

INDEPENDENT AUDITOR'S REPORT

To the Members of **SHARDA CROPCHEM ESPANA S.L.**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **SHARDA CROPCHEM ESPANA S.L.**, which comprise the Balance Sheet as at March 31, 2019, 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 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 Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit 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 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 but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. 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 March 31, 2018, its 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 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 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) 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 does not have any pending litigations which would impact its financial position.
 - 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.

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



**CA K.V.BESWAL
PARTNER
M.NO.131054
PLACE: MUMBAI
DATED: 15.04.2019**



Annexure I to the Auditor's Report even date CARO 2016:

1. In respect of Fixed Assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The fixed assets have been physically verified by the management at reasonable intervals during the year. We are informed that no material discrepancies were noticed by the management on such verification.
 - c. The title deeds in respect of all immovable properties are held in the name of the company.
2. In respect of Inventories, the company does not have any Inventories. Hence, this clause is not called for.
3. In respect of loans, secured or unsecured granted by the Company to the companies, firms or other parties covered in the register maintained under Section 189 of the companies Act, 2013:
 - a) During the year Company has not granted any loans to parties covered in the register maintained under Section 189 of the Companies Act, 2013.
 - b) In view of our comments above, clause 3 (iii) (a), (b) of the said order is not applicable to the company.
4. The company has not granted any loans or made any investments or given guarantees or securities during the year. Hence, reporting under this clause is not called for.
5. During the year the company has not accepted any deposits from public or by any means hence the said clause 3 (v) of the said order is not applicable to the Company.
6. As per the information and explanations provided to us, we are the opinion that the maintenance of cost records u/s. 148(1) (d) of the Companies Act, 2013 has not been prescribed by the Central Government for any of the services rendered by the company.



7. In respect of Statutory Dues:

- (a) According to record of the Company produced before us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, cess and other statutory dues applicable to it. According to the information and explanation given to us, there were no outstanding statutory dues as on 31st March, 2019 for a period of more than six months from the date they became payable.
- (b) According to the records of the company there are no dues of Income-Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty/Cess which have not been deposited on account of any dispute.
8. As per the information and explanations given to us, there has been no delay in the repayment of dues to the banks or financial institutions by the Company. The Company has not issued any debentures.
9. During the year the Company has not raised any fund by way of initial public offer or further public offer (including debt instruments). The funds raised by way of term loans have been applied for the purpose for which they were raised.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
11. Company is not a public limited company and provisions of section 197 are not applicable to the company; hence question of reporting on managerial remuneration paid under this clause does not arise.
12. In our opinion and to the best of our information and according to the explanations provided by the management, we are of the opinion that the company is not a Nidhi company. Hence, in our opinion the clause does not apply to the company.
13. The Company has disclosed all the transactions with the related parties in the Financial Statements during the year and the transactions are in compliance with sections 177 and 188 of Companies Act, 2013.
14. During the year under consideration, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures; hence comments under this clause are not called for.



15. According to the provisions of section 192 of Companies Act, 2013 the company has not entered into any non-cash transactions with directors or persons connected with him during the year hence no comments under this clause are called for.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence this clause is not applicable and no comments under this clause are called for.

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



**CA K.V.BESWAL
PARTNER
M.NO.131054
PLACE: MUMBAI
DATED: 15.04.2019**



1. Corporate information

Sharda Cropchem Espana, SL (the company) was incorporated on 04.03.2014 in Spain. It started its commercial operations from 09.01.2014, on which date its Tax Identification Number B73824930 was issued. The holding company is Sharda Cropchem Limited ("SCL") since 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 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) 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

These financial statements are presented in Indian Rupee (INR), which is also the holding companies functional currency.

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

(c) 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 23)
- Financial instruments (including those carried at amortised cost) (Note 23)

(d) Revenue Recognition

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Sale of goods

Revenue from sale of goods is recognized when control of the goods have been passed to the buyer. Revenue from the sale of goods is measured at amount of consideration which an entity expects to be entitled in exchange for transferring promised goods to the customer, 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.

(e) 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 Company 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 reassessed 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.

(f) 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.

(g) Property, Plant and Equipment and Depreciation

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.

(h) 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.

(i) Lease

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.

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.

(j) 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.

(k) 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.



(l) 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, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

(m) 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.

(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.



SHARDA CROPCHEM ESPANA S.L.

BALANCE SHEET AS AT MARCH 31, 2019

(Amount in INR)

Particulars	Note No	As at 31-Mar-19	As at 31-Mar-18
<u>ASSETS</u>			
<u>Non -Current Assets</u>			
Property, plant and equipment	3	473,605	837,040
Non current tax assets	4	485,391	51,657
Other Non- Current Assets	5	348,812	362,079
		1,307,808	1,250,776
<u>Current assets</u>			
<u>Financial assets</u>			
Loans	6	-	4,023,100
Trade Receivables	7	250,354,072	269,843,386
Cash & cash equivalents	8	13,985,350	13,908,859
Other Current Assets	9	-	750,063
Total current assets		264,339,422	288,525,408
Total assets		265,647,230	289,776,184
<u>EQUITY AND LIABILITIES</u>			
<u>Equity</u>			
Equity share capital	10	259,048	259,048
Other equity			
Retained earnings	11	13,470,266	10,544,551
Other reserves	11	18,695	36,833
Total equity		13,748,009	10,840,432
<u>Current liabilities</u>			
<u>Financial liabilities</u>			
Trade Payables	12	212,800,108	244,409,199
Other Payables	13	33,675,793	23,569,084
Other current liabilities	14	5,423,320	10,957,469
Total current liabilities		251,899,221	278,935,752
Total equity and liabilities		265,647,230	289,776,184

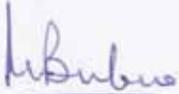
The accompanying notes are an integral part of the financial statements.

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


KUNAL V. BESWAL
[Partner]
Membership Number - 131054
Place : Mumbai
Date: April 15, 2019



For and on behalf of the Board of Directors of
SHARDA CROPCHEM ESPANA S.L.


R. V. Bubna
[Sole Administrator]

SHARDA CROPCHEM ESPANA S.L.

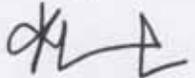
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR)

Particulars	Note No	Year ended 31-Mar-19	Year ended 31-Mar-18
Revenue from Operations	15	717,073,309	521,227,374
Other Income	16	2,121,956	434,060
Total income		719,195,265	521,661,434
Expenses			
Purchase of traded goods	17	666,003,327	480,199,732
(Increase)/ decrease in inventories		-	-
Employee benefit expenses	18	1,194,354	1,558,049
Depreciation and Amortisation expense	3	871,128	811,233
Finance costs	19	4,567	-
Other expenses	20	47,355,143	45,018,187
Total expenses		715,428,519	527,587,202
Profit before tax		3,766,746	(5,925,767)
Tax expenses			
Current tax		841,031	724,136
Tax adjustment pertaining to previous year		-	-
Deferred tax		-	-
Total Tax expense		841,031	724,136
Profit for the year		2,925,715	(6,649,903)
Other Comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(18,138)	1,646,748
Other comprehensive income for the year, net of tax		(18,138)	1,646,748
Total comprehensive income for the year		2,907,577	(5,003,155)
Earning per equity share			
Equity share of par value of EURO 50 each			
Basic & Diluted	23	47,963	(109,015)

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

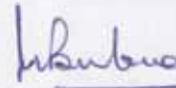
As per our report of even date
For V.K.BESWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 101083W



KUNAL V. BESWAL
[Partner]
Membership Number - 131054
Place : Mumbai
Date: April 15, 2019



For and on behalf of the Board of Directors of
SHARDA CROPCHEM ESPANA S.L.



R. V. Bubna
[Sole Administrator]

SHARDA CROP CHEM ESPANA S.L.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

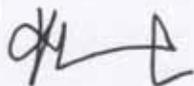
(Amount in INR)

Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18
Cash flow from operating activities		
Profit before tax for the year	3,766,746	(5,925,767)
Profit before tax	3,766,746	(5,925,767)
Adjustments to reconcile profit before tax to net cash flows		
Depreciation/ amortization on continuing operation	871,128	811,233
Operating profit before working capital changes	4,637,874	(5,114,534)
Movements in working capital :		
Decrease / (increase) in other non current assets	13,267	(51,367)
Increase/ (decrease) in trade payables	(31,609,091)	67,870,727
Increase/ (decrease) in other current liabilities	(5,534,149)	2,224,681
Increase/ (decrease) in other Financial Assets	-	(750,063)
Decrease / (increase) in trade receivables	19,489,314	(65,232,751)
Decrease / (increase) in other Payables	10,106,709	7,177,533
Decrease / (increase) in other current assets	750,063	-
Cash generated from / (used in) operations	(2,146,013)	6,124,226
Income taxes paid (net of refunds)	(1,274,765)	(1,196,152)
Net cash flow from/ (used in) operating activities (A)	(3,420,778)	4,928,074
Cash flows from investing activities		
Short term loan (given)/ taken	4,023,100	(4,023,100)
Net cash flow from/ (used in) investing activities (B)	4,023,100	(4,023,100)
Cash flows from financing activities		
Net cash flow from/ (used in) in financing activities (C)	-	-
Exchange difference on translation of assets and liabilities (D)	(525,830)	1,907,204
Net increase/(decrease) in cash and cash equivalents (A + B + C +D)	76,491	2,812,178
Cash and cash equivalents at the beginning of the year	13,908,859	11,096,681
Cash and cash equivalents at the end of the year	13,985,350	13,908,859
Components of cash and cash equivalents		
Cash on hand	147,199	97,600
With banks- on current account	13,838,151	13,811,259
Total cash and cash equivalents (note 8)	13,985,350	13,908,859

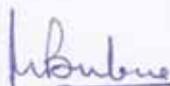
The accompanying notes are an integral part of the financial statements.

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

For and on behalf of the Board of Directors of
SHARDA CROP CHEM ESPANA S.L.



KUNAL V. BESWAL
[Partner]
Membership Number - 131054
Place : Mumbai
Date: April 15, 2019

R. V. Bubna
[Sole Administrator]

SHARDA CROPChem ESPANA S.L.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2018

(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 2017	259,048	17,194,454	(1,609,915)	15,843,587
Net Profit for the period		(6,649,903)	-	(6,649,903)
Other comprehensive income		-	1,646,748	1,646,748
Total Comprehensive Income		(6,649,903)	1,646,748	(5,003,155)
As on 31 March 2018	259,048	10,544,551	36,833	10,840,432

FOR THE YEAR ENDED 31 MARCH 2019

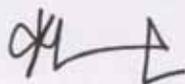
(Amount in INR)

Particulars	Equity Share Capital	Reserves & Surplus	Items of other comprehensive income	Total equity
		Retained earnings	Foreign Currency translation reserve	
As on 01 April 2018	259,048	10,544,551	36,833	10,840,432
Net Profit for the period		2,925,715	-	2,925,715
Other comprehensive income		-	(18,138)	(18,138)
Total Comprehensive Income		2,925,715	(18,138)	2,907,577
As on 31 March 2019	259,048	13,470,266	18,695	13,748,009

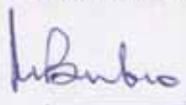
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As per our report of even date
For V.K.BESWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 101083W

For and on behalf of the Board of Directors of
SHARDA CROPChem ESPANA S.L.



KUNAL V. BESWAL
[Partner]
Membership Number - 131054
Place : Mumbai
Date: April 15, 2019

R. V. Bubna
[Sole Administrator]

SHARDA CROPHCEM ESPANA S.L.

Notes to financial statements for the year ended 31st March 2019**3 Property, Plant and Equipment.**

(Amount in INR)

	Office Equipement	Furniture & Fixtures	Total
Cost			
As at 1 April 2017	1,247,744	1,773,882	3,021,626
Additions	-	-	-
Total	1,247,744	1,773,882	3,021,626
Translation Difference	(206,280)	(293,262)	(499,542)
As at 1 April 2018	1,041,464	1,480,620	2,522,084
Additions	-	-	-
Total	1,041,464	1,480,620	2,522,084
Translation Difference	359,283	510,782	870,065
As at 31 March 2019	1,400,747	1,991,402	3,392,149
Accumulated Depreciation			
As at 1 April 2017	657,122	455,775	1,112,897
Depreciation for the year	92,070	719,163	811,233
Total	749,192	1,174,938	1,924,130
Translation Difference	(114,890)	(124,196)	(239,086)
As at 1 April 2018	634,302	1,050,742	1,685,044
Depreciation for the year	98,868	772,260	871,128
Total	733,170	1,823,002	2,556,172
Translation Difference	193,973	168,400	362,372
As at 31 March 2019	927,142	1,991,402	2,918,544
Net Carrying Value			
As at 31 March 2018	407,162	429,878	837,040
As at 31 March 2019	473,605	-	473,605



Notes to financial statements for the year ended March 31, 2019

4 Income Taxes

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Current taxes	485,391	51,657
Total	485,391	51,657

5 Other Non - Current Assets

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Security Deposit	348,812	362,079
Total	348,812	362,079

6 Loans

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Loan to Related Party	-	4,023,100
Total	-	4,023,100

7 Trade Receivables

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Trade Receivables - Unsecured , considered good	250,354,072	269,843,386
Total	250,354,072	269,843,386

8 Cash & cash equivalents

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Cash Balance	147,199	97,600
Balance with Bank	13,838,151	13,611,259
Total	13,985,350	13,908,859

9 Other Current assets

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Right of recoveries against expected sales return	-	750,063
Total	-	750,063

10 Equity share capital

A Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Authorised shares 61 (Previous year : NIL) Shares of Euros 50 each	259,048	259,048
Issued, Subscribed & fully paid up shares 61 (Previous year : NIL) Shares of Euros 50 each	259,048	259,048
Total Issued, Subscribed & fully paid up share capital	259,048	259,048



Notes to financial statements for the year ended March 31, 2019

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

Particulars	Equity Shares		Equity Shares	
	As at 31-Mar-2019		As at 31-Mar-2018	
	Number	INR	Number	INR
At the beginning of the period	61	259,048	61	259,048
Issued during the period	-	-	-	-
Outstanding at the end of the period	61	259,048	61	259,048

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

Name of Shareholder	As at 31-Mar-2019		As at 31-Mar-2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sharda Cropchem Limited	61	100%	61	100%

11 Other equity

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
	INR	INR
Deficit		
Balance as per the last financial statement	10,544,551	17,194,454
Add : Profit/(Loss) for the year	2,925,715	(6,649,903)
Closing Balance	13,470,266	10,544,551
Foreign Currency Translation Reserve		
Balance as per the last financial statement	36,833	(1,609,915)
Add : Changes for the period	(18,138)	1,646,748
Closing Balance	18,695	36,833
Total	13,488,961	10,581,384

12 Trade Payables

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
	INR	INR
Trade payables	212,800,108	244,409,199
Total	212,800,108	244,409,199

13 Other Payables

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
	INR	INR
Other Payables	33,675,793	23,569,084
Total	33,675,793	23,569,084

14 Other Current liabilities

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
	INR	INR
Statutory Dues Payable	5,423,320	5,684,158
Advance from customers	-	5,273,311
Total	5,423,320	10,957,469

15 Revenue from Operations

Particulars	Year ended 31-Mar-2019	Year ended 31-Mar-2018
	INR	INR
Sales of Agro Chemicals	717,073,309	521,227,374
Total	717,073,309	521,227,374



Notes to financial statements for the year ended March 31, 2019

16 Other income

Particulars	Year ended 31-Mar-2019	Year ended 31-Mar-2018
	INR	INR
Miscellaneous income	2,121,956	424,416
Financial Income	-	9,644
Total	2,121,956	434,060

17 Purchase of traded goods

Particulars	Year ended 31-Mar-2019	Year ended 31-Mar-2018
	INR	INR
Purchases of Agro Chemicals	666,003,327	480,199,732
Total	666,003,327	480,199,732

18 Employee benefit expenses

Particulars	Year ended 31-Mar-2019	Year ended 31-Mar-2018
	INR	INR
Salaries & wages	1,194,354	1,558,049
Total	1,194,354	1,558,049

19 Finance costs

Particulars	Year ended 31-Mar-2019	Year ended 31-Mar-2018
	INR	INR
Interest on loan	4,567	-
Total	4,567	-

20 Other expenses

Particulars	Year ended 31-Mar-2019	Year ended 31-Mar-2018
	INR	INR
Power and fuel	357,206	329,783
Freight and forwarding expense	3,454,175	4,159,619
Rent	2,474,145	2,117,105
Factoring expenses	1,556,252	-
Insurance	13,285,221	8,107,520
Advertising and sales promotion	384,310	995,904
Sales Commission	13,743,238	14,871,382
Travelling and conveyance	1,684,166	3,977,738
Communication expense	500,412	472,787
Legal and professional fees	1,310,294	1,088,125
Office expenses	1,732,549	1,772,931
Miscellaneous expenses	2,047,091	4,059,205
Foreign Exchange Loss	905,191	30,213
Bank expense	905,916	656,477
Administrative services	2,954,977	2,580,398
Total	47,355,143	45,018,187



21 Fair Value Measurements

	As at 31-Mar-2019			As at 31-Mar-2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Loans	-	-	-	-	-	4,923,109
Total Financial Assets	-	-	-	-	-	4,923,109
Financial Liabilities						
Total Financial liabilities	-	-	-	-	-	-

22 Contingent liabilities and Commitments

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Contingent liabilities	NIL	NIL
Commitments	NIL	NIL

23 Earnings per share (EPS)

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Basic and diluted earning per share:		
Profit after taxation as per statement of profit and loss	2,925,715	(6,949,903)
Weighted average number of equity shares outstanding	81	81
Basic and diluted earning per share	47,963	(109,019)
Nominal Value of equity share (EURO)	50	50

24 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.

25 Related Party Disclosures

(a) Nature of relationship:

Particulars	
(i) Parent company	Sharda Cropchem Limited

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

Particulars	
(i) Parent company	Sharda Cropchem Limited
(ii) Fellow Subsidiary	Sharda Hungary KR
(iii) Fellow Subsidiary	Sharda Italia SRL
(iv) Fellow Subsidiary	Sharda International DMCC
(v) Fellow Subsidiary	Sharda de Mexico S De RL De Cv
(vi) Fellow Subsidiary	Sharda Poland SP ZO O

- Transactions with Related Party

Particulars	Year ended	Year ended
	31-Mar-2019	31-Mar-2018
	INR	INR
Unsecured loan given:		
Sharda Italia SRL	-	3,767,225
Sharda Poland SP ZO O*	-	12,518,140
Unsecured loan taken:		
Sharda Poland SP ZO O*	1,550,276	-
Interest on unsecured loan given:		
Sharda Poland SP ZO O*	-	9,844
Interest on unsecured loan taken:		
Sharda Poland SP ZO O*	4,507	-
Unsecured loan repaid		
Sharda Hungary KR	-	1,044,650
Sharda Poland SP ZO O	1,550,276	12,545,244
Sharda Italia SRL	3,767,225	-
Sale of traded goods:		
Sharda de Mexico S De RL De Cv	8,707,891	11,175,631
Purchase of traded goods:		
Sharda Cropchem Limited	648,868,047	454,100,555
Purchase of traded goods:		
Sharda International DMCC	2,730,049	-



Notes to financial statements for the year ended March 31, 2019

Outstanding balances	Year ended 31-Mar-2019	Year ended 31-Mar-2018
	INR	INR
Trade Receivable Sharda de Mexico s de rl de cv	1,282,846	11,934,695
Trade payables: Sharda Cropchem Limited Sharda International DMCC	210,641,894 2,158,198	244,409,199
Unsecured loan: Sharda Italia SRL	-	4,023,100

*Inter group balances will not match due to exchange rate difference.

26 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

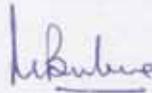
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Firm Registration No. 101083W



KUNAL V. BESWAL
[Partner]
Membership Number - 131054
Place : Mumbai
Date: April 15, 2019



For and on behalf of the Board of Directors of
SHARDA CROPICHEM ESPANA S.L.



R. V. Bubna
[Sole Administrator]