar-2016	1-Apr-2015
	INR	INR	INR
Balance with Bank	4,76,708	2,30,409	36,304
Total	4,76,708	2,30,409	36,304

7 Other financial assets

Particulars	As at	As at	As at
	31-Mar-2017	31-Mar-2016	1-Apr-2015
	INR	INR	INR
Prepaid Expenses	1,23,158	-	-
Total	1,23,158	-	-

8 Other Current Assets

Particulars	As at	As at	As at
	31-Mar-2017	31-Mar-2016	1-Apr-2015
	INR	INR	INR
Other Receivables	-	9,70,813	-
Total	-	9,70,813	-

9 Equity share capital

Particulars	As at	As at	As at
	31-Mar-2017	31-Mar-2016	1-Apr-2015
	INR	INR	INR
Authorised shares 100 (Previous year : 100) Shares of 50 PLN each	96,269	96,269	96,269
Issued, Subscribed & fully paid up shares 100 (Previous year : 100) Shares of 50 PLN each	96,269	96,269	96,269
Total Issued, Subscribed & fully paid up share capital	96,269	96,269	96,269



Notes to financial statements for the year ended 31st March 2017

B Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares		Equity Shares		Equity Shares	
	As at 31-Mar-2017		As at 31-Mar-2016		As at 1-Apr-2015	
	Number	INR	Number	INR	Number	INR
At the beginning of the period	100	96,269	100	96,269	100	96,269
Issued during the period	-	-	-	-	-	-
Outstanding at the end of the period	100	96,269	100	96,269	100	96,269

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

Name of Shareholder	As at 31-Mar-2017		As at 31-Mar-2016		As at 1-Apr-2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sharda Cropchem Limited	100	100%	100	100%	100	100%

10 Other equity

Particulars	As at 31-Mar-2017	As at 31-Mar-2016	As at 1-Apr-2015
	INR	INR	Number
Deficit			
Balance as per the last financial statement	1,13,04,980	90,16,939	-
Add : Profit/(Loss) for the year	(1,01,36,946)	22,88,041	90,16,939
Closing Balance	11,68,034	1,13,04,980	90,16,939
Foreign Currency Translation Reserve			
Balance as per the last financial statement	(31,73,125)	4,19,406	-
Add : Changes for the period	51,28,368	(35,92,531)	4,19,406
Closing Balance	19,55,243	(31,73,125)	4,19,406
Total	31,23,277	81,31,855	94,36,345

11 Borrowings

Particulars	As at 31-Mar-2017	As at 31-Mar-2016	As at 1-Apr-2015
	INR	INR	Number
Sharda International DMCC	-	15,01,933	15,01,933
[The above loan represents short term loan received from Sharda International DMCC, fellow subsidiary. The said loan is interest free.]			
Less: Repaid	-	15,01,933	-
Total	-	-	15,01,933

12 Trade Payables

Particulars	As at 31-Mar-2017	As at 31-Mar-2016	As at 1-Apr-2015
	INR	INR	Number
Trade payables	14,15,23,490	24,01,50,095	5,97,23,479
Total	14,15,23,490	24,01,50,095	5,97,23,479

13 Other Payables

Particulars	As at 31-Mar-2017	As at 31-Mar-2016	As at 1-Apr-2015
	INR	INR	Number
Other Payables	11,58,924	2,13,698	52,705
Total	11,58,924	2,13,698	52,705



Notes to financial statements for the year ended 31st March 2017

14 Provisions

Particulars	As at 31-Mar-2017	As at 31-Mar-2016	As at 1-Apr-2015
	INR	INR	Number
Provision for Expenses	1,31,46,376	44,99,951	56,467
Total	1,31,46,376	44,99,951	56,467

15 Other Current liabilities

Particulars	As at 31-Mar-2017	As at 31-Mar-2016	As at 1-Apr-2015
	INR	INR	Number
Statutory Dues Payable	51,24,584	1,64,06,630	1,04,14,056
Total	51,24,584	1,64,06,630	1,04,14,056

16 Revenue from Operations

Particulars	Year ended 31-Mar-2016	Year ended 31-Mar-2017
	INR	INR
Sales of Agro Chemicals	33,34,62,162	53,14,45,025
Total	33,34,62,162	53,14,45,025

17 Other income

Particulars	Year ended 31-Mar-2016	Year ended 31-Mar-2017
	INR	INR
Miscellaneous Income	1,31,109	38,686
Foreign Exchange Gain	29,31,605	-
Total	30,62,714	38,686

18 Purchase of traded goods

Particulars	Year ended 31-Mar-2016	Year ended 31-Mar-2017
	INR	INR
Purchases of Agro Chemicals	25,38,74,399	59,85,18,683
Total	25,38,74,399	59,85,18,683

19 (Increase)/ decrease in inventories

Particulars	Year ended 31-Mar-2016	Year ended 31-Mar-2017
	INR	INR
Inventories at the end of the year Traded goods	4,64,54,969	10,98,36,486
Inventories at the beginning of the year Traded goods	10,98,36,486	86,68,101
Total	6,33,81,517	(10,11,66,385)



20 Other expenses

Particulars	Year ended	Year ended
	31-Mar-2016	31-Mar-2017
	INR	INR
Power and fuel	49,481	24,734
Freight and forwarding charges	63,83,665	82,35,952
Rent	13,14,436	2,59,254
Rates and taxes	46,477	1,09,467
Insurance	2,71,493	1,09,398
Sales Commission	1,11,59,727	93,21,861
Communication costs	73,107	71,442
Legal and professional fees	9,78,142	9,72,422
Storage Charges	40,39,393	34,50,221
Miscellaneous expenses	8,21,940	1,32,156
Inventory write off	-	34,357
Foreign Exchange Loss	-	81,16,947
Bank charges	5,26,723	5,92,791
Disposing Materials	7,82,451	-
Repairs and maintenance Others	4,85,394	4,14,370
Total	2,69,35,429	3,18,45,372

21 Income Taxes

Particulars	Year ended	Year ended
	31-Mar-2016	31-Mar-2017
	INR	INR
Income tax adjustment of previous year	1,58,677	-
Current income tax	23,11,800	-
Total	24,70,477	-

22 Fair Value Measurements

	31 March 2017			31 March 2016			01 April 2015		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets									
Trade Receivables	-	-	11,65,49,543	-	-	15,61,02,167	-	-	7,42,38,353
Cash and cash equivalents	-	-	4,76,708	-	-	2,30,409	-	-	36,304
Security deposits	-	-	1,77,883	-	-	1,90,039	-	-	9,936
Total Financial Assets	-	-	11,72,03,934	-	-	15,65,22,615	-	-	7,42,84,593
Financial Liabilities									
Borrowings	-	-	-	-	-	-	-	-	15,01,933
Other payables	-	-	11,58,924	-	-	2,13,698	-	-	52,705
Total Financial liabilities	-	-	11,58,924	-	-	2,13,698	-	-	15,54,638

23 Contingent liabilities and Commitments

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
	INR	INR
Contingent liabilities	NIL	NIL
Commitments	NIL	NIL

24 Earnings per share (EPS)

Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
	INR	INR
Basic and diluted earning per share:		
Profit after taxation as per statement of profit and loss	(1,01,36,946)	22,88,041
Weighted average number of equity shares outstanding	100	100
Basic and diluted earning per share	(1,01,369)	22,880
Nominal Value of equity share (PLN)	50.00	50.00

25 Segment reporting

The Company operates in a single and related business segment viz. Agro Chemicals. Therefore, the information required by the IND AS 108 on segment reporting is not applicable to the Company.

26 Related Party Disclosures

(a) Related parties with whom transactions have taken place during the Year:

Particulars	
(i) Parent company	Sharda Cropchem Limited
(ii) Fellow Subsidiary	Sharda International DMCC



Notes to financial statements for the year ended 31st March 2017**Related party transactions:**

The following table provides the total amount of transactions that have been entered into with related parties.

- Transactions with holding company


Particulars	As at	As at
	31-Mar-2017	31-Mar-2016
	INR	INR
Unsecured loan repaid		
Sharda International DMCC	-	15,01,833
Purchase of traded goods:		
Sharda Cropchem Limited	25,38,74,399	59,85,18,663
Outstanding balances	As at	As at
	31-Mar-2017	31-Mar-2016
	INR	INR
Trade payables:		
Sharda Cropchem Limited	13,72,24,454	23,81,67,899

27 Previous year figures

The previous year figures have been regrouped, rearranged wherever necessary to compare this year figures.

As per our report of even date

For V.K.BESWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 101083W


CA K.V.BESWAL
[PARTNER]
Membership Number - 131054
PLACE : MUMBAI
Date: 17 APR 2017



For and on behalf of the Board of Directors of
SHARDA POLAND SP. ZO.O


R. V. Bubna
[President]