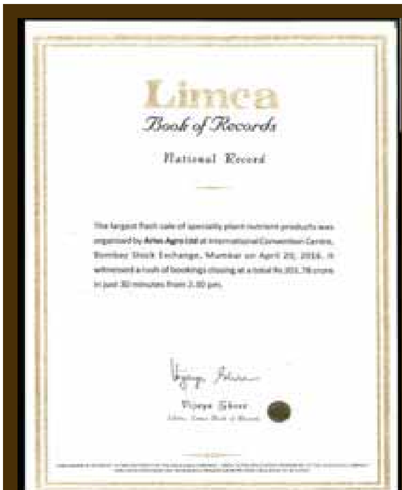
ARIES 2020
DELIVERING EXCELLENCE SINCE 1969

47th ANNUAL REPORT 2016-17

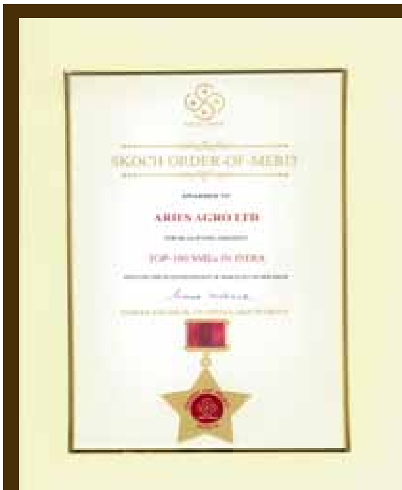
aries agro limited

Prof. R. S. S. Mani	Dr. Jimmy Mirchandani	Dr. Rahul Mirchandani	Mr. B. V. Dholakia	Mr. C. B. Chhaya	Mrs. Nitya Mirchandani
Independent Director	*Director*	*Chairman & Managing Director*	*Independent Director*	*Independent Director*	*Director*

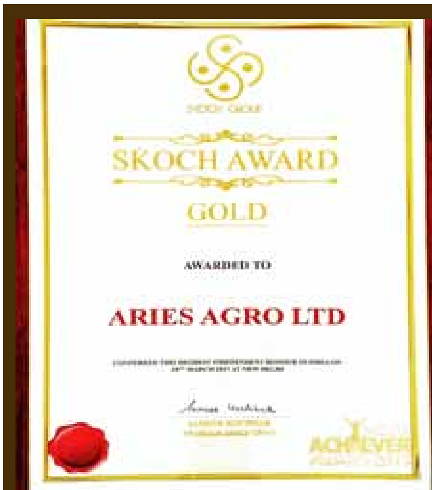
Board Of Directors & Achievement



First Agro based company in the country wins Limca Book of Records



Skoch Gold Award as Top 100 SME's in India



Skoch order of merit

All India Directors' Circle Customers attended Aries 2020 Campaign Launch at Bombay Stock Exchange, Mumbai

All India Directors Circle Dealers at Hotel IBIS, Delhi

aries International Engagement

MBA students from Georgetown University's McDonough School of Business, USA at Aries House for CSR Impact Assessment, HQ Mumbai

Meeting with Nepal Distributor and Training for Nepal Sales Staff

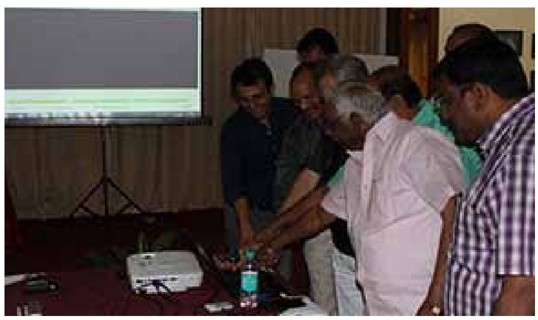
aries Other Major Events

Students of staff and workers received the Founders Award for academic excellence

Aries participated in the 5th Edition of The Annual Northeast Young Leaders Connect Conclave organized in Arunachal Pradesh by Youth Net and Govt. of Arunachal Pradesh

Sales Meeting with AP Region Team at Tirupati

Mr. Sanjay Pathak, Honorable Minister of MSME, Govt. of Madhya Pradesh meets Executive Director, Dr. Rahul Mirchandani to discuss investment opportunitiesmeeting held at Hotel Taj



Launch of Aries Brand New Website with the AP & Telangana Team on 21st Nov 2016

47th Annual Report 2016 - 2017

BOARD OF DIRECTORS

Dr. Rahul Mirchandani
Chairman & Managing Director
(Appointed w.e.f. 04.04.2017)

Dr. Jimmy Mirchandani
Director
(Resigned as CMD w.e.f. 03.04.2017)

Prof. R. S. S. Mani
Mr. C. B. Chhaya
Mr. B. V. Dholakia
Mrs. Nitya Mirchandani

AUDIT COMMITTEE

Mr. B. V. Dholakia Chairman
Prof. R. S. S. Mani
Mrs. Nitya Mirchandani (w.e.f. 04.04.2017)

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. C. B. Chhaya, Chairman
Dr. Jimmy Mirchandani
Dr. Rahul Mirchandani

NOMINATION & REMUNERATION COMMITTEE

Mr. C. B. Chhaya-Chairman
Prof. R. S. S. Mani
Mr. B. V. Dholakia

TREASURY COMMITTEE

Dr. Rahul Mirchandani, Chairman
(w.e.f. 04.04.2017)

Mr. C. B. Chhaya
Mrs. Nitya Mirchandani

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Dr. Rahul Mirchandani, Chairman
(w.e.f. 04.04.2017)
Dr. Jimmy Mirchandani
Mr. B. V. Dholakia

CHIEF FINANCIAL OFFICER
Mr. S. Ramamurthy

COMPANY SECRETARY & COMPLIANCE OFFICER
Mr. Qaiser P. Ansari

STATUTORY AUDITOR

Kirti D. Shah and Associates

INTERNAL AUDITOR
Kirit Manek & Co.

COST AUDITOR
R. Nanabhoy & Co.

SECRETARIAL AUDITOR
Mr. A. Sekar

BANKERS

AXIS Bank Ltd.
ICICI Bank Ltd.
HDFC Bank Limited
Canara Bank

BRANCHES/STOCK LOCATIONS

Ahmedabad, Gujarat
Bangalore, Karnataka
Bellary, Karnataka
Bhubaneshwar, Orissa
Coimbatore, Tamil Nadu
Ghaziabad, Uttar Pradesh
Guwahati, Assam
Hissar, Haryana
Hyderabad, Telangana
Indore, Madhya Pradesh
Jaipur, Rajasthan
Jalandhar, Punjab
Kolkata, West Bengal
Lucknow, Uttar Pradesh
Nagpur, Maharashtra
Nashik, Maharashtra
Nipani, Karnataka
Patna, Bihar
Raipur, Chhatisgarh
Ranchi, Jharkhand,
Rudrapur, Uttaranchal
Solapur, Maharashtra
Sriganganagar, Rajasthan
Vijayawada, Andhra Pradesh

MANUFACTURING LOCATIONS

Mumbai
Hyderabad
Chhatral
Lucknow
Fujairah, UAE(Subsidiary Company)

Registered Office: Aries House, Plot No. 24, Deonar, Govandi (East), Mumbai-400 043, Web Site: www.ariesagro.com

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Financial Highlights - Standalone

(Rupees in Lakhs unless stated otherwise)					
Particulars	**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**
Revenue from Operations (Net of Discounts / Rebates)	22,964.73	21,283.46	21,366.31	21,878.34	17,565.46
Total Income	23,117.35	21,426.05	21,518.59	22,104.57	17,888.64
Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)	4,139.06	3,287.68	3,820.50	4,264.70	3,428.95
EBITDA %	18.02	15.45	17.88	19.49	19.52
Profit Before Depreciation and Tax	2,019.66	1,216.02	1,690.85	1,987.93	1,588.21
Profit Before Depreciation and Tax %	8.79	5.71	7.91	9.09	9.04
Profit Before Tax (PBT)	1,834.36	1,040.39	1,509.13	1,840.97	1,403.44
PBT %	7.99	4.89	7.06	8.41	7.99
Profit for the Year (PAT)	1,184.35	639.68	1,181.28	1,153.03	934.13
PAT %	5.16	3.01	5.53	5.27	5.32
Equity Dividend %	20.00	15.00	20.00	20.00	15.00
Dividend Payout	0.22	0.30	0.22	0.23	0.21
Equity Share Capital	1,300.43	1,300.43	1,300.43	1,300.43	1,300.43
Other Equity (less Revaluation Reserve)	12,209.78	11,267.81	10,970.30	12,029.36	11,180.62
Net Worth	13,510.21	12,568.24	12,270.73	13,329.79	12,481.05
Gross Fixed Assets	5,436.16	5,414.16	4,902.41	4,779.06	4,875.42
Net Fixed Assets	2,480.03	2,577.40	2,109.58	3,489.32	3,694.48
Total Assets	31,824.53	29,904.20	28,892.42	32,266.38	33,431.47
Market Capitalisation	20,117.71	11,716.91	13,745.59	7,425.48	5,858.45
Number of Employees	822	748	753	785	748

Key Indicators - Standalone

Particulars	**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**
Earnings Per Share - Rs. (Excluding Exceptional Items)	9.11	4.92	9.08	8.87	7.18
Turnover Per Share - Rs.	176.59	163.66	164.30	168.24	135.07
Book Value Per Share - Rs.	103.89	96.65	94.36	102.50	95.98
Debt : Equity Ratio*	0.83	0.90	0.87	0.99	1.19
EBITDA / Gross Turnover %	14.93	14.01	15.98	17.95	18.07
Net Profit Margin %	5.16	3.01	5.53	5.27	5.32
RONW % *	8.77	5.09	9.63	8.65	7.48
ROCE %	15.78	12.80	15.60	15.18	11.61
Inventory Turnover (in days)	183	171	170	166	213
Debtors Turnover (in days)	127	139	140	159	171
Current Ratio	1.57	1.55	1.61	1.64	1.87
Price Earning Ratio	16.99	18.32	11.64	6.44	6.27
Market Vale per Share	154.70	90.10	105.70	57.10	45.05

CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Members,

It is with great pleasure that I present to you the 47th Annual Report of your Company, Aries Agro Limited.

During the year under review 2016-17, the monsoons recorded All India average of 97% of the LPA (Long Period Average). The Kharif rainfall was as per expectation. However, the winter rains especially in South India were extremely deficient. The second half was also affected by demonetization which restricted sales and collections for almost three months before conditions improved towards the end of the fourth quarter. Stress on the rural economy post demonetization required the Company to provide extra schemes to ensure continued funds inflow during the second half of the year.

Financial Year 2016-17 registered a good Kharif with 25.70 % growth in H1 and a subdued Rabi with growth of 11.37 % in revenue. Strong cost control measures were put in place and hence profitability (PAT) increased by 85.15 % compared to the previous year.

The credit for increase in revenue is also attributed to the success of the Company's first ever flash sale conducted on 20th April 2016 which resulted in an order book being created in the beginning of the Financial Year. 75.83% of the order book was converted during the Financial year. Orders received during the Flash Sale boosted better working capital management.

The Company introduced five new products namely Mobomin, Crackguard, Boon-o-Milk, Tracemin and K-phonic

The total capacity utilization currently stands at 58% of the total installed capacity of 84,600 MT p.a. in India. During the year we took a decision to close the operations in one of our international manufacturing facilities at UAE namely Golden Harvest Middle East FZC and sell the machinery which was eight years old and purchase identical set of new machinery in India for installation at Hyderabad and Chhatral manufacturing units. This was required in the context of changed import duty structures which has made manufacturing in India most viable and cheaper.

International clients are located in Bangladesh, Ghana, Kenya, Nepal, Vietnam and Taiwan. Distributors in Nepal and Vietnam have invested in branding and promotion of our range of products in their respective countries. Exports constituted 12.50 % of our group revenue during the Financial Year 2016-17

Aries was selected for being amongst the top 100 SMEs in India and was conferred the Skoch Order of Merit – 2017

We were also awarded the National Record by Limca Book of Records for the largest Flash Sale of specialty plant nutrition products conducted during April 2016 at Bombay Stock Exchange, International Convention Center, Mumbai.

Aries was awarded the highest independent honour in India, the Skoch Gold Award 2017 for our consistent work serving Indian farmers.

For Twelve consecutive years Aries Quality Management System was audited and certified as NS-EN ISO 9001:2008 with zero non-compliance report showing complete adherence to international quality standards.

Aries continues its tradition of carrying out a range of activities that spread knowledge and adoption of farming best practices in the markets that Aries functions in.

The company undertook activities focused specifically on supporting school aged girls across India and supported education various rural schools. We also supplied Braille Kits and Hearing Aid Machines for the differently abled.

The Company's Call Centre based in Vijayawada continued to provide answers to farmers' queries. During the year under review over 5000 number of farmers called the call center at Vijayawada with queries on integrated nutrient management, pest management, soil health and post harvest management. During the year under review almost 6,000 knowledge dissemination activities including farmers meeting were undertaken impacting over 70,000 number of farmers. These sessions were conducted by team of 71 extension officials spread across 20 states.

Aries organized various state level farmer conferences in 20 States. The unique feature of these events have been that they had participation on a common intellectual platform from top government officials, opinion leaders, academia, research scholars, scientists, agribusiness students and farmers from across the states.

The Company also organized soil testing camps in 3 major consuming states using Mobile Soil Testing Kits.

2017 monsoons are expected to be 98% of normal and the Company is hopeful that it will achieve good growth in revenues and profitability. A series of dealers meetings and booking bazaars were conducted during April 2017 and orders with payment instruments totaling to Rs. 305.88 Crores are in hand with bookings made by 1250 number of dealers. Other major focus areas for the year ahead include Increase penetration in Acquaculture, a non monsoon dependant sector, increase in exports in Asian Region after receiving Export License and launch of slow release granules for some existing soil applied products

Through its products and passion, Aries continually demonstrates that it is a responsible corporate citizen, working hard to retain the delicate balance of nature and the development of communities where it works and grows.

Sincerely,

Dr. Rahul Mirchandani
Chairman & Managing Director

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Forty Seventh Annual General Meeting of the Members of **ARIES AGRO LIMITED** will be held on Thursday, the 28th September, 2017 at 10.00 a.m. at The Chembur Gymkhana, 16th Road, Chembur, Mumbai-400 071, to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider, approve and adopt:
   a. the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2017, together with the Reports of the Board of Directors and the Auditors thereon.
   b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2017, together with the Report of the Auditors thereon.
2. To declare Dividend for the Financial Year ended 31st March, 2017.
3. To appoint a Director in place of Dr. Jimmy Mirchandani (DIN 00239021) who retires by rotation and being eligible offers himself for re-appointment.
4. **Appointment of Statutory Auditors of the Company.**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/S Sandeep Sheth & Associates, Chartered Accountants, (Membership No. 101903, and having Peer Review Certificate issued by the Institute of Chartered Accountants of India), be and is hereby appointed as Auditors of the Company in place of retiring Auditors M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai,(Membership No. 32371), to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Fifty Second Annual General Meeting of the Company to be held in the year 2022 subject to ratification of their appointment at every Annual General Meeting if so required under the Act and at such Remuneration plus Service Tax, Out-of-Pocket, Travelling Expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

5. **Appointment of Dr. Rahul Mirchandani as the Managing Director of the Company**

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

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions read with Schedule V to the Companies Act, 2013,("Act"), as amended or re-enacted from time to time, and subject to such approvals, if any, as may be necessary, the Company hereby approves the appointment and terms of remuneration of Dr. Rahul Mirchandani (DIN 00239057) as the Managing Director of the Company for a period of 5(Five) years commencing from 4th April, 2017 upto and inclusive of 31st March, 2022 upon the terms and conditions including remuneration for a period of 3(Three) Years commencing from 4th April, 2017 upto and inclusive of 31st March, 2020, as broadly specified below and more specifically set out in the Agreement dated 23rd May, 2017 signed between the said Dr. Rahul Mirchandani and the Company submitted to this meeting and initialed by the Chairman of the Nomination and Remuneration Committee for purpose of identification which Agreement be and is hereby specifically sanctioned, the Explanatory Statement annexed to the Notice convening this Annual General Meeting(including the remuneration to be paid in the event of Loss or In-adequacy of Profit in any Financial Year during the tenure of his appointment) with authority to the Board of Directors (which includes Nomination and Remuneration Committee) to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Dr. Rahul Mirchandani."

   "OVERALL REMUNERATION

   Subject to the provisions of Section 196, 197, Schedule V and other provisions of the Companies Act, 2013, the remuneration payable to Dr. Rahul Mirchandani, in any financial year shall not exceed 5%(Five percent) of the net profits of the Company.

   MINIMUM REMUNERATION

   Where in any financial year during the currency of the tenure of Dr. Rahul Mirchandani, the Company has no profits or its profits are inadequate, the remuneration payable to Dr. Rahul Mirchandani, will be as stated below except the Commission as follows :-

   SALARY, PERQUISITES AND ALLOWANCES

   Not Exceeding Rs. 13,50,000/- pm inclusive of all perquisites and allowances (as stated below) except those specifically excluded as per Schedule V of the Act.

   COMMISSION:

   As decided by the Board of Directors at the time of adoption of accounts, but not exceeding the ceiling in respect of overall remuneration as prescribed under Section 197 of the Companies Act, 2013.

   Other Terms and Conditions:

   PERQUISITES :

A. Rent Free furnished accommodation or House Rent Allowance not exceeding Rs. 1,08,000/- per month along with benefits of gas, fuel, water, electricity and telephone/fax as also upkeep and maintenance of the residential accommodation the value of such accommodation and its upkeep and maintenance being evaluated in accordance with the provisions of the Income Tax Rules. Personal long distance calls will be billed to Dr. Rahul Mirchandani.

B. Conveyance : Company car with chauffeur or alternatively Company to maintain Dr. Rahul Mirchandani's personal car and provide him with a chauffeur; monetary value for private use to be evaluated in accordance with the Income Tax Rules.

C. Medical Benefits : Reimbursement of medical expenses for himself and his family actually incurred during the continuance of his employment as per Rules of the Company upto a limit of one months salary in a year or three months salary over a period of three years.

D. Communication Allowance/Expenses: Dr. Rahul Mirchandani will be entitled for communication allowance/reimbursement as per rules of the Company.

E. Leave : 30 working days leave (traveling time included) once in every year of service, with encashment of unavailed leave at the end of the tenure.

F. Leave Travel Assistance : Leave travel concession for self and family, once every year or as per Rules of the Company upto a limit of one months salary in a year.

G. Other Perquisites e.g. Personal Accident Insurance for himself and for his family and Club Fees(Subject to a maximum of two clubs. No admission or life membership fee will be paid) and any others, upto a maximum of Rs. 60,750/- p.m.

H. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; gratuity payable at a rate not exceeding half a month salary for each completed year of service and encashment of unavailed leave at the end of tenure shall not be included in the computation of the ceiling on remuneration in terms of Schedule V of the Companies Act, 2013.

SITTING FEES

Dr. Rahul Mirchandani will not be entitled to Sitting Fees for meetings of the Board / Committee of the Board attended by him**."**

COMPENSATION

If any time the office of the Managing Director is determined before the expiry of his terms of office, the Managing Director shall be entitled to compensation for loss of office in accordance with and subject to the restrictions laid down in Section 191 and 202 of the Companies Act 2013 and rules framed thereunder."

6. Ratification of the Remuneration of the Cost Auditor in terms of Section 148 of the Companies Act, 2013 read with Companies(Audit and Auditors) Rules, 2014

To consider and, if thought fit, to pass with or without modification/s, the following Resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 2,40,000/-(Rupees Two Forty Thousands Only) plus Service Tax and reimbursement of Out of Pocket Expenses at actual as approved by the Board of Directors of the Company payable to M/s. R. Nanabhoy & Co., Cost Accountants, having firm's registration No. 000010for conducting the Cost Audit of the records maintained by the Company for the financial year ending 31st March, 2018, be and is hereby ratified."

By Order of the Board

Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Place: Mumbai
Date: 9th August, 2017

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNAUL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING. BLANK PROXY FORM IS ENCLOSED.

   Pursuant to the provision of Section 105 of the Companies Act, 2013 a person can act as a 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 a proxy for any other person or shareholder.

3. Corporate Members intending to send their Authorised Representatives to attend the Meeting are requested to send to the Company a Certified Copy of the Board Resolution authorizing their Representative to attend and Vote on their behalf at the Meeting before three days of the date of the meeting.

4. Members/ Proxies should bring the attendance slip duly filled in for attending the meeting. The Identity/Signature of the Members holding shares in Electronic/Demat form is liable for verification with Specimen Signatures as may be furnished by NSDL/CDSL to the Company. Such Members are advised to bring the relevant Identity Card issued by the Depository Participant to the Annual General Meeting.

5. The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business is annexed hereto. .

6. All the documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company between 10.00 a.m. and 12.00 noon on all days, except Saturdays, Sundays and holidays until the date of the Annual General Meeting or any adjournment thereof.

7. Members desirous of getting any information about the accounts and operations of the Company are requested to write their queries to the Company at least seven days in advance of the meeting so that the information required can be made readily available at the meeting.

8. Individual shareholders can now take the facility of nomination. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of shares shall vest in the event of the death of the shareholder(s). A minor can be a nominee provided the name of the guardian is given in the Nomination Form. Members who are interested in availing the nomination facility are requested to write to the Company.

9. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, 16th September, 2017 to Thursday, 28th September, 2017 (both days inclusive) for determining the names of members eligible for Dividend on Equity Shares, if declared at the Meeting as recommended by the Board of Directors. On such declaration of Dividend

at the forthcoming Annual General Meeting, such Dividend will be paid on 24th October, 2017 to those members whose names appear on the Register of Members on 15th September, 2017 after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 8th September, 2017. In respect of shares held through the depositories, Dividend will be paid on the aforesaid date to the beneficial owners of shares whose names appear at the close of business hours on 15th September, 2017 as per details furnished by the depositories for this purpose.

10. Members are requested to avail the facility of remittance of Dividend through the National Electronic Clearing Systems (NECS). The NECS facility is available at locations identified by the Reserve Bank of India from time to time. Members holding shares in physical form and desirous of availing this facility are requested to immediately write to the Company's Registrars and Transfer Agents with changes in their bank account/account numbers, if any, along with a photocopy of a blank cheque pertaining to the concerned account.

11. Beneficial Owners holding shares in Electronic/ Demat form are requested to notify any change in their Addresses, Bank Account, Mandate, etc. to their respective Depository Participant. ECS Mandates has to be sent to the concerned Depository Participant directly.

12. Members holding shares in physical form are requested to notify any change in their Address, Bank Accounts etc. to the Registrar and Transfer Agent of the Company M/s Aarthi Consultants Private Limited.

13. The Securities and Exchange Board of India (SEBI) has made it mandatory to print the Bank Details of the Investors on the physical payment instruments, if any payment is made to Investors by physical payment instrument. Members holding shares in physical form are requested to immediately submit their Bank Details to the Company/Registrars and Transfer Agents, M/s Aarthi Consultants Private Limited.

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number(PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrars and Transfer Agents, M/s Aarthi Consultants Private Limited.

15. **Members are requested to bring their copy of the Annual Report to the Annual General Meeting.**

16. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

17. Non-Resident Indian Members are requested to inform Registrars and Transfer Agents M/S Aarthi Consultants Private Limited, immediately of:-

    a) Change in their residential status on return to India for permanent settlement.

    b) Particulars of their Bank Account maintained in India with complete Name, Branch, Account Type, Account Number and address of the Bank with Pin Code Number, if not furnished earlier.

18. The Company has submitted with the MCA the List of Un-Paid Dividends as on the date of the last AGM i.e. and the same is also displayed in the Investor Relations Section on our website at www.ariesagro.com.

19. In compliance with Section 124 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, unclaimed Dividend for the year ended 31st March, 2009 has been transferred to the 'Investor Education and Protection Fund' (IEPF) established by the Central Government. Unclaimed Dividends for all the subsequent years will be transferred to the IEPF according to the statutory stipulations. Members are requested to contact the Company's Registrar & Share Transfer Agents, in respect of their outstanding dividends for the succeeding years.

20. As per, Section 124(6) of the Companies Act, 2013 all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF, shall also be transferred to IEPF. Ministry of Corporate Affairs has recently notified Investor Education and Protection Fund Authority (Accounting, Audit,Transfer and Refund) Amendment Rules, 2017 which have come into force from February 28, 2017. The said Rules, amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, in the name of IEPF Suspense Account.

    All the Share Holders are requested to claim the Unpaid/ Unclaimed Dividends due to them by making an application to M/S. Aarthi Consultants Pvt.Ltd., Registrar and Transfer Agents of the Company or directly to the Company on or before 22nd October, 2017. In case the Share Holders fail to claim the above dividend, all the concerned shares (whether held in physical or electronic form) will be transferred by the Company to IEPF Suspense Account. Kindly note that dividend for Financial Year 2009-10 Interim has already been transferred to IEPF.

    However, the Share Holders can claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Suspense Account by making an application in Form IEPF-5 online and sending the physical copy of the same duly signed (as per registered specimen signature) along with requisite documents enumerated in the said Form IEPF-5 to the Company at its Registered Office or to M/S. Aarthi Consultants Pvt. Ltd., Registrar and Transfer Agents of the Company for verification of their claim. We shall send a verification report to IEPF Authority for refund of the unclaimed dividend amount and transfer of the shares back to the credit of the shareholder. As per the above mentioned rules, only one such request can be made in one year.

21. The Annual Report duly circulated to the Members of the Company, is available on the Company's Website at www.ariesagro.com and on the website of M/S. A**arthi Consultants Private Limited** at www.aarthiconsultants.com.

22. Shareholders can register their complaints, if any, on an exclusive e-mail id investorrelations@ariesagro.com which has been designated for the said purpose.

23. In accordance with the Section 101 of the Companies Act, 2013 read with the Rules, the Annual Reports are sent by electronic mode to those members whose shareholding is in dematerialised format and whose email ids are registered with the Depository for communication purposes. The members holding shares in physical form and who have not registered

their email ID are requested to register their email ID addresses with M/S Aarathi Consultants Private Limitedthe Company's Registrars and Transfer Agents.

24. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with M/S Aarathi Consultants Private Limited / Depositories.

25. The Company's Equity Shares are listed at (i) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001; and (ii) National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, Bandra (East), Mumbai- 400051 and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the year 2017-18.

26. Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting are given below:

Particulars required	**Information**
Name of the Director	Dr. Jimmy Mirchandani*
Date of Birth	10th January, 1956
Date of Appointment	15th January, 1976
Expertise in specific functional areas	Director
Qualifications	B.Sc. (Veterinary), LL B.
Chairman/Member of the Committees of the Board of Directors of the Company.	Member of Stake Holders Relationship Committee Treasury Committee, CSR Committee. *Ceased to be a Member of the Treasury Committee w.e.f. 03.04.2017.*
Directorship in other Companies	Sreeni Agro Chemicals Ltd. Aries East-West Nutrients Pvt. Ltd. Blossoms International Ltd. Aries Agro Care Pvt. Ltd. Aries Agro Equipments Pvt. Ltd. Aries Agro Produce Private Limited** Golden Harvest Middle East FZC Amarak Chemicals FZC
Membership of Audit Committee of other public limited companies	NIL
Membership of any other committee of other public limited companies.	NIL

*Resigned as MD w.e.f. 03.04.2017. Continues to be a Director

** Resigned from the Directorship w.e.f. 25th May, 2017

Particulars required	**Information**
Name of the Director	Dr. Rahul Mirchandani*
Date of Birth	12th August, 1975
Date of Appointment	2nd February, 1994
Expertise in specific functional areas	As Executive Director, he was overseing various functions of the Company namely Marketing, Brand Promotion and New Product Development etc. As Managing Director, he oversees all the functions and day to day affairs of the Company and particular Marketing, Finance and Administration.
Qualifications	B.Com, CFA , MBA, Ph. D(Management Studies) from NMIMS.
Chairman/Member of the Committees of the Board of Directors of the Company.	Member of the Audit Committee, Stake Holders Relationship Committee, Treasury Committee & CSR Committee. *Ceased to be a Member of the Audit Committee w.e.f. 03.04.2017.*
Directorship in other Companies	Sreeni Agro Chemicals Ltd. Aries East-West Nutrients Pvt. Ltd. Blossoms International Ltd. Aries Marketing Ltd. Aries Agro Care Pvt. Ltd. Aries Agro Equipments Pvt. Ltd. Aries Agro Produce Private Limited** Golden Harvest Middle East FZC
Membership of Audit Committee of other Public Limited Companies	NIL
Membership of any other Committee of other Public Limited Companies.	NIL

*Appointed as the Chairman and Managing Director w.e.f. 04.04.2017

** Resigned from the Directorship w.e.f. 25th May, 2017

27. The Registrar and Share Transfer Agent of the Company (RTA).

AARTHI CONSULTANTS PRIVATE LIMITED
1-2-285, Domalguda, Hyderabad – 500 029, Telangana, India\
Tel : +91-40-27634445 / 27642217, Fax: +91-40-27632184
E-mail: aries@aarthiconsultants.com
Website: www.aarthiconsultants.com

28. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 47th Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-Voting Services provided by Central Depository Services Limited (CSDL).

The instructions for members for voting electronically are as under:-

(i) The voting period begins on Saturday, 23rd September, 2017 at 10.00 a.m. and ends on Wednesday, 27th September, 2017 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off date Friday, 15th September, 2017, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the Meeting date would not be entitled to vote at the Meeting Venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period

(iv) Click on "Shareholders" tab.

(v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number(Available in the Address label pasted in the cover and/or in the e-mail sent to the members) in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details Or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the Depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the Company <ARIES AGRO LIMITED> on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone user can download the app from App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non-Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to https://www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com. The Name, Designation, Address, email ID and Phone Numbers of the person responsible to address the grievances connected with facility for voting by electronic means is as follows:

Mr. Wenceslaus Furtado
Designation: Deputy Manager
Address: Phiroze Jeejeebhoy Towers, 16th Floor,
Dalal Street, Fort, Mumbai- 400001.
email id:helpdesk.evoting@cdslindia.com<mailto:helpdesk.evoting@cdslindia.com>
Phone number: 18002005533

(xxii) Pursuant to Section 107 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, voting through Polling Paper shall also be made available to those Members who will be attending the Annual General Meeting and have not cast their vote by e-voting.

(xxiii) Ms. Shailashri Bhaskar, Practicing Company Secretary (Membership No. FCS-5778 and CP No. 5092) or in her absence Mr. A. Sekar, Practicing Company Secretary (Membership No. ACS-8649 and CP No. 2450), has been appointed as the Scrutinizer to scrutinize e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) and the Polling at the AGM, in a fair and transparent manner.

The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

By Order of the Board

Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Place: Mumbai
Date: 9th August, 2017

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4

This Explanatory Statement is provided though strictly not required as per Section 102 of the Act.

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai, the Statutory Auditors of the Company, hold Office till the conclusion of the ensuing Annual General Meeting.

The Board of Directors has, based on the recommendation of the Audit Committee, at its Meeting held on 9th August, 2017 proposed the appointment of M/S Sandeep Sheth & Associates , Chartered Accountants, Mumbai,(Membership No. 101903 and having Peer Review Certificate issued by the Institute of Chartered Accountants of India) as the Statutory Auditors of the Company for a period of 5(Five) consecutive years, to hold office from conclusion of the 47th Annual General Meeting of the Company scheduled to be held in the year 2017 till the conclusion of the 52nd Annual General Meeting to be held in the year 2022, (subject to ratification by Share Holders at every Annual General Meeting, if so required under the Act).

As per the requirement of the Act, M/S Sandeep Sheth & Associates, Chartered Accountants, have consented and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and it is not disqualified to be appointed as Auditor in terms of the provisions of Section 139 and 141 of the Act and the Companies (Audit and Auditors) Rules, 2014.

Accordingly, approval of the Members is being sought for proposal contained in the Resolution set out at item No. 4 of the Notice.

The Board commends the resolution at Item No. 4 for approval by the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

Item No. 5

The Board of Directors of the Company at its Meeting held on 3rd April, 2017 elevated Dr. Rahul Mirchandani as the Managing Director of the Company w.e.f. 4th April, 2017 for remaining period of his current term i.e. upto 30th September, 2018 at the same remuneration and terms and conditions as per his appointment as the Executive Director in place of the vacancy caused due to resignation of Dr. Jimmy Mirchandani from the Chairman and Managing Directorship of the Company w.e.f. 3rd April, 2017 owing to Dr. Jimmy decided to settle abroad.

In partial modification of the resolution passed in the Board Meeting held on 3rd April, 2017, the Board in their Meeting held on 27th April, 2017 with the agenda duly circulated in advance and by passing a resolution unanimously, appointed Dr. Rahul Mirchandani as Managing Director for a period of 5(Five) Years and revised the remuneration for a period of 3(three) Years with effect from 4th April, 2017, subject to the approval of the Company in General Meeting in accordance with Schedule V of the Act. The Nomination and Remuneration Committee at their meeting held on 3rd April, 2017 and 27th April, 2017 have, after considering the various factors namely prevailing pay packets, responsibilities being shouldered by Working Directors, their contribution for the growth of the Company etc., have sanctioned and fixed the remuneration as stated in the resolution under Item No. 5. There is no proposal for appointment of Executive Director as Dr. Rahul Mirchandani will continue to shoulder the said responsibilities in addition to his duties as Managing Director.

Information pursuant to the provisions of Schedule V of the Companies Act, 2013 and forming part of the explanatory statement to the Notice convening the Annual General Meeting.

I. GENERAL INFORMATION

(1) Nature of Industry:

The Company can be broadly classified as a focused Specialty Plant Nutrition Company engaged in manufacturing Micronutrients for agriculture produce. The Company also deals in Veterinary products on a small scale. The Company is also dealing and manufacturing Soluble Fertilisers and Sulphur based fertilizers.

Outstanding Achievements:

1. The National Record awarded by Limca Book of Records for the Largest Flash Sale of Specialty Plant Nutrient Products conducted during April 2016 at Bombay Stock Exchange, International Convention Center, Mumbai.
2. The highest independent honour in India namely the Skoch Gold Award 2017 for our consistent work serving Indian farmers.
3. Recognition with Skoch Order of Merit - 2017 for being amongst the top 100 SME's in India
4. Listed amongst the Top 500 Indian Manufacturing Companies for four consecutive years – 2011, 2012, 2013 & 2014 by Inc.500, which is an offshoot of the annual Inc.500 Awards: "Est. in 1982 in America.
5. Winner of Innovative 100 – Certificate of excellence in recognition of smart innovation by 9.9 Media & Inc. India for two consecutive years 2013 & 2014.
6. Winner-CNBC Emerging India Award 2008 – Best SME in the FMCG, Food & Agribusiness category
7. Winner – Trailblazers Brand Innovator Award 2010 – Agricultural Inputs category
8. Company selected to showcase product Innovations to US President Barack Obama at the US-India Agri Expo 2010
9. The Wall Street Journal : Recognized innovative product distribution and knowledge dissemination through 100 Aries Rural Retail vehicles
10. First and only company to launch Khazaana : India's only customer Loyalty Programme in Agribusiness
11. First company to successfully connect over 10,000 young farmers in CII's Young Indians National Farmer Network with the objective of knowledge sharing
12. Selected by the International Labor Organization, Switzerland to exemplify ideal Labor Relations in the Small Scale Sector in India.
13. First specialty agricultural inputs company to list on both the BSE and the NSE.
14. Recipient of the National Unity Award.
15. Recipient of the Outstanding Leadership Award by the American Biographical Institute.

Dr. Rahul Mirchandani was awarded the "Inc India Certificate of Excellence" for being ranked amongst 30 most Innovative Indian CEOs for the year 2014.

(2) Date or expected date of commencement of commercial production:

The Company was incorporated in the year 1969 and since then has been into production.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus –

Not Applicable.

(4) (a) Financial performance based on given indicators (Based on Audited published financial statement for the year 31/03/2016 & 31.03.2017).

		As on 31.03.2016	As on 31.03.2017
1	Sales to Profit before Interest, Depreciation & Tax	15.45%	18.02%
2	Sales to Profit before Depreciation & Tax	5.71%	8.79%
3	Current Ratio	1.55	1.57
4	Debt Equity Ratio	0.90	0.83
5	Earning Per Share	Rs. 4.92 per share	Rs. 9.11 per share

(4) (b) Export Performance and net foreign exchange collaborations

		As on 31/03/2016 (Rs. In Lakhs)	As on 31/03/2017 (Rs. In Lakhs)	Remarks
1.	Export Earnings	122.12	131.13	--
2.	Net Foreign Exchange Collaborations	NIL	NIL	No Foreign Exchange Collaborations

(5) Foreign Investments or Collaborators, if any.

There is no investment by Foreign Collaborators but the Non Resident Indians are holding 1,38,483 Equity Shares of Rs.10/- each fully paid up. The Company's overseas investment in aggregate is Rs. 2,024.89 Lakhs in its Subsidiary abroad.

II. INFORMATION ABOUT THE APPOINTEES

B. DR. RAHUL MIRCHANDANI

1) Background details:

Dr. Rahul Mirchandani has been in continuous employment of the Company since 2nd February, 1994. He was re-appointed as Executive Director of the Company for a period of 3 years from 01/10/2015 to 30/09/2018 by the members of the Company at their 45th AGM held on 30th September, 2015. Further details of Dr. Rahul Mirchandani have been given in the Annexure to this Notice.

2) Past remuneration:

As per the approval granted by the members of the Company at their 45th AGM held on 30th September, 2015, Dr. Rahul Mirchandani was entitled to overall remuneration of not exceeding 5% of the Net Profits of the Company in any financial year. Within the said overall remuneration Dr. Rahul Mirchandani was entitled to a remuneration of Rs. 5,00,000/- p.m. including perquisites as per schedule V of the Companies Act, 2013. Dr. Rahul Mirchandani was also entitled for Commission within the overall remuneration as prescribed under Section 196, and 197 read with Schedule V of the Companies Act, 2013.

3) Recognition and Awards:

Dr. Rahul Mirchandani has a rich and extensive experience of management and his vision and commitment has enabled the Company steer through the most difficult times the Company has faced.

4) Job Profile ad his suitability:

As Managing Director, he oversees all the functions and day to day affairs of the Company and particular Marketing, Finance and Administration. As Executive Director, he was overseing various functions of the Company namely Marketing, Human Resources, Strategy and Quality Control etc. He has a rich and varied background and imparts solutions to problems, foresight and vision in Marketing and Execution. This insight experience has largely contributed to the Company's progress in present competitive environment.

5) Remuneration proposed :

As stated in the Resolution under item No. 5

OVERALL REMUNERATION

Subject to the provisions of Section 196, 197, Schedule V and other provisions of the Companies Act, 2013, the remuneration payable to Dr. Rahul Mirchandani, in any financial year shall not exceed 5%(Five percent) of the net profits of the Company.

MINIMUM REMUNERATION

Where in any financial year during the currency of the tenure of Dr. Rahul Mirchandani, the Company has no profits or its profits are inadequate, the remuneration payable to Dr. Rahul Mirchandani, will be as stated below except the Commission as follows :-

SALARY, PERQUISITES AND ALLOWANCES

Not Exceeding Rs. 13,50,000/- p.m. inclusive of all perquisites and allowances (as stated below) except those specifically excluded as per Schedule V of the Act.

COMMISSION:

As decided by the Board of Directors at the time of adoption of accounts, but not exceeding the ceiling in respect of overall remuneration as prescribed under Section 197 of the Companies Act, 2013.

Other Terms and Conditions:

PERQUISITES :

A. Rent Free furnished accommodation or House Rent Allowance not exceeding Rs. 1,08,000/- per month along with benefits of gas, fuel, water, electricity and telephone/fax as also upkeep and maintenance of the residential accommodation the value of such accommodation and its upkeep and maintenance being evaluated in accordance with the provisions of the Income Tax Rules. Personal long distance calls will be billed to Dr. Rahul Mirchandani.

B. Conveyance : Company car with chauffeur or alternatively Company to maintain Dr. Rahul Mirchandani's personal car and provide him with a chauffeur; monetary value for private use to be evaluated in accordance with the Income Tax Rules.

C. Medical Benefits : Reimbursement of medical expenses for himself and his family actually incurred during the continuance of his employment as per Rules of the Company upto a limit of one months salary in a year or three months salary over a period of three years.

D. Communication Allowance/Expenses: Dr. Rahul Mirchandani will be entitled for communication allowance/reimbursement as per rules of the Company.

E. Leave : 30 working days leave (traveling time included) once in every year of service, with encashment of unavailed leave at the end of the tenure.

F. Leave Travel Assistance : Leave travel concession for self and family, once every year or as per Rules of the Company upto a limit of one months salary in a year.

G. Other Perquisites e.g. Personal Accident Insurance for himself and for his family and Club Fees(Subject to a maximum of two clubs. No admission or life membership fee will be paid) and any others, upto a maximum of Rs. 60,750/- p.m.

H. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; gratuity payable at a rate not exceeding half a month salary for each completed year of service and encashment of unavailed leave at the end of tenure shall not be included in the computation of the ceiling on remuneration in terms of Schedule V of the Companies Act, 2013.

SITTING FEES

Dr. Rahul Mirchandani will not be entitled to Sitting Fees for meetings of the Board / Committee of the Board attended by him**."**

COMPENSATION

If any time the office of the Managing Director is determined before the expiry of his terms of office, the Managing Director shall be entitled to compensation for loss of office in accordance with and subject to the restrictions laid down in Section 191 and 202 of the Companies Act 2013 and rules framed thereunder."

6) **Comparative Remuneration profile :** In this Industry there are Large Corporate House, where the remuneration is substantially higher in line with their turnover and profits. The Company could be classified as a Medium Sized Fetilizer Company and considering its size in terms of turnover and profits, the proposed remuneration could be considered to be reasonable. The proposed remuneration is in line with Schedule V of the Companies Act, 2013, which is in comparision with prevailing remuneration payable to the managerial person in Industry.

7) **Pecuniary relationship with Company or managerial personnel.** : Dr. Rahul Mirchandani is the promoter of the Company and is the son of founder promoter Late Dr. T.B. Mirchandani and Mrs. Bala Mirchandani. He is brother of Dr. Jimmy Mirchandani, Director and is the husband of Director Mrs. Nitya Mirchandani.

III OTHER INFORMATION

(1) Reasons of loss or inadequate profits:

The Company has been earning adequate profit since last few years. It has undertaken major expansion and diversification programme in line with the objects enlisted at the time of IPO. This entail interest cost and provision for higher depreciation on the assets. The profitability of the Company has been stable year by year but may be inadequate for making payment of the remuneration (which is in consonance with the corporate practice) to all the working Directors as the total Managerial

Remuneration should not exceed 10% of the Net Profit as computed under the Companies Act, 2013. The profits may be inadequate due to the seasonal nature of business and the dependence of Indian Agriculture on rains. This additional information is being given as an abundant caution to meet contingency of having inadequate profit in any Financial Year during the tenure of working Directors.

The policy of the Company to maintain the space with the innovative technology and this has resulted an increasing trend in the profitability in the long run.

(2) Steps taken or proposed to be taken for improvement:

The Company runs successfully several process controlled manufacturing facilities at Chhatral, Hyderabad and Mumbai. This keeps the batch costs and consumption in control and restricts sudden changes in manufacturing costs. The Company also has begun a stringent cost budgeting exercise wherein every Department, Regional and State Heads have been assigned cost budget in addition to sales and collection targets. The Company has also discontinued low profit product lines to keep profits at desired levels.

(3) Expected increase in productivity and profits in measurable terms

Based on the strategy, the Company expects to achieve improvement in the level of Turnover by 10% as reported in the Financial Year 2016-17. The increase in Turnover will result in the better utilization of Plant's capacity leading to improved profitability. The Company is also in the process of implementing cost reduction drives. This will enable the Company to achieve better performance in the years ahead.

IV DISCLOSURES

1) The shareholders of the Company shall be informed of the remuneration package of the managerial persons.

The details of remuneration have been provided elsewhere in this statement.

2) The following disclosures shall be mentioned in the Board of Director's Report under the heading "Corporate Governance", if any, attached to the Annual Report.

The Company undertakes to disclose the following details in the relevant Report of the Board of Directors of the Company.

(i) All elements of remuneration package of all the Directors

(ii) Details of fixed component and performance linked incentives along with the performance criteria.

(iii) Service contracts, notice period, etc.

(iv) Stock option details, if any

The copy of the Agreement containing terms and conditions inclusive of the remuneration of Dr. Rahul Mirchandani are available at the Registered Office of the Company for the inspection of the members.

None of the Directors, Key Managerial Personnel and their relatives except Dr. Jimmy Mirchandani, Director, Dr. Rahul Mirchandani, Chairman and Managing Director and Mrs. Nitya Mirchandani, Director are concerned or interested in the said resolution.

The above may be treated as an abstract of the terms of contract under Section 190(1) of the Companies Act, 2013.

The Board of Directors of your Company recommends the resolution as a **Special Resolution** for approval under Item No. 5.

Item No. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the Cost Records of the Company for the financial year ending March 31, 2018 for a remuneration of Rs. 2,40,000/-(Rupees Two Lakh Forty Thousands Only) p.a. plus Service Tax and reimbursement of Out of Pocket Expenses at actual.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2018.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the **Ordinary Resolution** set out at Item No. 6 of the Notice for approval by the shareholders.

By Order of the Board

Qaiser P. Ansari
Place: Mumbai **Company Secretary**
Date: 9th August, 2017 **Membership No. ACS-8979**

BOARD'S REPORT

To

The Members,

Aries Agro Limited

Your Directors have pleasure in presenting their 47th Annual Report on the operations of the Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2017.

FINANCIAL PERFORMANCE

Pursuant to the notification dated 16th February, 2015 issued by the Ministry of Corporate Affairs, the Company has voluntarily adopted the Indian Accounting Standards(Ind AS) notified under the Companies(Indian Accounting Standards) Rules, 2015 with effect from 1st April, 2016. Financial Statements for the year ended and as at 31st March, 2016 have been restated to conform to Ind AS. Note No. 2 to the Financial Statement provides further explanation on the transition to Ind AS.

(Rupees in Lakhs unless stated otherwise)

Particulars	**Standalone**				**Consolidated**			
	Year Ended 31st March, 2017		Year Ended 31st March, 2016		**Year Ended 31st March, 2017**		Year Ended 31st March, 2016	
Total Revenue (including Other Income)		**23,117.35**		21,426.05		**26,842.24**		26,939.44
Profit Before Tax, Interest & Depreciation		**4,139.06**		3,287.68		**4,200.91**		4,743.11
Less :- Finance Costs	**2,119.40**		2,071.65		**2,337.06**		2,467.57	
Depreciation & Amortisation Expense	**185.29**		175.63		**668.93**		1,058.04	
		2,304.70		2,247.29		**3,005.98**		3,525.61
Profit Before Tax		**1,834.36**		1,040.39		**1,194.92**		1,217.50
Less :- Current Tax	**651.00**		365.00		**651.00**		365.00	
Adjustment of Tax relating to earlier periods	**5.29**		21.61		**5.29**		21.61	
Deferred Tax	**(6.27)**		14.11		**(6.27)**		14.11	
		650.01		400.71		**650.01**		400.71
Profit for the year		**1,184.35**		639.68		**544.91**		816.79
Less :- Non-Controlling Interest		**-**		-		**(161.18)**		93.71
Profit for the year attributable to Owners of the Parent		**1,184.35**		639.68		**706.09**		723.07
Balance brought forward		**5,366.71**		5,090.37		**8,985.67**		8,508.04
Amount available for Appropriation		**6,551.06**		5,730.05		**9,691.75**		9,231.11
Less :- Transferred to General Reserve	**-**		50.00		**-**		50.00	
Transferred to Legal Reserve	**-**		-		**13.68**		35.61	
Transferred to Foreign Currency Translation Reserve	**-**		-		**246.93**		(153.50)	
Dividend paid	**195.07**		260.09		**195.07**		260.09	
Tax on Dividend Proposed	**39.71**		53.25		**39.71**		53.25	
Ind AS Impact	**(38.62)**		-		**(38.62)**		-	
		196.15		363.34		**456.76**		245.45
Surplus carried forward to Balance Sheet		**6,354.90**		5,366.71		**9,234.99**		8,985.67

OPERATIONS STANDALONE

During the year under review, the Earnings Before Interest, Depreciation and Tax was 18.02 % of Net Sales compared to 15.45 % of Net Sales in the previous year. The Total Revenue (excluding Other Income) for the year net of discount / rebates was Rs. 22,964.73 Lakhs as against Rs. 21,283.46 Lakhs in the previous year. Profit after tax for the year was 5.16 % of Net Sales compared to 3.01 % of Net Sales in the previous year.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Indian Accounting Standard (Ind-AS) 110 on Consolidated Financial Statements, the Audited Consolidated Financial Statement is provided in the Annual Report.

The Consolidated Profit Before Interest, Depreciation, Exceptional Items and Taxes (EBITDA) of the Group was Rs. 4,200.91 Lakhs in the Financial Year 2016-17 compared to Rs. 4,743.11 Lakhs in the previous year. Consequently, the Consolidated Profit Before Exceptional Items and Taxes (PBT) was Rs. 1,194.92 Lakhs in the Financial Year 2016-17 compared to Rs. 1,217.50 Lakhs in the previous year.

FINANCIAL REVIEW

The profitability from operations in India improved due to cost management and improved operational efficiency. However, during the second half of the year additional discounts were passed on to improve cash flow post demonetization. It was felt prudent to do so since there was limited cash flow available in the market and collecting funds at this time was difficult without such additional cost. Demand in the southern markets especially Tamil Nadu was lower than expected.

With the collective support of staff and Aries customers the Company was able to improve its revenue from Indian operations by 18.15 percentage with an increase in profitability with 85.15% in comparison with the previous year.

The global operations were closed and reinstallation with fresh identical machinery in India. Therefore, revenue from overseas were lower and a one time loss on sale of machinery impacted profitability of the consolidated operations.

DIVIDEND

After considering earnings, requirement for funds and with the objective of rewarding the Shareholders, the Directors have recommended a Dividend of 20% being Rs. 2.00 per Equity Share of Rs. 10/- each which is 21.96% of Net Profit for the year ended 31st March, 2017 (previous year 15% being Rs. 1.50 per Equity Share of Rs. 10/- each which is 30.52% of Net Profit) subject to your approval at the ensuing Annual General Meeting. The Dividend, if approved, will result in an outflow of Rs. 313.03 Lakhs including Dividend Distribution Tax.

TRANSFER TO RESERVES

Your Directors do not propose to transfer any amount to the General Reserve out of the current year's profit and the balance aggregating to Rs. 6,354.90 Lakhs is proposed to be retained in the Profit and Loss Account.

FUTURE PROSPECTS:

The Company has annual booking bazaars held at notable locations during 2017 April. This led to an order book of Rs.305.88 Crores and we expect conversion of 75%. In addition there will be regular orders which come in from time to time from customers who have not participated in the pre-season booking process. During the current year 1250 dealers/distributors participated in the booking bazaar and flash sale as against 900 last year.

The Company is introducing 7 new products in the plant nutrition sector and these will be launched in August and October, 2017 which will support growth in the top line and bottom line.

The Company also has identified three areas of future focus namely

i) Increase penetration in Acquaculture especially in states like Andhra Pradesh, West Bengal and Chhattisgarh .

ii) Increase exports in Asian region.

iii) Launch of granular soil application products.

The above plans combined with good monsoon and El nino conditions only projected post September, the revenue growth in the current Financial Year is expected to be satisfactory.

With regard to taxation, on the basis of information available till date, GST appears beneficial for our industry as effective tax rate is either constant or lower than in the previous tax regime. Moreover, input tax credit will assist passing on corresponding benefit to the customers thereby possible gain as a boost to demand.

CREDIT RATING

The Company's financial discipline is reflected in the credit ratings ascribed by rating Agency as given below:

CARE RATINGS: Long Term CARE **BBB+(Triple B Plus) (Reaffirmed)** and Short Term CARE **A2(Reaffirmed)**. There was no change in the Credit Rating of the Company during the year.

CHANGES IN NATURE OF BUSINESS AND REVISION IN THE BOARD'S REPORT

There is no change in the nature of business of the Company during the year. There is no revision made in the Board's Report and whatever submitted herewith is the final Report.

SAFETY AND HEALTH

The health and safety of the employees across its operations remains the highest priority for the Group. All endeavours are being taken to enhance safety standards and processes towards minimising safety risks in all operations in the Company.

USE OF IPO PROCEEDS

Your Company made its . IPO in January 2008 for the purposes as stated in the Prospectus dated 26th December, 2007. The IPO proceeds have been utilized in accordance with the schedule of the Prospectus and variation approved by the shareholders at their Annual General Meeting held on 29th September, 2009 by passing a Special Resolution. However, the renovation/extension of existing Office Building at Mumbai is under progress and once it is completed the Company will approach the shareholders for requisite approval as regards to utilization of IPO proceed.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the Public within the meaning of Section 73 of the Companies Act, 2013 and Members (other than Directors) during the year under review and as such, no amount on account of Principal or Interest on Deposits from Public and Members (other than Directors) was outstanding as on 31st March, 2017.

SUBSIDIARIES & ASSOCIATE COMPANIES

Your Company has five Subsidiaries out of which three non-material Indian Subsidiaries viz Aries Agro Care Private Limited, Aries Agro Equipments Private Limited, Aries Agro Produce Private Limited and two foreign subsidiaries namely Golden Harvest Middle East FZC and a Step Down Subsidiary viz Amarak Chemicals FZC at UAE.

The operations of Aries Agro Care Pvt. Ltd. commenced in the Financial Year 2008-09 but discontinued the activity in the financial year 2012-13 and had no business activity in the financial year 2016-17 . The Company incurred expenses to the tune of Rs. 0.33 Lakhs.

The business operations of Aries Agro Equipments Pvt. Ltd. commenced in the year 2009-10 in agricultural sprayers but discontinued the activity in the financial year 2013-14. During the Financial Year 2016-17 the Company did not have any Income and incurred expenses of Rs. 0.30 Lakhs.

The above two Companies are Wholly Owned Subsidiaries of the Company.

There was no business activity in other Subsidiary namely Aries Agro Produce Pvt. Ltd. During the Financial Year 2016-17 the Company has incurred expenses of Rs. 0.27 Lakhs.

Since the Company has divested 6,000 Equity Shares of Rs. 10/- each from its total holding of 7,500 Equity Shares of Rs. 10/- each on 03.04.2017, thereby reducing its holding to 15%, Aries Agro Produce Pvt. Ltd. Ceased to be either a Subsidiary or and Associate w.e.f. 04.04.2017.

As regards the overseas subsidiary M/S. Golden Harvest Middle East FZC with an installed capacity of 10,800 MT p.a., in their Eighth Year of operation, has generated a total sale of AED **10.14** Lakhs(INR 181.03 Lakhs) with a Loss of AED 45.82 Lakhs(INR 817.81 Lakhs) for the year 2016-17.

M/s. Amarak Chemicals FZC, which is a Step Down Subsidiary of Aries Agro Limited with an installed capacity of 60,000 MT p.a., in their Fourth Full Year of operation, has generated a total sale of AED **201.64** Lakhs(INR 3,599.19 Lakhs) with a profit of AED 9.65 Lakhs(INR 172.24 Lakhs) for the year 2016-17.

Your Company has four Group Companies viz Aries East-West Nutrients Private Limited, Aries Marketing Limited, Blossoms International Limited and Sreeni Agro Chemicals Limited. There were no business activities in any of these Companies during the Financial Year 2016-17.

As required under Section 129(3) of The Companies Act, 2013, annexed hereto are the Audited Financial Statements for the Year ended 31st March, 2017 of Golden Harvest Middle East FZC., Amarak Chemicals FZC,.Aries Agro Care Private Limited, Aries Agro Equipments Private Limited and Aries Agro Produce Private Limited.

A Statement in Form AOC-1 of Subsidiary Companies as prescribed under Section 129(3) of The Companies Act, 2013 read with Rule 5 of Companies(Accounts) Rules, 2014, is annexed and is forming part of the Annual Report.

Apart from the above statement a list of Subsidiary & Group Companies is given in Note No. 38 of the Notes to Accounts is forming part of the Annual Report.

The Financial Statements of the Subsidiary Companies and related information shall be uploaded on the website of your Company which can be accessed using the link http://www.ariesagro.com and the same are available for inspection by the members at the Registered Office of your Company during business hours on all working days except Saturdays and Sundays upto the date of the Annual General Meeting, as required under Section 136 of the Act. Any Member desirous of obtaining a copy of the said Financial Statements may write to the Company Secretary at the Registered Office Address.

All the above Indian Subsidiary and Group Companies are un-listed and non-material Companies as defined under Listing Regulations.

INSURANCE

All properties and assets of your Company are adequately insured covering all conceivable risks.

DIRECTORS & KEY MANAGERIAL PERSONNEL

DIRECTORS

There is no change in the Composition of the Board of Directors during the year under review.

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013, Dr. Jimmy Mirchandani, Director retires by rotation and being eligible, offers himself for re-appointment. Accordingly, his re-appointment forms part of the Notice of ensuing Annual General Meeting.

All the Independent Directors have submitted declarations to the effect that each of them meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and Listing Regulations and there has been no change in the circumstances which may affect their status as Independent Director during the year.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship of transactions with the Company.

Familiarisation Programme for Independent Directors---- Though there is no formal Policy for familiarization but the Company in order to familiarize the Independent Directors with the business of the Company presentation was made by the Chief Financial Officer covering nature and scope of business, nature of industry in which Company operates, profitability and future plans. Regularly at meetings updates are given to the Board. Directors are also taken for the Factory visits and they also attended the Annual Sales Meet. House Journal as and when published is also sent to all the Directors and their feedback are considered.

KEY MANAGERIAL PERSONNEL

Dr. Jimmy Mirchandani resigned from the Chairman and Managing Directorship of the Company w.e.f. 3rd April, 2017. The Board placed on record its sincere and deep gratitude and appreciation for the services rendered during his term of nearly 41 years and making the Company to grow from strength to strength and reach at its present height.

Upon recommendation of the Nomination and Remuneration Committee and the Audit Committee, looking at the experience and exposure of Dr. Jimmy Mirchandani to the International Market and the interest of the Company, the Board of Directors in their Meeting held on 3rd April, 2017 decided to avail professional services of Dr. Jimmy Mirchandani as an Advisor for a period of 5 Years with effect from 4th April, 2017 in terms of Section 197(4) of the Companies Act, 2013, and the said services to be provided by Dr. Jimmy Mirchandani from out of India. The Services rendered by Dr. Jimmy Mirchandani are of a professional nature and that the Director is professionally qualified as a Veterinarian & Law Major backed by more than 41 years of experience in the relevant field.

Dr. Rahul Mirchandani was elevated as the Managing Director of the Company w.e.f. 4th April, 2017 for remaining period of his current term i.e. upto 30th September, 2018 at the same remuneration and terms and conditions as per his appointment as the Executive Director in the Meeting of the Board of Directors held on 3rd April, 2017. In partial modification of the resolution passed in the Board Meeting held on 3rd April, 2017, the Board in their Meeting held on 27th April, 2017 appointed Dr. Rahul Mirchandani as Managing Director for a period of 5(Five) Years and revised the remuneration for a period of 3(three) Years with effect from 4th April, 2017.

Accordingly, appointment of Dr. Rahul Mirchandani as Managing Director forms part of the Agenda and the proposed Resolution is set out at item No. 5 of the Notice.

There was no other change in the Key Managerial Personnel during the year under review. All the Key Managerial Personnel have submitted disclosures and declaration required under the Companies Act, 2013 and Listing Regulations.

MEETINGS OF BOARD

Four Meetings of the Board of Directors were held during the year. For further details, please refer Report on Corporate Governance of this Annual Report.

AUDIT COMMITTEE

The Audit Committee was re-constituted on 3rd April, 2017. It now comprises Shri. B. V. Dholakia(Independent Director) as Chairman, Prof. R. S. S. Mani (Independent Director) as Member and Mrs. Nitya Mirchandani as Members. Dr. Rahul Mirchandani ceased to be a Member of the Committee on 3rd April, 2017 on his elevation as the Managing Director.

All the recommendations made by the Audit Committee were accepted by the Board during the year under review.

CSR COMMITTEE

The CSR Committee comprises Dr. Rahu Mirchandani(Chairman- w.e.f. 03.04.2017), Dr. Jimmy Mirchandani and Shri. B. V. Dholakia as other Members. For further details, please refer Report on Corporate Governance of this Annual Report.

BOARD EVALUATION

The Board of Directors have carried out an Annual Evaluation of its own performance and individual Directors pursuant to provisions of the Act and Corporate Governance requirements as prescribed by Regulation 17(10) of the SEBI(LODR) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the Board Composition and Structure, Effectiveness of Board Process, Information and Functioning etc.

In a separate Meeting of the Independent Directors, performance of Non-Independent Directors, Performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Policy on Directors Appointment and Remuneration including criteria for determining qualifications, positive attributes, independence of Director and also Remuneration for Key Managerial Personnel and other Employees are contained in the Nomination and Remuneration Policy which is hosted at the web site of the Company www.ariesagro.com and the same is re-produced in the Report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENTS

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that:

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures;
2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the profit of the Company for that year;
3. they have taken proper and sufficient care for the 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;
4. they have prepared the Annual Accounts on a 'going concern' basis;
5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as under:

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;

Non-Executive Directors	Ratio to median Remunerations	Directors Remuneration / Sitting Fees Rs. Lakhs
Mrs . Nitya Mirchandani	0.44	1.20
Prof R. S. S. Mani	0.77	2.10
Mr. Chakradhar Bharat Chhaya	0.74	2.03
Mr. Bhumitra Vinodchandra Dholakia	0.88	2.40
Executive Directors		
Dr. Jimmy Mirchandani	36.76	100.60
Dr. Rahul Mirchandani	38.69	105.90

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;

Directors, Chief Financial Officer, Company Secretary	% Increase in Remuneration in the Financial Year
Dr. Jimmy Mirchandani	67.30
Dr. Rahul Mirchandani	65.42
Mr. S. Ramamurthy, Chief Financial Officer	20.31
Mr. Qaiser P. Ansari, Company Secretary	4.01

3. The percentage increase in the median remuneration of employees in the financial year; 0.37 %

4. The number of permanent employees on the rolls of Company; 822

5. Average percentile increase already made in the 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 average annual increase was around 12.68% after accounting for promotions and other event based compensation revision.

Though the Chairman & Managing Director and the Executive Director were re-appointed for a term of 3 years each, their Remuneration remained 5% of the Profit as calculate as per the Companies Act, 2013..

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

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

The Statement containing Particular of Employees as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, drawing remuneration in excess of the limits set out in the said Rules are provided in the Annual Report.

Information in accordance with the provisions of Section 197(12) of the Companies Act, 2013 ("Act") read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as under:

TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE YEAR 2016-17

Sr. No.	NAME	DESGINATION	REMUNERATION RECEIVED	NATURE OF EMPLOYMENT	OTHER TERMS & CONDI-TIONS	NATURE OF DUTY	QUALIFICATION & EXPERIENCE	DATE OF COMMENCEMENT	AGE	Last Employment held	% of Equity Shares held as on 31.03.2017	Whether relative of any Director or Manager and the name of such Director or Manager
1	DR. JIMMY MIRCHANDANI	CHAIRMAN & MANAGING DIRECTOR	10,060,000	CONTRACTUAL	N.A.	MANAGING THE AFFAIRS OF THE COMPANY	B V Sc. (Vet); LLB	15.01.1976	61	N.A.	27.11	Brother of Dr. Rahul Mirchandani & Brother-in-Law of Mrs. Nitya Mirchandani
2	DR. RAHUL MIRCHANDANI	EXECUTIVE DIRECTOR	10,589,920	CONTRA CTUAL	N.A.	MANAGING THE AFFAIRS OF THE COMPANY	B. Com; CFA; MBA; Ph.D	02.02.1994	40	N.A.	20.17	Brother of Dr. Jimmy Mirchandani & Husband of Mrs. Nitya Mirchandani
3	MR. P.K. JAISWAL	CHIEF MARKETING CONTROLLER	9,786,601	FULL TIME EMPLOYEE	N.A.	MANAGING THE MARKET ING ACTIVITIES FOR W.R., N.R. & C.R.	B.Sc.	26.01.1982	59	N.A.	0.01	N.A.
4	MR. S. RAMAMURTHY	CHIEF FINANCIAL OFFICER	4,229,808	FULL TIME EMPLOYEE	N.A.	FINANCIAL MANAGEMENT OF THE COMPANY	B. Com. C.A.	16.10.1995	63	M/s. Micro Plantae Ltd. , Desgn- VP (Finance & Accounts)	NIL	N.A.
5	MR. QAISER PARVEZ ANSARI	COMPANY SECRETARY & SENIOR VP (LEGAL)	2,462,302	FULL TIME EMPLOYEE	N.A.	COMPANY SECRE TARY	B. Com. LLB CS	02.06.2008	54	M/s. Sabero Organics Gujrat Ltd., Desgn- CS & Dy. Gen. Manager(Legal & Taxation)	0.00	N.A.
6	MR. B.R.PANDEY	VICE PRESIDENT (ADMN.)	2,124,961	FULL TIME EMPLOYEE	N.A.	HR & ADMIN	B.Sc. DPMIR	18.01.1982	55	M/s. R. B. Vaidya & Co. , Desgn- General Assistant	0.01	N.A.
7	MR. N.E.MOORTHY	VICE PRESIDENT (TREASURY)	2,049,498	FULL TIME EMPLOYEE	N.A.	FINANCE	B. Com. (CA Ent.)	22.09.1983	56	M/s. Kolatkar & Dandekar CA , Desgn- Articleship Trainee	0.002	N.A.
8	MR. JAYAPRADEEP SUBRAMA NIAN	BUSINESS HEAD (SOUTH CENTRAL REGION)	1,925,176	FULL TIME EMPLOYEE	N.A.	MARKET ING & EXTEN SION ACTIVITIES FOR Southern Region	M.Sc. MBA	15.11.2013	34	M/s. Tata Consultancy Services, Desgn- IT Analyst	0.00	N.A.

9	MR. BIPLOB CHATTERJEE	VICE PRESIDENT (PRODUC TION)	1,786,075	FULL TIME EMPLOYEE	N.A.	OVER ALL PRODUC TION	B.Sc.	08.12.2009	49	M/s. Jaysynth Dye Chem, Desgn-Production Officer	0.00	N.A.
10	MR. D. RAVINDRA NATH	ASST. VICE PRESIDENT (PRODUC TION)	1,559,820	FULL TIME EMPLOYEE	N.A.	PRODUC TION FOR PASHAMYLARAM UNIT	M.Sc.	25.10.1979	63	M/s. Beekay Pestisides Pvt. Ltd., Desgn-Supervisor Cum Chemist	0.15	N.A.

PARTICULARS OF EMPLOYEES IN TERMS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) AND 5(3) OF THE COMPANIES(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 DRAWING REMUNERATION NOT LESS THAN Rs. 1.02 Crores p.a./Rs. Eight Lakhs Fifty Thousand p.m. DURING THE YEAR 2016-17

SR. No.	NAME	DESGINATION	REMUNERATION RECEIVED	NATURE OF EMPLOYMENT	OTHER TERMS & CONDITIONS	NATURE OF DUTY	QUALIFICATION & EXPERIENCE	DATE OF COMMENCEMENT	AGE	Last Employment held	% of Equity Shares held as on 31.03.2017	Whether relative of any Director or Manager and the name of such Director or Manager
1	DR. RAHUL MIRCHANDANI	EXECU TIVE DIREC TOR	10,589,920	CONTRA CTUAL	N.A.	MANAGING THE AFFAIRS OF THE COMPANY	B. Com; CFA; MBA; Ph.D	02.02.1994	40	N.A.	20.17	Brother of Dr. Jimmy Mirchandani & Husband of Mrs. Nitya Mirchandani

ESOPS

The Company has not offered any ESOPS scheme to its Employees or Directors.

RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROLS

Your Company has elaborate Risk Management Procedure which is based on three Pillars. Business Risk Assessment, Operational Controls Assessment and Policy Compliance processes. Major Risks identified by the Business and Functions are systematically addressed through mitigating actions on continuing basis. The Key risks are also discussed at the Audit Committee.

The Company's Internal Financial Control Systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by the Statutory as well as Internal Auditors covering all Offices, Factories and Key Business areas. Significant Audit Observations and Follow Up Actions thereon are reported to Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's Internal Control environment and monitors the implementation of the audit recommendations.

Based on the framework of Internal Financial Controls and Compliance Systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and review performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the Financial Year 2016-17.

GREEN INITIATIVES

Pursuant to Sections 101 and 136 of the Companies Act, 2013 the Company will be sending Annual Report through electronic mode(email) to all the shareholders who have registered their email addresses with the Company or with the Depository to receive the Annual Report through electronic mode and initiated steps to reduce consumption of paper.

HUMAN RESOURCES

Humans are considered as one of the most critical resources in the business which can be continuously smoothened to maximize the effectiveness of the Organization. Human resources build the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening the Company's Polices and Systems. All personnel continue to have healthy, cordial and harmonious approach thereby enhancing the contributory value of the Company.

LISTING

The Equity Shares of the Company are listed at BSE Limited (BSE) and National Stock Exchange of India Limited(NSE).

The Company has made all the compliances of Listing Regulations including payment of Annual Listing Fees upto 31st March, 2018 to both the Stock Exchanges.

CORPORATE GOVERNANCE

The Company has complied with the various requirements under the Corporate Governance reporting system. A detailed Compliance Report on Corporate Governance is annexed to this Report as required by the Listing Regulations. The Auditors' Certificate on Compliance with the conditions of Corporate Governance is also annexed to this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Listing Regulations with the Stock Exchanges, is also annexed to this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014 and forming a part of the Directors Report are as under: -

I. Conservation of energy

The Company accords great importance to conservation of energy. The main focus of the Company during the year was:

a. Energy Conservation measures taken:-

i. Close monitoring of consumption of electricity, LPG, Diesel and water.

ii. Optimum use of Energy by Switching off Machines, Lights, Fans, Air Conditioners and Exhaust Systems whenever not required.

iii. Creating awareness among Workmen to conserve energy.

iv. Aries continues power generation through it Solar Power Generation System at its manufacturing unit in Hyderabad.

Impact of measures taken for reduction of energy consumption and consequent impact on the cost of production of goods

- There is marginal increase in the cost due to increase in consumption.

b. Total energy consumption and energy consumption per unit of production

Form –A

Form for disclosure of Particulars with respect to Conservation of Energy.

Sr. No.	Particulars		Current Year 2016-2017	Previous Year 2015-2016
(a)	**Purchased:-**			
	I.	**Electricity**		
	(i)	Unit (KWH)	908,208	862,373
	(ii)	Total Amount (Rs)	8,918,395	8,422,432
	(iii)	Rate/Unit (Rs.)	9.82	9.77
	II	**Piped Gas**		
	(i)	Unit(M3)	324,908	275,063
	(ii)	Total Amount (Rs)	10,165,698	10,067,553
	(iii)	Rate/Unit (Rs.)	31.28	36.60
(b)	**Own Generation**			
	(i)	Coal	Not Applicable	Not Applicable
	(ii)	Furnace Oil - Kl	4,607	3,422
	(iii)	Internal Generation Units(Generator)	19,482	12,996
	(iv)	Solar System Units	68,622	104,667

II. Form for disclosure of particulars with respect to Technology Absorption, Research and Development

(A) RESEARCH AND DEVELOPMENT:

1. Specific Areas in which Research and Development was carried out by the Company.

- There is a continuous focus on University research on specialty plant nutrition which continues across India.
- Our team of extension officers conducts continuous field demonstrations and extension work including large scale soil sampling, which provides constant updates on deficiency levels across all states in India.
- The Company's R&D at Mumbai is ISO 9001 certified and works on new product development and continuous quality checks. The manufacturing unit at Hyderabad has been equipped with a state of art laboratory to keep pace with the Company's expansion in that region.

2. Objectives

- Innovate and develop products ideally suited for sustainable agriculture
- Develop new production processes to improve the cost effectiveness of its products as well as their agronomical efficiency.
- Develop production processes that utilize renewable and are pollution free.
- Ensure continuous updation of in house knowledge required to develop products and services for the company.
- Source worldwide information related to product development and agriculture best practices
- Develop new age environmental friendly crop management techniques

3. Benefits derived as a result of the above efforts.

- Improvement in productivity/quality and reduction in cost of production of Company's Plants and at Customer's end.
- Cost reduction, import substitution, safer environment and strategic resource management.
- Meeting the statutory requirements.

4. Future Plan of Action :

- Identifying customized formulations for new states where Aries is entering to sell their product range.
- Identify products from the existing Aries crop nutrition range which can be adopted in aquaculture.
- Conducting scientific research and studies, pilot scale development, trial and testing for development of new products, new process development, improvement in the existing production process etc
- Customized micronutrient fertilizers for export
- Granulation of MM mixtures for soil application.
- Coffee and Tea specific formulations
- Developing new assay method for antibacterial agents.
- Modification of manufacturing process to make it pollution free
- Hydroponics as a technology
- Crop specific formulations of micronutrient fertilizer
- Bio Fertilizers

5. Expenditure on R & D

Description	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	(Rupees)	(Rupees)
(I) Capital	47,522	3,32,799
(II) Recurring	4,645,418	4,171,522
(III) TOTAL	4,692,940	4,504,321
(IV) Total R & D expenditure as a % of		
a. Gross Revenue	0.17	0.19
b. Net Revenue	0.20	0.21

1. B1. **Technology Absorption, Adaptation and Innovation**

The Management has focused on productivity and Total Quality Management [TQM] in order to optimize manufacturing costs.

B2. **Benefits**

This has helped in achieving optimum manufacturing costs, improved quality of products and consequently, enhanced customer satisfaction. The Company uses indigenous technology.

B3. The Company has not imported any technology during the year under review.

C. Foreign Exchange Earnings and Outgo

1. Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

International clients are located in Bangladesh, Ghana, Kenya, Nepal, Vietnam and Taiwan. Sales were booked for Ghana, Kenya, Nepal, Vietnam, Taiwan and Bangladesh. Distributors in Nepal and Vietnam have invested in branding and promotion of our range of products in their respective countries. The total exports and global sales constituted 12.50 % of our group revenue during the Financial 2016-17.

2. Total Foreign Exchange used and earned:

Used : Rs. 25,58,98,223/-

Earned: Rs. 1,31,13,165/-

3. Initiative for Exports

Following import substitution and commencement of manufacturing of certain products in the Indian factories, previously being produced in our UAE facilities, the Company has applied for the required export license to enable direct export of such products from India to the existing global buyers. This will ensure that every customer is serviced effectively.

Export development from India, in addition to from the UAE factories, shall further boost prospects in international business.

SPECIAL BUSINESS

As regards the items of the Notice of the AGM relating to Special Business, the resolutions incorporated in the Notice and the Explanatory Statement relating thereto, fully indicate the reasons for seeking the approvals of members to those proposals. Your attention is drawn to these items and Explanatory Statement annexed to the Notice.

VIGIL MECHANISM

The Vigil Mechanism of the Company, which also incorporates a Whistle Blower Policy in terms of the Listing Regulations is in place. Protected disclosures can be made by a Whistle Blower in writing or through an e-mail, to the Chairman/Member of the Audit Committee.

The Policy on Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website www.ariesagro.com.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN & SECURITIES PROVIDED

Particulars of Loans given, Investments made, Guarantees given and Securities provided along with the purpose for which the Loan or Guarantee or Security is proposed to be utilized by the recipient are provided in the Standalone Financial Statements.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

None of the transactions with Related Parties falls under the scope of Section 188(1) of the Companies Act, 2013. Information on transactions with Related parties pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies(Accounts) Rule, 2014 are given in **Annexure-I** in Form AOC-2 and the same forms part of this Report.

CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-II** of this Report in the format prescribed in the Companies(Corporate Social Responsibility Policy) Rules, 2014. The Policy is available on the Web-Site of the Company.

Your Company continues to demonstrate a strong commitment towards providing products which do not hamper the soil and crop eco systems.

EXTRACTS OF ANNUAL RETURN

As provided under Section 92(3) of the Companies Act, 2013 the Extract of the Annual Return is given in **Annexure-III** in prescribed Format MGT-9, which forms part of this Report.

AUDITORS & AUDITORS REPORTS

Statutory Auditors

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai, the Statutory Auditors of the Company, would be completing their maximum term permitted under Section 139 of the Companies Act, 2013 and rules framed thereunder and accordingly will hold Office till the conclusion of the ensuing Annual General Meeting. The Board has placed on record its appreciation for their long association and contributing to the growth of the Company.

The Board has recommended the appointment of M/S Sandeep Sheth & Associates, Chartered Accountants, (Membership No. 101903, and having Peer Review Certificate issued by the Institute of Chartered Accountants of India) as the Statutory Auditors of the Company in place of M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai, for a term of 5(Five) consecutive years, from conclusion of the 47th Annual General Meeting of the Company scheduled to be held in the year 2017 till the conclusion of the 52nd Annual General Meeting to be held in the year 2022, for approval of Share Holders of the Company, based on the recommendation of the Audit Committee subject to ratification subject to ratification by Share Holders at every Annual General Meeting.

Accordingly, appointment of Statutory Auditor and the proposed Resolution is set out at item No. 4 of the Notice.

The Statutory Auditors' Report both with respect to the Standalone and Consolidated Financial Statements do not contain any qualification, reservation or adverse remark. Further that there was no fraud reported by Auditors under sub-section (2) of Section 143 of the Companies Act, 2013 other than those reportable to the Central Government.

Cost Auditors

The Company had appointed M/s. R. Nanabhoy & Co., Cost Accountants, to conduct the Audit of Cost Accounting Records of its products for the financial year 2015-2016.

The due date for filing the Cost Audit Reports in XBRL mode for the financial year ended March 31, 2016 was originally 27th September,

2016. The Cost Audit Reports were filed by the Cost Auditor on 9th September, 2016 within the due date.

Further M/s. R. Nanabhoy & Co., Cost Auditors were re-appointed as the Cost Auditor of the Company for the year ending 31st March, 2017 by the Board of Directors at their meeting held on 30th May, 2016 after ensuring their eligibility and obtaining the letter of eligibility from them.

The Company's Cost Audit for the Financial Year 2016-17 is under process and the Company will file the Cost Audit Report within 180 days of the end of the Financial Year-2016-17 i.e. on or before 27th September, 2017.

Secretarial Auditors

The Board has appointed Mr. A. Sekar, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith marked as **Annexure-IV** to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
3. Issue of Shares (including Sweat Equity Shares) to employees of the Company under any scheme.
4. Buy Back of shares of the Company during the year under review.
5. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its Subsidiaries.
6. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
7. The Company is not required to submit Business Responsibility Report in pursuance of Regulation 34(2)(f) SEBI(LODR) Regulations, 2015.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.

The Company has set up an Internal Complaints Committee (ICC) for providing a Redressal Mechanism pertaining to Sexual Harassment of Women employees at workplace. There was no complaint received during the year under review.

MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE FINANCIAL YEAR END OF THE COMPANY TO WHICH FINANCIAL RESULTS RELATE

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

MATERIAL ORDERS PASSED

No material Orders have been passed by any Authorities in respect of any matters with regards to the business of the Company during the Financial Year. However, following Order was passed after the end of the Financial and before the date of this Report.

In the Notes to Accounts under para 'd', we had referred on the Classification of Micronutrients under Central Excise and also about the Circular dtd. 06/04/2016 clarifying that Micronutrient Fertilizers are not classifiable as Plant Growth Regulators under Chapter Heading No. 3808 of the Central Excise Act.

The Departmental Authorities at Hyderabad has filed an appeal before the Central Excise and Service Tax Appellate Tribunal. The said appeal was decided by the Tribunal's Hyderabad Regional Bench on 20/06/2017 upholding the Commissioner of Central Excise order that the Micronutrients are classifiable under Chapter Heading No. 3105 and not as Plant Growth Regulators under Chapter Heading No. 3808.

Similar orders are expected from other Appellate tribunals namely Mumbai and Ahmedabad.

STATUTORY DISCLOSURES

None of the Directors of your Company are disqualified as per provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary Disclosures, as required under various provisions of the Companies Act, 2013 and the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

ACKNOWLEDGEMENT

We would like to acknowledge with gratitude, the support and co-operation extended by Shareholders, Vendors, Media and Banks and look forward to their continued support. We appreciate continued co-operation received from various regulatory authorities including Department of Agriculture**,** Department of Corporate Affairs, Registrar of Companies, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges, Depositories, Central Government and respective State Governments. We also recognize and appreciate the sincere hard work, loyalty and efforts of the employees and look forward to their continued support.

For and on behalf of the Board,

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN-00239057

Place: Mumbai
Date: 9th August, 2017

Annexure-I

Form No. AOC-2

(Pursuant to clause(h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies(Accounts) Rules, 2014)

Form for disclosure of Particulars of Contracts/Arrangements entered into by the Company with Related parties referred to in sub-section(1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third provision thereto:

1. **Details of Contracts or Arrangements or Transactions not at arm's length basis:** Aries Agro Limited has not entered into any Contract or Arrangement with its Related Parties which is not at arm's length during the Financial Year 2016-17.

2. **Details of Contracts or Arrangements or Transactions at arm's length basis:**

Sr. No.			
1.	**Name(s) of the Relate Party and nature of Relationship**	Golden Harvest Middle East FZC-75% Subsidiary	Amarak Chemicals FZC-Step Down Subsidiary
2.	**Nature of Contracts/ Arrangements/ Transactions**	Order based Contracts	Order based Contracts
3.	**Duration of Contracts/ Arrangements/Transactions**	Order based Contracts	Order based Contracts
4.	**Salient terms of Contracts/ Arrangements/Transactions including Value, if any**	As per the Orders from time to time	As per the Orders from time to time
5.	**Date of Approval by the Board , if any**	Not Applicable, since the Contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable, since the Contract was entered into in the ordinary course of business and on arm's length basis
6.	**Amount Paid as advances, if any**	Rs. 1,847.91 Lakhs	Rs. 289.13 Lakhs

For and on behalf of the Board,

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN-00239057

Place: Mumbai
Date: 9th August, 2017

Annexure-II

ANNUAL REPORT ON CSR ACTIVITIES

Particulars		Details
1.	A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.	Our policy on Corporate Social Responsibility of Company is broadly framed taking into account the following measures: - a) Welfare measures for the community at large, so as to ensure the disadvantaged sections of the Society derived the maximum benefits. b) Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness especially with regard to the farming sector for their development and generation of income. c) Protection and safeguarding of the environment and maintaining ecological balance through a range of ecologically sustainable and cost effective products. Chairman & Managing Director/Executive Director of the Company shall exercise their delegated powers for according approval for the project within the ceiling limit of said 100% budget. CSR should be broadly executed by Company in the areas in which its operating units are located. CSR committee will frame the CSR Policy and modify from time to time and the Board to implement and monitor CSR activities. The CSR Policy is hosted at www.ariesagro.com in the Investor Relations Section.
2.	The Composition of the CSR Committee. ---	Dr. Jimmy Mirchandani* Dr. Rahul Mirchandani** Shri Bhumitra V. Dholakia **Ceased to be the Chairman w.e.f. 03.04.2017* *** Appointed the Chairman w.e.f. 03.04.2017*
3.	Average Net Profit of the Company for last three Financial Years	Rs. 15,00,77,688/-
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	Rs. 30,01,554/-
5.	Details of CSR spent during the Financial Year.	
	(a) Total amount to be spent for the Financial Year;	Rs. 30,01,554/-
	(b) Amount unspent , if any;	**NIL**
	(c) Manner in which the amount spent during the Financial Year.	(see table below)

Head of Expense	Amount	Item No. in Schedule VII of the Companies Act, 2013
Education including Farmers	21,43,035	(ii)
Farmers Call Centre	5,74,192	(x)
Infrastructure Support	6,81,547	(x)
Health Care	50,000	(i)
TOTAL	**34,48,774**	

We hereby declare that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company."

For and on behalf of the Board,

Place: Mumbai
Date: 9th August, 2017

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN-00239057

Dr. Jimmy Mirchandani
Director
DIN-00239021

B. V. Dholakia
Director
DIN-01871816

Annexure-III

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2017

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

I. REGISTRATION AND OTHER DETAILS

CIN	L99999MH1969PLC014465
Registration Date	27th November, 1969
Name of the Company	ARIES AGRO LIMITED
Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES /INDIAN NON-GOVERNMENT COMPANY
Address of the Registered Office and contact details	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043 Phone No. 022 2556 4052/53 Fax No. 022 2556 4054/2557 1711
Whether listed Company	YES
Name, address and contact details of Registrar and Transfer Agent, if any	**AARTHI CONSULTANTS PRIVATE LIMITED** 1-2-285, Domalguda, Hyderabad – 500 029, Telangana, India Tel : +91-40-27634445 / 27642217, Fax: +91-40-27632184 E-mail: aries@aarthiconsultants.com Website: www.aarthiconsultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1.	Micro Nutrient Fertilizer-Manufactured	52397	53.62
2.	Micro Nutrient Fertilizer-Traded	52397	18.69
3.	Micro Nutrient Fertilizer-Manufactured	24129	11.71

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%tage of Shares held	Applicable Section
1.	Golden Harvest Middle East FZC	Plot P3-04, Post Box No. 9267, Sharjah Airport International Free Zone(SAIF), Sharjah, UAE	N.A.	Subsidiary	75	2(87)(ii)
2.	Amarak Chemicals FZC	Al Hayl Industrial Area, P. O. Box 5283, Fujairah Free Zone(FFZ), Fujairah, UAE	N.A.	Step Down Subsidiary	75(Held throughGolden Harvest Middle East FZC)	2(87)(ii)
3.	Aries Agro Care Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01122MH2007PTC166761	Subsidiary	100	2(87)(ii)
4.	Aries Agro Equipments Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01403MH2007PTC166972	Subsidiary	100	2(87)(ii)
5.	Aries Agro Produce Private Limited*	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01403MH2008PTC183789	Subsidiary	75	2(87)(ii)

**Ceased to be a Subsidiary w.e.f. 04.04.2017*

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/HUF	6857926	0	6857926	52.74	6847926	0	6847926	52.66	0.15
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other….	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	**6857926**	**0**	**6857926**	**52.74**	**6847926**	**0**	**6847926**	**52.66**	0.15
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other….	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**6857926**	**0**	**6857926**	**52.74**	**6847926**	**0**	**6847926**	**52.66**	0.15
B. PUBLIC SHAREHOLDING									-
1. Institutions									-
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	10943	0	10943	0.08	31965	0	31965	0.25	192.10
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	*10943*	*0*	*10943*	*0.08*	*31965*	*0*	*31965*	*0.25*	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	764106	131500	895606	6.89	950321	130875	1081196	8.31	20.72
ii) Overseas	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	*3193554*	*179331*	*3372885*	*25.94*	*2862661*	*164961*	*3027622*	*23.28*	*-10.24*
ii) Individual Shareholders holding nominal share capital in excess of `1 lakh	*1536965*	*0*	*1536965*	*11.82*	*1579980*	*0*	*1579980*	*12.15*	*2.80*
c) Others Directors and Relatives	0	0	0	0	0	0	0	0	0
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0	0	0	0	0	0
ii) Other Foreign Nationals	0	0	0	0	0	0	0	0	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI / OCBs	162552	0	162552	1.25	138483	0	138483	1.06	-14.81
v) Clearing Members / Clearing House	167097	0	167097	1.28	291218	0	291218	2.24	79.15
vi) Trusts	0	0	0	0	0	0	0	0	0
vii) Limited Liability Partnership	0	0	0	0	0	0	0	0	0
viii) Foreign Portfolio Investor (Corporate)	0	0	0	0	0	0	0	0	0
ix) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
x) NBFCs Regd with RBI	365	0	365	0.00	5949	0	5949	0.05	1529.04
Sub-Total (B)(2):	**5824639**	**310831**	**6135470**	**46.18**	**5828612**	**295836**	**6124448**	**47.09**	
Total Public Shareholding (B)=(B)(1)+(B)(2)	5835582	310831	6146413	47.26	5860577	295836	6156413	47.34	
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**12693508**	**310831**	**13004339**	**100.00**	**12708503**	**295836**	**13004339**	**100.00**	-

(ii) Shareholding of Promoters

Shareholder's Name	No. of Shares held at the beginning of the year 01.04.2016			No. of Shares held at the end of the year 31.03.2017			% Change 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	
Jimmy Mirchandani	3524830	27.11	0	3524830	27.11	0	0
Rahul Mirchandani	2623221	20.17	0	2623221	20.17	0	0
Akshay Mirchandani	361875	2.78	0	361875	2.78	0	0
Amol Mirchandani	335000	2.58	0	335000	2.58	0	0
Ashok Mirchandani	10000	0.08	0	0	0	0	-100
Nitya Mirchandani	3000	0.02	0	3000	0.02	0	0
Total	**6857926**	**52.74**	**0**	**6847926**	**52.66**	**0**	**0**

(iii) Change in Promoters' Shareholding

Mr. Ashok Mirchandani holding 10,000 Shares at the beginning of the Financial Year under the Promoter Group sold his shares during the year. Apart from that there was no change in the Promoter's Shareholding between 01.04.2016 to 31.03.2017.

*(*iv) **Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Shareholder's Name *	Shareholding at the beginning of the year 01.04.2016		Shareholder's Name	Shareholding at the end of the year 31.03.2017	
		No. of shares	% of total shares of the company	No. of shares	No. of shares	% of total shares of the company
1	VIJAY KISHANLAL KEDIA	360000	2.77	VIJAY KISHANLAL KEDIA	360000	2.77
2	VIJAY KISHANLAL KEDIA	238091	1.83	VIJAY KISHANLAL KEDIA	238091	1.83
3	HITEN RAMNIKLAL MEHTA	175000	1.35	SHASHI GUPTA	187700	1.44
4	SANKIRT HOLDINGS PVT LTD	156730	1.21	VRAMATH INVESTMENT CONSUNTANCY PVT LTD	165539	1.27
5	PALKHI INV. & TRDG CO. PVT LTD.	125000	0.96	S. SHYAM	152600	1.17
6	EDELWEISS SECURITIES LIMITED	102619	0.79	VIJAYA S	152000	1.17
7	ALACRITY SECURITIES LTD	76100	0.59	BMA WEALTH CREATORS LTD	128044	0.98
8	NAVKAR FINLEASE PVT LTD	70136	0.53	PALKHI INV. & TRDG CO. PVT LTD.	125000	0.96
9	IL AND FS SECURITIES SERVICES LIMITED	59936	0.46	SANKIRT HOLDINGS PVT LTD	106730	0.82
10	AJAY UPADHYAYA	57602	0.44	ABHINAV GUPTA	95670	0.74
11	SUNIL KOTHARI	42500	0.33	KOUSJIK SEKAHR	71400	0.55

* *The Shares of the Company are traded on a daily basis and hence the date wise increase/decrease in Share Holding is not indicated*

(v) **Shareholding of Directors and Key Managerial Personnel:**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year		Date of change in shareholding	Reason for change
	Directors	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1	Dr. Jimmy Mirchandani	3524830	27.11	3524830	27.11	NIL	N.A.
2.	Dr. Rahul Mirchandani	2623221	20.17	2623221	20.17	NIL	N.A.
3	Mrs. Nitya Mirchandani	3000	0.02	3000	0.02	NIL	N.A.
4	Prof. R. S. S. Mani	0	0	0	0	NIL	N.A.

5	Mr. C. B. Chhaya	0	0	0	0	NIL	N.A.
6	Mr. B. V. Dholakia	0	0	0	0	NIL	N.A.
7.	Mr. S. Ramamurthy	0	0	0	0	NIL	N.A.
8.	Mr. Qaiser P. Ansari	5	0.00	5	0	NIL	N.A.

Other than this, no other Director and Key Managerial Personnel holds any shares in the Company.

V. INDEBTEDNESS

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

(Rupees in Lakhs)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
1. Principal Amount	10,103.65	1,265.61	-	11,369.26
2. Interest Due but not Paid	-	-	-	-
3. Interest accrued but not due	1.03	7.87	-	8.90
Total(1+2+3)	**10,104.68**	**1,273.48**	**-**	**11,378.16**
Change in Indebtedness during the Financial Year				
1. Addition	-	195.38	-	195.38
2. Reduction	395.56	-	-	395.56
Net Change (1-2)	**(395.56)**	**195.38**	**-**	**(200.18)**
Indebtedness at the end of the Financial Year				
1. Principal Amount	9,708.42	1,459.45	-	11,167.87
2. Interest Due but not Paid	-	-	-	-
3. Interest accrued but not due	0.70	9.41	-	10.11
Total(1+2+3)	**9,709.12**	**1,468.86**	**-**	**11,177.98**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director / Whole Time Director and/or Manager:

Sr. No.	Particulars of Remuneration	Dr. Jimmy Mirchandani, CMD (` In Lakhs p.a)	Dr. Rahul Mirchandani, ED (` In Lakhs p.a)	Total Amount (` In Lakhs p.a)
1	Gross Salary			
	(a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961 Gross Salary	44.16	44.16	88.32
	(b) Value of Perquisites u/sec 17 (2) Income Tax Act, 1961	3.60	2.60	7.20
	(c) Profits in lieu of salary under section 17 (3) of Income Tax Act, 1961			
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission a. as a % of profit b. Others, specify	37.00	37.00	74.00
5	Others, Please specify a) HRA b) Medical c) LTA d) Leave Salary e) Contribution to PF	 4.80 3.68 3.68 3.68 0.00	 4.80 3.68 3.68 3.68 5.30	 9.60 7.36 7.36 7.36 5.30
	Total (A) **Ceiling as per the Act**	100.60	105.90	206.50 209.56

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Fee for attending Board/ Committee Meetings (in Lakhs)	Commission) (in Lakhs)	Others, please specify (`in Lakhs)	Total Amount (`in Lakhs)
1.	**Independent Directors**				
	Prof. R. S. S. Mani	2.10	-	-	2.10
	Mr. C. B. Chhaya	2.03	-	-	2.03
	Mr. B. V. Dholakia	2.40	-	-	2.40
	Total (1)	**6.53**	**-**	**-**	**6.53**
2.	**Other Non-Executive Directors**				
	Mrs. Nitya Mirchandani	1.20	-	-	1.20
	Total (2)	**1.20**	**-**	**-**	**1.20**
	Total (B)=(1+2)	**7.73**	**-**	**-**	**7.73**
	Total Managerial Remuneration	Rs. 214.23 Lakhs			

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

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (` in Lakhs)
		Chief Financial Officer	**Company Secretary**	
		Mr. S. Ramamurthy (` in Lakhs)	**Mr. Qaiser P. Ansari (` in Lakhs)**	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961	16.58	13.39	29.97
	(b) Value of Perquisites u/sec 17 (2) Income Tax Act, 1961	-	-	-
2	c. Profits in lieu of salary under section 17 (3) of Income Tax Act, 1961	-	-	-
	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission a. as a % of profit b. others, specify	-	-	-
5	Others, Please specify a) HRA b) Conveyance c) Medical d) LTA e) Leave Salary f) Bonus g) Incentive h) Contribution to PF	4.97 2.87 0.37 1.33 1.33 2.36 10.50 1.99	4.02 1.10 0.25 1.07 0.29 1.07 1.84 1.61	8.99 3.97 0.62 2.40 1.62 3.43 12.34 3.63
	Total	42.31	24.65	66.97

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act) :

There were no penalties, punishment or compounding of offences for breach of any Section of Companies Act against the Company or its Directors or other Officers in default, if any, during the year ended 31st March, 2017.

For and on behalf of the Board,

Place: Mumbai
Date: 9th August, 2017

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN-00239057

Annexure-IV

SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED MARCH 31, 2017

To

The Members
Aries Agro Limited
Aries House, Plot No. 24
Deonar, Govandi(E)
Mumbai - 400 043

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good Corporate Practices by Aries Agro Limited, (hereinafter called the Company). Secretarial Audit was conducted in the manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my 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 representative during the conduct of Secretarial Audit, I hereby report that in my opinion the Company has during the year ended 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year under review, according to the provision of :

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

(ii) The Securities Contract (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 an the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent they are applicable to the company

(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 (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with client;

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") were not applicable to the company

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

(b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

(c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

(d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vii) Other laws specifically applicable to the company namely :-

- The Insecticides Act, 1968 and
- The Fertilizer Control Order, 2011

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

(i) Secretarial Standards Issued by The Institute of Company Secretaries of India

(ii) The SEBI (Listing Obligations and Disclosure) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc., mentioned above :-

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are capture and recorded as part of the minutes.

The company has formulated a Compliance Management System to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, which is ongoing and subject of continuous review. Prima facie these systems and processes in the company are adequate and are commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the company has not undertaken any action having a major bearing on the company's affairs in pursuance of the above referred laws.

A SEKAR

PLACE : MUMBAI
DATE : 9th August, 2017

COMPANY SECRETARY
ACS 8649 CP 2450

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'

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, followed by me provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records, Books of

   Accounts and records pertaining to direct and indirect taxation of the company, which I believe are the domain of other professionals on whom the responsibility is entrusted by the provisions of the Companies Act, 2013.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. 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.

A SEKAR

PLACE : MUMBAI
DATE : 9th August, 2017

COMPANY SECRETARY
ACS 8649 CP 2450

REPORT ON CORPORATE GOVERNANCE

1. Corporate Governance Philosophy

The Company's Corporate Governance is aimed at ensuring Business Sustainability by striking a balance between Economic and Social goals and between Individual and Corporate goals. The Corporate Governance framework is to encourage the efficient use of resources, maintain an accountability and compliance of applicable Laws with a view to enhance value of all the Stakeholders. In compliance with the disclosure requirements of Schedule V to the Regulation 34 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the details are set out below:-

2. BOARD OF DIRECTORS

(A) Board Composition {2(a) of Part C of Schedule V}

The Board of Directors of the Company ('the Board') consists of 6 Directors, headed by an Executive Chairman and out of which Four (4) are Non Executive Directors of which Three(3) are Independent Directors and one is Woman Director. The Independent Directors are eminent professionals, with experience in, Management and Strategy, Human Resources, Banking, Corporate Laws etc. Composition of the Board and category of Directors are as follows:

Category	Name of the Directors
Promoter- Executive Directors	Dr. Jimmy Mirchandani Chairman & Managing Director **Resigned as MD w.e.f. 03.04.2017. Continues to be a Director*
	Dr. Rahul Mirchandani Executive Director **Appointed as the Chairman and Managing Director w.e.f. 04.04.2017*
Promoter- Non-Executive Directors	Mrs. Nitya Mirchandani
Independent- Non-Executive Directors	Prof. R.S.S. Mani
	Mr. Chakradhar Bharat Chhaya
	Mr. Bhumitra Vinodchandra Dholakia

(B) Attendance and Other Directorships {2(b) to (e) of Part C of Schedule V}

Attendance of Directors at Board Meetings, last Annual General Meeting and number of Directorships and Chairmanships/ Memberships of Committees of each Director in various Companies as on 31st March, 2017 is as follows:-

Name of the Director & Designation and category	Attendance of Meetings during 2016-17		Directorship in other Public Companies incorporated in India	No. of Membership(s)/ Chairmanship(s) of Board Committees in other Companies	Inter Se Relationship
	Board Meetings Attended(Total 4 (four) Held)	Last AGM held on 30th September, 2016			
Dr. Jimmy Mirchandani Chairman & Managing Director (Promoter)(CMD) *Resigned as MD w.e.f. 03.04.2017. Continues to be a Director	2	Yes	2	NIL	Brother of ED
Dr. Rahul Mirchandani Executive Director (Promoter)(ED) *Appointed as the Chairman and Managing Director w.e.f. 04.04.2017	4	Yes	3	NIL	Brother of CMD and Husband of NED
Prof. R. S. S. Mani Director Non Executive (Independent)	4	Yes	NIL	NIL	N.A.
Mr. Chakradhar Bharat Chhaya Director Non Executive (Independent)	4	Yes	2	4 (including 2 as Chairman)	N.A.
Mr. Bhumitra Vinodchandra Dholakia Director Non Executive (Independent)	4	Yes	2	5 (including 4 as Chairman)	N.A.
Mrs. Nitya Mirchandani Director Non-Executive (Promoter)(NED)	4	Yes	NIL	NIL	Wife of ED

None of the Directors holds office in more than Seven Listed Companies as an Independent Director. None of the Whole Time Directors serve as an Independent Director in more than three Listed Companies. None of the Directors on the Board holds the office of Director in more than 15 Companies.

(C) Details of Equity Shares of the Company held by the Directors as on 31st March, 2017 are given below: **{2(f) of Part C of Schedule V}**

Name of the Directors	Number of Equity Share
Executive Directors	
Dr. Jimmy Mirchandani	35,24,830
Dr. Rahul Mirchandani	26,23,221
Non-Executive Directors	
Prof. R. S. S. Mani	NIL
Mr. C. B. Chhaya	NIL
Mr. Bhumitra V. Dholakia	NIL
Mrs. Nitya Mirchandani	3,000

The Company has not issued any Convertible Instruments.

(D) Board Meetings

The Agenda and Background notes with supporting are circulated to the Directors well in advance of the Board Meetings and additional items, if any, are tabled at the course of the Board Meetings. During the year information as mentioned in Regulation 17(7) of Listing Regulations has been placed before the Board for its consideration. The minutes of all the Committees of the Directors are placed before the Board and noted by them.

Four Board Meetings were held during the year, on 30.05.2016, 11.08.2016, 23.11.2016 and 10.02.2017. The quorum was present at all the Meetings.

The gap between two board meetings did not exceed four months. Every Quarter there was a Board Meeting as required under the Secretarial Standard-1 on the Board Meetings.

The terms and conditions of the appointment of Independent Directors are disclosed on the Web Site of the Company.

During the year a separate Meeting of the Independent Directors was held inter-alia to review the performance of Non-Independent Directors and the Board as a whole.

The Board periodically reviews compliance reports of all laws applicable to the Company.

(E) Code of Conduct

The Company has adopted a Code of Conduct for the Members of the Board and the Senior Executives in compliance with the provision of Regulation 17(5) of Listing Regulations. All the Members of the Board, Key Managerial Personnel and the Senior Management Personnel have affirmed compliance to the Code of Conduct as on 31-03-2017, and a declaration to that effect signed by the Chairman & Managing Director is attached and forms a part of this Report.

(F) Web link where details of familiarization Program to Independent Director

The web link for details of familiarization program to Independent Director is **www. ariesagro.com**

BOARD COMMITTEES

3. AUDIT COMMITTEE

Two third of the Members of the Committee are Non-Executive and Independent Directors. All the Members of the Audit Committee are professionals and financially literate within the meaning of Regulation 18 (1) (c) of the Listing Regulations.

(i) The terms of reference of the Audit Committee :

The terms of reference of the Audit Committee are in accordance with Part C of Schedule II to the Regulation 18 (3) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee acts as a link between the Management, Auditors and Board of Directors of the Company and has full access to financial information.

Recommendations of the Audit Committee, if any, are considered and implemented by the Board from time to time.

(ii) Composition, Name of Members and Chairperson

The Audit Committee comprises of the following Directors:

Mr. Bhumitra V. Dholakia	:	Chairman (Independent Director)*
Dr. Rahul Mirchandani*	:	Member (Non-Independent Director)
Prof. R. S. S. Mani	:	Member (Independent Director)

The composition of the Audit Committee was changed at the Board Meeting held on 03.04.2017 and Mrs. Nitya Mirchandani was inducted as a Member in place of Dr. Rahul Mirchandani.

The Chairman of the Audit Committee remains present at the Annual General Meeting. The previous Annual General Meeting of the Company was held on 30th September, 2016 and was attended by Mr. Bhumitra V. Dholakia, Chairman of the Audit Committee.

(iii) Meetings and Attendance during the year

The Audit Committee met 4 times during the year on 30.05.2016, 11.08.2016, 23.11.2016 and 10.02.2017. Not more than four months had elapsed between any two meetings. The necessary quorum was present at all the Meetings.

The attendance of each member of the Committee is given below:

Name of the Director	No. of meetings attended(held)
Mr. Bhumitra V. Dholakia	4(4)
Prof R. S. S. Mani	4(4)
Dr. Rahul Mirchandani	4(4)

The Statutory Auditors, Internal Auditors, Cost Auditors, Secretarial Auditors and Chief Financial Officer are permanent invitees to the meetings of the Committee. The Company Secretary is the Secretary of the Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

The Company has a Nomination and Remuneration Committee of Directors. The scope of the Nomination and Remuneration Committee is as per the amended provisions of the Listing Regulations.

(i) The Terms of Reference of the Nomination and Remuneration Committee are as under:

1. To formulate 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;
2. To formulate criteria for evaluation of Independent Directors and the Board;
3. to devise a policy on Board diversity;
4. 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.
5. Whether to extend or continue the term of appointment of the Independent Director , on the basis of the report of performance evaluation of Independent Director.

(ii) & (iii) **Composition, Name of members, Chairperson & Attendance during the year**

Nomination and Remuneration Committee consists of Mr. Chakradhar Bharat Chhaya, Prof. R. S. S. Mani, and Mr. Bhumitra V. Dholakia all Independent Directors, as members. Mr. Chakradhar Bharat Chhaya is the Chairman of the Committee. During the Financial Year 2016-17, the Committee met once on 11.08.2016.

The attendance of each member of the Committee is given below:

Name of the Director	No. of meetings attended(held)
Mr. C. B. Chhaya	1(1)
Prof R. S. S. Mani	1(1)
Mr. Bhumitra V. Dholakia	1(1)

((iv) The Company does not have any Employee Stock Option Scheme.

(v) **Remuneration Policy**

The Remuneration Policy for Working Directors is in line with the other peer Companies and reviewed periodically. The payment of remuneration is duly approved by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee and subsequently confirmed by the Shareholders.

The Nomination and Remuneration Policy of the Company is displayed on Company’s web-site i.e. www.ariesagro.com. And is re-produced as under;

ARIES AGRO LIMITED

NOMINATION AND REMUNERATION POLICY FOR DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

1. Introduction

The Company considers human resources inclusive of its Senior Management Team Members as its invaluable Asset. This policy on Nomination and Remuneration of Directors, Key Manager Personnel (KMPs) and Senior Management has been formulated in terms of the provisions of the Companies Act, 2013 and the Listing Agreement in order to attract and retain high-performing and motivated Executives in a competitive corporate world. This will lead to good corporate governance as well as sustained and long-term value creation for Stakeholders.

2. Objective and purpose of the Policy

The objective and purpose of this policy are:

2.1 To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other Employees.

2.2 To formulate the criteria for evaluation of performance of all the Directors on the Board.

2.3 To devise a policy on Board diversity; and

2.4 To lay out remuneration principles for working Directors, Key Managerial Personnel and Senior Management Team Members linked to their effort, performance and achievement in relation to the Company's goals.

3. Definitions

'Board' means Board of Directors of the Company.

'Directors' means Directors of the Company.

'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable Listing Agreements and/or Regulations.

'Company' means Aries Agro Limited

'Independent Director' means a Director referred to in Section 149(6) of the Companies Act, 2013 and Rules.

'Key Managerial Personnel (KMP)' means

i) Managing Director or the Manager,

ii) Whole-time Director;

iii) Company Secretary; and

iv) Chief Financial Officer

'Senior Management' means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Director, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

General

This Policy is divided in three parts:-

***Part – A** Scope and Applicability*

***Part--B** Responsibilities and Powers of the Committeeand recommended by the Committee to the Board.*

***Part – C** covers the appointment and nomination; and*

***Part – D** covers remuneration and perquisites etc.*

This policy shall become effective from the date of its adoption by the Board and shall be included in the Report of the Board of Directors.

Part – A

SCOPE AND APPLICABILITY

a) Remuneration structures and other terms of employment of Key Managerial Personnel and Senior Management. Personnel.

b) Remuneration of Non-Executive Directors

c) Selection of the Independent Directors

d) Selection of Key Managerial Personnel.

Part – B

RESPONSIBILITIES AND POWERS OF THE NOMINATION AND REMUNERATION COMMITTEE

The following matters shall be dealt with by the Committee in consonance with the principles and requirements enshrined under the Companies Act and the Listing Agreement particularly clause relating to Corporate Governance: ;

(a) Size and composition of the Board

Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company as a whole;

(b) Directors:

Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board;

(c) Succession plans:

Establishing and reviewing Board and Key Managerial Personnel succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management;

(d) Evaluation of performance:

i. Make recommendations to the Board on appropriate performance criteria for the Directors.

ii. Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company.

iii. Identify ongoing training and education programmes for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.

(e) Board diversity:

The Committee is to assist the Board in ensuring Board nomination process with the diversity of gender, thought, experience, knowledge and perspective in the Board, in accordance with the Board Diversity Policy.

(f) Remuneration framework and policies:

The Committee is responsible for reviewing and making recommendations to the Board on;

(a) The remuneration of the Managing Director, Whole-time Directors and other KMPs

(b) The level of remuneration of Non-Executive Directors and for individual remuneration for Non-Executive Directors and the Chairman, including any additional fees payable for membership of Board committees;

(c) The remuneration policies for all employees including KMPs, Senior Management and other Employees including base pay, incentive payments, equity awards, retirement rights and service contracts having regard to the need to

(i) Attract and motivate talent to pursue the Company's long term growth;

(ii) Demonstrate a clear relationship between executive compensation and performance; and

(iii) Be reasonable and fair, having regard to best governance practices and legal requirements.

(d) The Company's equity based incentive schemes including a consideration of performance thresholds and regulatory and market requirements;

(e) The Company's superannuation arrangements and compliance with relevant laws and regulations in relation to superannuation arrangements; and

(f) The Company's remuneration reporting in the financial statements and remuneration report.

(g) However, the Managing Director or Executive Director jointly or severally shall have right to fix total pay package (remuneration, allowances and perquisites) of all the Key Managerial and Senior Management Personnel (other than Director level) within the frame work of this Policy and periodically report to the Committee which will evaluate the same and if need be recommend variation in the pay package.

Part – C

Policy for appointment and removal of Director, KMPs and Senior Management

Appointment criteria and qualifications

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management level and recommend to the Board his / her appointment.

2. A person to be appointed as Director, KMP or Senior Management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

3. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth, complementary skills in relation to the other Board members.

4. The Company shall not appoint or continue the employment of any person as Managing Director / Executive Director who has attained the age of seventy years and shall not appoint Independent Directors who has attained the age of seventy years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years with the approval of shareholders by passing a Special Resolution based on the Explanatory Statement annexed to the Notice for such motion indicating the justification for extension of appointment beyond seventy years as the case may be.

5. A Whole-Time KMP of the Company shall not hold office in more than one Company except in its Subsidiary Company at the same time. However, a Whole-Time KMP can be appointed as a Director in any Company, with the permission of the Board of Directors of the Company.

Term / Tenure

1. Managing Director / Whole-time Director

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry term.

2. *Independent Director*

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's Report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director, provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves, is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time (Executive) Director of a listed Company.

Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other Applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

Retirement

The Whole-time Directors, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing Policy of the Company. The Board will have the discretion to retain the Whole-time Directors, KMP and Senior Management Personnel in the same position/remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

PART – D

Policy relating to the remuneration for Directors, KMPs and other Employees

Managing Director, Executive Director or Whole Time Director

1. *The remuneration / compensation / commission etc. to Directors will be determined by the Committee and recommended to the Board for approval.*
2. *The remuneration and commission to be paid to the Managing Director and/or Executive Directors (Whole Time Directors) shall be as permissible under the provisions of the Companies Act, 2013 and the rules made thereunder.*
3. *Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director Or Executive Director(Whole Time Director) Where any insurance is taken by the Company on behalf of its Managing Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.*

Remuneration to KMPs (other than Directors) and Senior Management Personnel (referred to as Executives)

The policy on remuneration for KMPs and Senior Management Personnel is as below:

1. *Fixed Pay*

The remuneration and reward structure for Executives comprises three broad components – Annual Remuneration, Variable Pay (Performance Incentive) and Long-Term rewards. The Committee would determine the remuneration of the Directors and formulate guidelines for remuneration payable to the Employees.

These guidelines are as under:

a) *Annual Remuneration*

Annual Remuneration refers to the annual compensation payable to the employees of the Company. This comprises of two parts – a fixed component, and a performance-linked variable component based on the extent of achievement of the individual's objectives and performance of the business unit. Every employee is required to sign off and accept a target which clearly articulates the key performance measures for the particular defined role. The performance-linked variable pay will be directly linked to the performance on individual components of the performance contract and the overall performance of the business. An employee's variable pay would, therefore, be directly dependent on key performance measures that represent the best interests of shareholders.

The objective is to set the total remuneration at levels to attract, motivate, and retain high-caliber and high potential personnel in a competitive global market. The total remuneration level is to be reset annually based on a compensation with the relevant peer group globally, established through independent compensation surveys from time to time.

b) *Long-term rewards*

Long term rewards may include Long Term Incentive Plans (LTIP) under which incentives would be granted to eligible Executives based on their contribution to the performance of the Company, relative position in the organization and length of service under the supervision and approval of the Committee. The Company could implement various long term awards schemes that could include Long Term Incentive Programme (LTIP) spread over several years with payouts in multiple tranches linked to the Company's performance. Another form of long term awards could be in the nature of Stock Options of the Company. Stock Options may be granted to key employees and high performers in the organization who would be selected by the Committee based on their criticality, past performance and potential. The grant, vesting and other scheme details would be formulated from time to time.

These long term reward schemes are implemented to attract and retain key talent in the industry.

Remuneration to Non-Executive / Independent Directors

1. *Remuneration*

The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013 and the rules made thereunder and the Listing Agreement.

The remuneration to the Non-Executive Directors (including Independent Directors) 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 Companies Act, 2013.

Remuneration structure for Independent Directors – Sitting fees as per the norms of the Company.

Incase of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

This Policy shall be reviewed by the Board on its own or upon the suggestion of the Nomination and Remuneration Committee as and when any changes are to be incorporated in the Policy. Any change or modification in the Policy as recommended by the Committee would be tabled for approval of the Board.

This Policy is updated on 30th May, 2014.

e) Performance Evaluation of Directors

Pursuant to applicable provisions of the Companies Act, 2013 and Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee has formulated a framework containing, inter-alia, the criteria for performance evaluation of the Independent Directors, Board of Directors, Committees of Board, Individual Directors including Managing Director and Non-Executive Directors and Chairperson of the Board.

5. Meeting of Independent Directors

A Separate meeting of the Independent Directors was held on 10.02.2017, inter-alia, to discuss evaluation of the performance of Non-Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

(vi) **Details of Remuneration paid to the Directors for the year ended 31st March 2017.**

i) Managing Director and Executive Director.

The Agreements with the Chairman & Managing Director and Executive Director were for a period of three Years from 01.10.2015 to 30.09.2018.

The total remuneration paid to the Managing Director and Executive Director during the year 2016-17 was as under:

(Rupees)

Name	Salary	Commission	Contribution to Provident Fund/ Gratuity	Total
Dr. Jimmy Mirchandani Chairman & Managing Director *Resigned as MD w.e.f. 03.04.2017. Continues to be a Director	63,60,000	37,00,000	--	**1,00,60,000**
Dr. Rahul Mirchandani Executive Director *Appointed as the Chairman and Managing Director w.e.f. 04.04.2017	63,60,000	37,00,000	5,29,920	**1,05,89,920**

Notes:

a) The Agreements with the Managing Director, and Executive Director were for a period of three years upto 30th September, 2018. Either party to the Agreement was entitled to terminate by giving the other party a notice of 3 months.

b) The Managing Director and Executive Director were entitled to compensation for loss of office in accordance with and subject to restrictions laid down under Sections 197 and 202 of the Companies Act 2013.

c) Presently, the Company does not have a scheme for grant of Stock Options to its Working Directors

d) The Managing Director and Executive Director are entitled to Commission within the overall limit prescribed under Section 197 of the Companies Act, 2013.

ii) The Non Executive Directors are not entitled to any Remuneration except payment of Sitting Fees for attending the Meetings of Board of Directors and Committees thereof. During the year 2016-17, the Company has paid total Sitting Fee of Rs. 7,72,500/- to Non Executive Directors as under:

Prof. R. S. S. Mani	Rs. 2,10,000.00
Mr. C. B. Chhaya	Rs. 2,02,500.00
Mr. B. V. Dholakia	Rs. 2,40,000.00
Mrs. Nitya Mirchandani	Rs. 1,20,000.00

Since there is a payment of only sitting fees either the disclosure of the criteria of making other payments to non-executive directors or dissemination of the information on the website has not been made.

5. STAKE HOLDERS RELATIONSHIP COMMITTEE

i) The Company has a Stake Holders Relationship Committee pursuant to provisions of Section 178(5) of the Companies Act, 2013 and Listing Regulations.

ii) The Stake Holders Relationship Committee has been constituted to specifically look into redressing the Shareholders and Investors' Complaints or Grievances.

iii) The Committee met once during the year on 10th February, 2017.

iv) The Composition of the Stake Holders Relationship Committee and details of Meetings attended by its Members are given below:

Name & Position	Category	Number of Meetings during the Financial Year 2016-17	
		Held	Attended
Mr. C. B. Chhaya Chairman	Independent, Non-Executive	1	1
Dr. Jimmy Mirchandani Member	Non-Independent, Executive	1	0
Dr. Rahul Mirchandani Member	Non-Independent, Executive	1	1

As per Regulation 46 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 the exclusive E-mail id of the Investor Grievance Department of the Company is investorrelations@ariesagro.com

v) The Company has always valued Customer relationship. This philosophy has been extended to Stakeholder Relationship.

vi) **Name & Designation and Address of Compliance Officer**:

Mr. Qaiser Parvez Ansari, Company Secretary or in his absence Mr. S. Ramamurthy, Chief Financial Officer is designated as Compliance Officer of the Company.

Aries House, Plot No. 24, Deonar
Govandi(E), Mumbai-400 043
Phone No. 022 2556 4052/53/62580505
Fax No. 022 2556 4054/25571711

vii) A statement of various Complaints received and cleared by the Company during the year ended on 31st March, 2017 is given below:

	Nature of Request/Complaint	Opening	No. of Requests/ Complaints	Redressed	Pending
	A: REQUESTS				
1.	Change/Correction of Address	0	5	5	0
2.	Receipt of D/W for Re-validation / Correction of Bank Mandate	0	8	8	0
	TOTAL	**0**	**13**	**13**	**0**
	B: COMPLAINTS	0	0	0	0
	TOTAL	**0**	**0**	**0**	**0**
	GRAND TOTAL	**0**	**13**	**13**	**0**

viii) The "SCORES" website of SEBI for redressing of Grievances of the investors is being visited at regular intervals by the Company Secretary and no Complaint was received during the Financial Year 2016-17 through SCORES.

ix) As required by the Listing Regulations the E-mail ID of the Investor Grievance Department of the Company is **investorrelations@ariesagro.com**.

x) The Web Site address of the Company is www.ariesagro.com.

5A. OTHER COMMITTEES (VOLUNTARY DISCLOSURE AND COMPLIANCE)

a) Corporate Social Responsibility (CSR) Committee

Corporate Social Responsibility(CSR) Committee of Directors as required under Section 135 of the Companies Act, 2013 was constituted on 2nd April, 2014 comprising of the following Directors:

i) Dr. Jimmy Mirchandani, Non-Independent, Executive

ii) Dr. Rahul Mirchandani, Non-Independent, Executive

iii) Mr. Bhumitra V. Dholakia, Independent, Non-Executive

**** Dr. Rahul Mirchandani was appointed as the Chairman w.e.f. 03.04.2017. There is no change in the composition of the Committee.***

The broad terms of reference of CSR Committee is as follows:

(*a*) to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;

(*b*) to recommend the amount of expenditure to be incurred on the activities referred to in clause (*a*); and

(*c*) to monitor the Corporate Social Responsibility Policy of the Company from time to time.

During the year two Meetings of the CSR Committee was held on 30th May, 2016 and 11th August, 2016.

The Composition of the CSR Committee and details of Meetings attended by its Members are given below:

Name & Position	Category	Number of Meetings during the Financial Year 2016-17	
		Held	Attended
Dr. Jimmy Mirchandani Chairman	Non-Independent, Executive	2	2
Dr. Rahul Mirchandani Member	Non-Independent, Executive	2	2
Mr. Bhumitra V. Dholakia	Independent, Non-Executive	2	2

b) Treasury Committee

Composition of the Committee

The Treasury Committee was constituted by the Board of Directors of the Company at their meeting held on 28th January, 2010 to consider and approve financial needs (borrowings of the Company from time to time and negotiate the Terms and Conditions with the Banks/Financial Institutions, avail the Credit Facilities and finalize and sign Agreements, Deeds, Documents etc with the Banks/Financial Institutions.

The Committee consists of the following members:

Dr. Jimmy Mirchandani : Chairman

Dr. Rahul Mirchandani : Member

Mr. C. B. Chhaya : Member

The composition of the Treasury Committee was changed at the Board Meeting held on 03,04.2017 and Mrs. Nitya Mirchandani was inducted as a Member in place of Dr. Jimmy Mirchandani and Dr. Rahul Mirchandani was appointed as the Chairman.

The Committee met 3(three) times during the year and it was well attended.

c) Risk Management Committee

The Company is not required to have the Risk Management Committee as it does not fall under the Top 100 Companies as required by the Listing Regulations.

However, the Board of the Company had formed a Risk Management Committee to frame, implement and monitor Risk Management Plan for the Company.

The Composition of the Risk Management Committee was Dr. Jimmy Mirchandani, Chairman, Dr. Rahul Mirchandani Member and Mr. S. Ramamurthy. Member.

The Board of Directors in their Meeting held on 11th August, 2016 dissolved the Risk Management Committee as the Audit Committee has additional task to oversight in the area of Financial Risks and Controls. Major Risks identified by business and functions are systematically addressed through mitigating actions on continuing basis.

6. GENERAL BODY MEETINGS

(i) and (ii) **The date, time and venue of the last 3 General Body Meetings of the Company is given below:**

Financial Year ended	Date	Time	Venue	Details of Special Resolutions
31st March, 2014	26.09.2014	10.00 a.m.	The Chembur Gymkhana, 16th Road, Chembur, Mumbai-400 071	1. Authorisation for Borrowing Money under Section 180(1)(c) of the Companies Act, 2013 2. Authorisation for creation of Charges on the assets of the Company under Section 180(1)(a) of the Companies Act, 2013.
31st March, 2015	30.09.2015	10.00 a.m.	The Chembur Gymkhana, 16th Road, Chembur, Mumbai-400 071	1. Re-appointment of Dr. Jimmy Mirchandani as the Managing Director and revision in remuneration for a period of 3(three) Years commencing from 1st October, 2015 upto and inclusive of 30th September, 2018. 2. Re-appointment of Dr. Rahul Mirchandani as the Executive Director and revision in remuneration for a period of 3(three) Years commencing from 1st October, 2015 upto and inclusive of 30th September, 2018.
31st March, 2016	30.09.2016	10.00 a.m.	The Chembur Gymkhana, 16th Road, Chembur, Mumbai-400 071	NONE

(iii) to (iv) **No Postal ballot was conducted during the year under review. No Extra Ordinary General Meeting was held.**

(v) And (vi) At the forthcoming Annual General Meeting there is no Item on the Agenda requiring to be passed by Postal Ballot. Hence, no need to specify the procedure for Postal Ballot.

7. DISCLOSURES

(i) Related Party Transactions

During the year under review, besides the transactions reported in Notes to the Accounts of the Annual Report, there were no other Related Party Transactions with the Promoters, Directors and Management that had a potential conflict with the interest of the Company at large.

The Board has approved a Policy for Related Party Transactions.

All the transactions with Related Parties are periodically approved by the Audit Committee. The Register of Contracts detailing transactions in which Directors are interested is placed before the Board at every Meeting for its approval. Transactions with Related Parties, as per requirements of Ind AS 24 are disclosed in Note No. 38 to the Accounts in the Annual Report and they are not in conflict with the interest of the Company at large.

(ii) Compliances by the Company

There have been no instances of Non-Compliance on any matter with the Rules and Regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other Statutory Authority relating to the Capital Markets during the last three years.

(iii) Whistle Blower Policy: (Vigil Mechanism)

The Company has adopted a Whistle Blower Policy and established the necessary Vigil Mechanism for Employees and Directors to report concerns about un-ethical behavior. No person has been denied access to the Chairman/Member of the Audit Committee. The said Policy has been put up on the web site of the Company. There is one of the item at every Audit Committee Meeting to review any complaint received under Vigil Mechanism.

(iv) Compliance with Mandatory and Non-Mandatory Items

The Company has complied with the mandatory requirements regarding the Board of Directors, Audit Committees and other Board Committees and other disclosures as required under the provisions of the Listing Regulations. The status of compliance in respect of non-mandatory requirements of Listing Regulations is as follows:

(a) **Maintenance of the Chairman's Office:** The Company has an Executive Chairman and the office provided to him for performing his executive functions is also utilized by him for discharging his duties as Chairman. No separate office is maintained for the Non-Executive Chairman of the Audit Committee but Secretarial and other assistance is provided to him, whenever needed, in performance of his duties.

(b) **Tenure of Independent Directors:** All three Independent Directors have been appointed for a term of 5(five) years in the Forty Fourth Annual General Meeting held on 26th September, 2014 and will hold office upto 25th September, 2019.

(c) **Nomination and Remuneration Committee:** The Company has set up a Nomination and Remuneration Committee consisting of three Non Executive Independent Directors. Please see the paragraph on Nomination and Remuneration Committee.

(d) **Shareholders' rights:** Un-Audited Quarterly Financial Results and Summary of Significant Events are posted on the website of the Company.

(e) **Audit Qualification:** The Auditors remarks if any are explained in the Board's Report and necessary actions are also taken by the Company when required. The Company shall endeavor to have unqualified Financial Statements. There is no qualification in the Auditors Report in the current year.

There have been no qualifications by the Auditors in their report on the Accounts of the Company for the last 7(Seven) years. The Company shall endeavor to continue to have unqualified financial statements.

(f) **Separate posts of Chairman and CEO**—The Articles No. 179 of the Articles of Association permits the Managing Director to hold the office of the Chairman.

(g) **Reporting of Internal Auditor** Partner of the firm of Internal Auditor attends the meetings of the Audit Committee regularly and directly interacts with the Audit Committee.

(h) **Web link where Policy for determining Material Subsidiaries is disclosed**

The Company has not formulated the Policy as its three Indian Subsidiaries are not Material and at present they do not have any commercial activity.

(i) **Web link where Policy on dealing with Related Party Transactions:**

The web link for Policy dealing with Related Party Transactions is at www.ariesagro.com.

(j) **Disclosure of Commodity Price Risks and Commodity Hedging Activities**

Not Applicable

(k) **CMD/CFO Certification**

Chairman & Managing Director/Chief Executive Officer and Chief Financial Officer have issued necessary certificate pursuant to the provisions of Listing Regulations and the same is annexed and forms part of the Annual Report.

(l) **Declaration regarding Code of Conduct**

The Members of the Board and Senior Management Personnel have affirmed the Compliance with the Code applicable to them during the year ended 31st March, 2017. The Annual Report of the Company contains a Certificate by the Chairman and Managing Director in terms of Listing Regulations based on compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management Personnel.

(m) **Reconciliation of Share Capital Audit**

A qualified Practicing Company Secretary carried out a Share Capital Audit to reconcile the total admitted Equity Share Capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and Listed Equity Share Capital. The Audit Report confirms that the total issued/paid-up capital is in agreement with the total number of shares in the Physical form and total number of Dematerialized shares held with NSDL and CDSL.

8. Non Compliance of any requirement of Corporate Governance Report of sub-paras (2) to (7) above

The Company has complied with all mandatory items of the Listing Regulations. The Company has executed a new Listing Agreement with BSE Ltd and the National Stock Exchange of India Ltd thus complying with Regulation 109 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9. Adoption of Discretionary requirements as specified in part E of Schedule II of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Company complied with all the discretionary requirements as specified in Part E of Schedule II of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015.

10. As per para 13 of Part C of Schedule V to the Listing Regulations, the Company has made disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 on the website of the Company – www.ariesagro.com.

11. SUBSIDIARY COMPANIES

The Audit Committee reviews the Consolidated Financial Statements of the Company and the Investments made by its un-listed Subsidiary Companies. The Minutes of the Board Meetings along with Report on Significant developments of un-listed Subsidiary Companies are periodically placed before the Board of Directors of the Company.

12. MEANS OF COMMUNICATION

Means of Communication:

(i) **Quarterly/Half-yearly and Yearly Financial Results**

The Quarterly/Half-Yearly and Annual results of the Company are published in the Newspapers and posted on the website of the Company at www.ariesagro.com. The Quarterly and Annual results are generally published in The Financial Express and Apla Mahanagar. The Company's Financial Results are sent in time to Stock Exchanges so that they may be posted on the Stock Exchanges' website.

(ii) **Newspaper where results are published**

The Company usually publishes its financial results in following newspaper

1. The Financial Express
2. Apla Mahanagar

(iii) **Company's Corporate Website**

The Company's website is a comprehensive reference on Aries Agro Management, Products, Investor Relations, Clients, etc. The section on "Investors' Relations" serves to inform the Stakeholders, by giving complete financial details, Corporate Governance, Composition of Board, Contact Information relating to our Registrar and Transfer Agents, etc.

Quarterly Report on Corporate Governance Listing Regulations have been submitted to Stock Exchange(s) as follows

Quarterly Report for the quarter ended	Submitted to BSE Ltd. Through their portal	Submitted to National Stock Exchange of India Ltd through NEAPS
30th June, 2016	6th July, 2016	5th July, 2016
30th September,2016	5th October, 2016	5th October, 2016
31st December,2016	6th January, 2017	6th January, 2017
31st March, 2017	6th April, 2017	6th April, 2017

(iv) **Release of Official News**

The Company intimates to the Stock Exchange any Official News and places on its websites also.

(v) **Presentation to Institutional Investors or to analysts**

There is no Official News release displayed on the website. The Company's last presentation to Institutional Investors/Equity Analyst is posted on the website.

(vi) **Corporate Filing and Dissemination System (CFDS), BSE Online and NSE Electronic Application Processing System (NEAPS) –**

In accordance with Listing Regulations, all disclosures and communications to BSE Limited are done electronically through BSE's Online portal and to the National Stock Exchange of India Limited are done electronically through NSE's NEAPS portal.

13. GENERAL SHAREHOLDERS INFORMATION

(i) **Annual General Meeting**

The 47th Annual General Meeting of the Shareholders will be held on Thursday, 28th September, 2017 at 10.00 a.m.

Venue: The Chembur Gymkhana, 16th Road, Chembur, Mumbai – 400 071.

(ii) **Financial Calendar:-**

For the year ending 31st March, 2018 the Financial Results will be announced on:

First Quarter : On or before 14th August, 2017
Half year : On or before 14th November, 2017
Third Quarter : On or before 14th February, 2018
Yearly : On or before 30th May, 2018

(iii) **Date of Book Closure: -** Saturday, 16th September, 2017 to Thursday, 28th September, 2017 (both days inclusive)

(iv) Dividend, if any, declared by the Members in the ensuing Annual General Meeting will be paid on 24th October, 2017.

(v) Unclaimed Dividend/IPO Refund to Investor Education and Protection Fund

During the year under review the Company was not required to credit any amount to the Investor Education and Protection Fund (IEPF).

Pursuant to Section 124(5) of the Companies Act, 2013 dividend which remains Un-Paid/Un-Claimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

(vi) The status of dividend remaining unclaimed is given hereunder:

Unclaimed Dividend	Status	Whether it can be claimed	Can be claimed from	Action to be taken
For the Financial Year 2007-08	Transferred to Investor Education and Protection Fund Account	No (As per Section 205C of the Companies Act, 1956, No claim shall lie against the Fund)	N.A.	N.A.
For the Financial Years 2009-10 to 2015-16	Lying in respective Unpaid Dividend Accounts	Yes	M/S Aarthi Consultants Private Limited, Registrars and Transfer Agents 1-2-285, Domalguda, Hyderabad-500 029 040-27634445/8111/ 27642217	Letter on plain paper

(vii) Pursuant to the provision of the Investor Education and Protection Fund (Uploading of Information Regarding Un-Paid/Un-Claimed amounts lying with Companies), Rules, 2012, the Company has hosted on its website i.e. www.ariesagro.com and on the web site of the Ministry of Corporate Affairs the details of the Unclaimed Dividend as on the AGM dated 30.09.2016.

(viii) The date of declaration of dividend in respect of Financial Years 2009-10 to 2015-16 and the last date for claiming such dividend is given in the table below:

Financial year	Date of Declaration	Rate	Last Date of Claiming payment from Aarthi Consultants Pvt. Ltd*	Due for Transfer to IEPF
2009-10	17th September, 2010	15%	21st October, 2017	22nd October, 2017
2010-11 (Interim)	28th January, 2011	10%	4th March, 2018	5th March, 2018
2010-11 (Final)	29th September, 2011	10%	4th October, 2018	5th October, 2018
2011-12	28th September, 2012	15%	3rd October, 2019	4th October, 2019
2012-13	30th September, 2013	15%	5th October, 2020	6th October, 2020
2013-14	26th September, 2014	20%	1st October, 2021	2nd October, 2021
2014-15	30th September, 2015	20%	5th October, 2022	6th October, 2022
2015-16	30th September, 2016	15%	5th October, 2023	6th October, 2023

*Indicative dates. Actual dates may vary.

(ix) The Company's Registrars have already written to the Shareholders and Depositors informing them about the due dates for transfer to IEPF for unclaimed dividends/ IPO Application Refunds . Attention of the stakeholders is again drawn to this matter through the Annual Report.

(x) Shareholders are requested to get in touch with the Registrars for encashing the unclaimed dividend amount, if any, standing to the credit of their account.

(xi) As per, Section 124(6) of the Companies Act, 2013 all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF, shall also be transferred to IEPF. Ministry of Corporate Affairs has recently notified Investor Education and Protection Fund Authority (Accounting, Audit,Transfer and Refund) Amendment Rules, 2017 which have come into force from February 28, 2017. The said Rules, amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, in the name of IEPF Suspense Account.

All the Share Holders are requested to claim the Unpaid/Unclaimed Dividends due to them by making an application to M/S. Aarthi Consultants Pvt.Ltd., Registrar and Transfer Agents of the Company or directly to the Company on or before 22nd October, 2017. In case the Share Holders fail to claim the above dividend, all the concerned shares (whether held in physical or electronic form) will be transferred by the Company to IEPF Suspense Account. Kindly note that dividend for Financial Year 2009-10 Interim has already been transferred to IEPF.

However, the Share Holders can claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Suspense Account by making an application in Form IEPF-5 online and sending the physical copy of the same duly signed (as per registered specimen signature) along with requisite documents enumerated in the said Form IEPF-5 to the Company at its Registered Office or to M/S. Aarthi Consultants Pvt. Ltd., Registrar and Transfer Agents of the Company for verification of their claim. We shall send a verification report to IEPF Authority for refund of the unclaimed dividend amount and transfer of the shares back to the credit of the shareholder. As per the above mentioned rules, only one such request can be made in one year.

(xii) Listing: The Equity Shares of the Company are listed on BSE Ltd and National Stock Exchange of India Ltd.

(xiii) ISIN NO. : INE298I01015

Scrip Code : BSE - 532935

NSE - ARIES

(xiv) Listing Fee: The Listing Fee for the financial year 2016-2017 has been paid to the above Stock Exchanges.

The Listing Fee for the financial year 2017-2018 have also been paid to the above Stock Exchanges.

(xiv) **Market Price Data: high, low during each month in the last Financial Year.**

Monthly Share Price Data of the Company's shares on BSE for the year ended 31st March, 2017

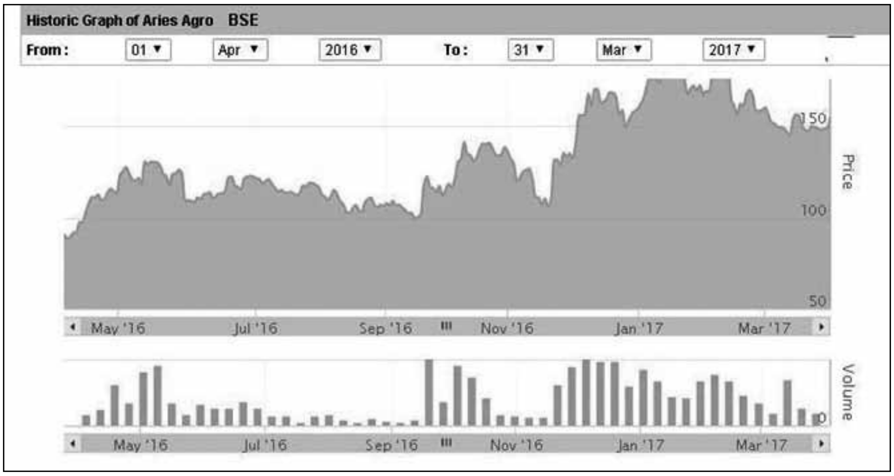
Month	Highest		Lowest	
	Rate (Rs.)	Date	Rate (Rs.)	Date
April, 2016	119.10	21.04.2016	88.05	05.04.2016
May, 2016	137.30	13.05.2016	103.00	31.05.2016
June, 2016	127.00	30.06.2016	106.00	02.06.2016
July, 2016	125.10	04.07.2016	112.10	21.07.2016 & 22.07.2016
August, 2016	119.20	01.08.2016	101.40	16.08.2016
September, 2016	124.40	22.09.2016	99.00	20.09.2016
October, 2016	148.30	10.10.2016	115.00	04.10.2016
November, 2016	144.05	29.11.2016	105.00	21.11.2016
December, 2016	177.70	13.12.2016	130.00	01.12.2016
January, 2017	189.00	18.01.2017	160.30	02.01.2017
February, 2017	195.90	08.02.2017	157.05	23.02.2017
March, 2017	162.75	01.03.2017	144.20	14.03.2017

Monthly Share Price Data of the Company's shares on NSE for the year ended 31st March, 2017

Month	Highest		Lowest	
	Rate (Rs.)	Date	Rate (Rs.)	Date
April, 2016	119.75	21.04.2016	88.05	01.04.2016 & 05.04.2016
May, 2016	137.35	13.05.2016	102.15	31.05.2016
June, 2016	127.35	30.06.2016	105.55	24.06.2016
July, 2016	125.70	04.07.2016	112.20	29.07.2016
August, 2016	119.85	01.08.2016	101.00	16.08.2016
September, 2016	124.70	22.09.2016	98.00	16.09.2016
October, 2016	148.45	10.10.2016	115.95	03.10.2016
November, 2016	144.20	29.11.2016	105.00	15.11.2016
December, 2016	177.65	13.12.2016	128.45	01.12.2016
January, 2017	189.90	11.01.2017	160.00	02.01.2017
February, 2017	195.95	08.02.2017	155.30	15.02.2017
March, 2017	162.75	01.03.2017	144.00	14.03.2017

(xv) **Performance in comparison to BSE & NSE Sensex**

BSE



NSE

(xvi) **Name and Address of the Registrar and Share Transfer Agents**

M/S. AARTHI CONSULTANTS PVT LTD
Regd. Office
1-2-285 Domalguda,
Hyderabad – 500029
Tel: 040 27638111 / 27634445 / 27642217 / 66611921
Fax: 040 27632184
Email: **info@aarthiconsultants.com**

(xvii) **Share Transfer System**

Aarthi Consultants Private Limited processes transfer of shares held in Physical form and sends to the Company.

The powers for approval of share transfers (physical) are delegated as under:

Upto 1000 Shares	:	Mr. S. Ramamurthy, Chief Financial Officer and Mr. Qaiser P. Ansari, Company Secretary,
1001 to 5000 Shares	:	Dr. Jimmy Mirchandani, Chairman & Managing Director or Dr. Rahul Mirchandani, Executive Director
above 5000 Shares	:	Stake Holders Relationship Committee

If the relevant documents are in order and complete in all respects, the transfer of shares is effected and certificates are dispatched to the transferees within 15 days from the date of receipt.

The requests for dematerialisation of shares are processed by the Registrar and Share Transfer Agents and if all the documents are found to be in order, the same are approved by them within a period of 15 days.

(xviii) (1) **Distribution of Share Holding as on 31st March 2017**

SL NO	CATEGORY	HOLDERS	HOLDERS PERCENTAGE	SHARES	AMOUNT	AMOUNT PERCENTAGE
1	1 - 5000	8291	85.43	971319	9713190	7.47
2	5001 - 10000	736	7.58	572666	5726660	4.40
3	10001 - 20000	338	3.48	508010	5080100	3.91
4	20001 - 30000	107	1.10	277441	2774410	2.13
5	30001 - 40000	52	0.54	185412	1854120	1.43
6	40001 - 50000	57	0.59	270237	2702370	2.08
7	50001 - 100000	61	0.63	440979	4409790	3.39
8	100001 & Above	63	0.65	9778275	97782750	75.19
	Total:	9705*	100	13004339	130043390	100

Prepared based on the PAN

(2) **Distribution of shareholding according to categories of shareholders as on 31st March, 2017**

Categories	No. of Shares	Amt. in Rs.	% to Total
Promoters	6847926	68479260	52.66
Directors (Independent)	--	--	--
Financial Institutions/ Banks	31965	319650	0.25
Mutual Funds / UTI	--	--	--
NRIs / OCBs/FIIs	138483	1384830	1.06
Other Bodies Corporate	1081196	10811960	8.31
Public	4904769	49047690	37.72
Total	**13004339**	**130043390**	**100.00**

(xix) For the purpose of SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 2011, the following Companies are to be considered as Group Companies belonging to Promoters Group.

Sr. No.	Name of the Companies	Shareholding of the Company as on 31.03.2017
1.	Sreeni Agro Chemicals Ltd.	NIL
2.	Aries Marketing Ltd.	NIL
3.	Blossoms International Ltd.	NIL
4.	Aries East-West Nutrients Pvt. Ltd.	NIL

(xx) **Subsidiary Companies**

A list of Subsidiary Companies is given in Note No. 38 of the Notes to Accounts forming part of the Annual Report.

All the Subsidiary Companies are Board managed. As the majority share holder, the Company has nominated its representative on the Board of Subsidiary Companies to monitor performance of such Companies. These are not material Subsidiaries as defined under Listing Regulations.

(xxi) **Details of Demat Shares as on 31st March, 2017**

Name of Depository	No. of Shareholders	No. of Shares	% of Capital
NSDL	5876	9902260	76.15
CDSL	3754	2806243	21.58
Sub-Total	**9630**	**12708503**	**97.73**
Physical Mode	264	295836	2.27
Grand Total	**9894***	**13004339**	**100.00**

**Actual Count*

(xxii) The Company has not issued any GDR's/ ADR's, Warrants or any other convertible instruments.

(xxiii) **Plant Location: -**

Location	Address
Mumbai, Maharashtra	• ARIES House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043, Maharashtra
Hyderabad, Telangana	• 244-246, 250-252, IDA Phase-II, Pashamylaram, Patancheru Mandal, Medak Dist;502 307, Telangana
Chhatral, Gujarat	• 1202/1 & 1202/2, Village: Rajpur, Taluka: Kadi, Distt: Mehsana, 382 740, Gujarat
Lucknow, Uttar Pradesh	• Plot No. 836, Banthara, Lucknow-Kanpur Highway, Sikandarpur, Tehsil & Distt. Lucknow, U. P., 227 101
Fujairah, UAE	• Amarak Chemicals FZC(a Subsidiary of Golden Harvest Middle East FZC thereby a Step Down Subsidiary of Aries Agro Limited) Al Hayl Industrial Area, P. O. Box 5283, Fujairah Free Zone(FFZ), Fujairah, UAE

(xxiv) Address for Correspondence:

i) Any query relating to the shares of the Company for Shares held in Physical Form and Shares held in Demat Form should be addressed to:

M/s. Aarthi Consultants Pvt. Ltd.
1-2-285 Domalguda, Hyderabad – 500029
Tel: 040 27638111 / 27634445 / 27642217 / 66611921
Fax: 040 27632184
Email: info@aarthiconsultants.com

ii) For grievance redress and any query

Mr. Qaiser P. Ansari, Company Secretary & Compliance Officer OR Mr. S. Ramamurthy, Chief Financial Officer, at the following address

Aries Agro Limited
Aries House, Plot No. 24,
Deonar, Govandi (E), Mumbai – 400043
Tel: 022 25564052 / 53 / 62580505
Fax: 022 25564054
Email: **investorrelations@ariesagro.com**
Web Site: www.ariesagro.com

(xxv) SEBI toll-free helpline service for investors: 1800 22 7575/1800 266 7575 (available on all days from 9.30 a.m. to 5.30 p.m.)

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CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

AUDITORS' CERTIFICATE

To the Members of Aries Agro Limited

We have examined the compliance of the conditions of Corporate Governance by Aries Agro Limited for the year ended 31st March, 2017, as stipulated in Listing Regulations.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to review of the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations. It is neither an audit nor an expression of an 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 and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in 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 **Kirti D. Shah & Associates**
Chartered Accountants

Kirti D. Shah
Proprietor
Membership No. 32371

Mumbai

Date: 9th August, 2017

Declaration by the Chairman & Managing Director to the Compliance of Code of Conduct in pursuance of Clause 49 (D) (ii) of the Listing Agreement

It is hereby declared that the Company has obtained from all the Members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Conduct of the Company for the Financial Year 2016-17.

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN-00239057

Date:9th August, 2017

MANAGING DIRECTOR(MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Aries Agro Limited ("The Company") to the best of our knowledge and belief certify that :

(a) We have reviewed the Financial Statements and the Cash Flow Statement for the Year ended on 31st March, 2017 and that to the best of our knowledge and belief we state that :-

  i. These Statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading.

  ii. 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.

(b) We further state that to the best of our knowledge and belief there are no transactions entered into by the Company during the year, which are Fraudulent, Illegal or Violative of the Company's Code of Conduct. We hereby declare that all the Members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.

(c) We are responsible for establishing and maintaining Internal Controls for Financial Reporting and for evaluating the effectiveness of the same over the Financial Reporting of the Company and have evaluated the effectiveness of Internal Control Systems of the Company pertaining to Financial Reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:

  i. There have been no significant changes in the Internal Controls over Financial Reporting during the year.

  ii. There have been no significant changes in the Accounting Policies made during the year and that the same has been disclosed in the Notes to the Financial Statements; and

  iii. There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an Employee having significant role in the Company's Internal Control System over Financial Reporting.

Dr. Rahul Mirchandani	**S. Ramamurthy**
Chairman & Managing Director	**Chief Financial Officer**
DIN-00239057	**Membership No. ACA-31200**

Mumbai
9th August, 2017

MANAGEMENT DISCUSSION AND ANALYSIS

FORWARD LOOKING STATEMENTS

This report contains forward looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward looking statements. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the Directors and Management of the Company, about the business, industry and markets in which the Company operates. These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, many of which are beyond Company's control and difficult to predict, that could alter actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of the Company. In particular, such statements should not be regarded as a projection of future performance of the Company. It should be noted that the actual performance or achievements of the Company may vary significantly from such statements.

OVERVIEW

OVERVIEW OF INDUSTRY:

The Company is part of the growing specialty plant nutrition industry which is a niche sector within the crop nutrition segment of agricultural inputs. During the year under review the monsoons recorded All India average of 97% of the LPA (Long Period Average). The Kharif rainfall was as per expectation. However, the winter rains especially in South India were extremely deficient. As a result, the second half performance was comparatively lower than expected. Some states, especially Tamil Nadu recorded severe drought conditions. The second half was also affected by demonetization which restricted sales and collections for almost three months before conditions improved towards the end of the fourth quarter. Stress on the rural economy post demonetization required the Company to provide extra schemes to ensure continued funds inflow during the second half of the year. This had impact on second half margins. This situation was faced by almost all companies in the rural sector and the impact was fairly significant during Q3 and slightly less significant in Q4.

MANUFACTURING BASE

The total capacity utilization currently stands at 58% of the total installed capacity of 84,600 MT p.a. in India. During the year we took a decision to close the operations in one of our international manufacturing facilities at UAE namely Golden Harvest Middle East FZC (not a Material Subsidiary of Aries Agro Ltd) and sell the machinery which was eight years old and purchase identical set of new machinery in India. This new set of machinery was installed between the Hyderabad and Chhatral manufacturing units, thus reinstalling the Sharjah installed capacity in the Indian factories. This was required in the context of changed import duty structures which has made manufacturing in India most viable and cheaper. Golden Harvest Middle East FZC, Sharjah, UAE ceased its manufacturing operations w.e.f. December 2016. The manufacturing unit at Fujairah, UAE, functioned at 10% capacity utilization. However, the movement restrictions and lack of power continued to remain as constraints in this factory.

HIGHLIGHTS & KEY EVENTS

HIGHLIGHTS

Financial Year 2016-17 was characterized by good Kharif with 25.70 % growth in H1 and subdued Rabi with growth of 11.37 % in revenue. On a standalone basis, the Company registered increase of 18.15% in turnover. Strong cost control measures were put in place and hence profitability (PAT) increase of 85.15 %.

The credit for increase in revenue is also attributed to the success of the Company's first ever flash sale conducted on 20th April 2016 which resulted in an order book being created in the beginning of the Financial Year. This is part of the four year long Golden Jubilee Campaign – Aries 2020. 75.83% of the order book was converted during the Financial year. The Company introduced five new products namely Mobomin, Crackguard, Boon-o-Milk, Tracemin and K-Phonic during the Financial Year and this supported the revenue growth. Orders received during the Flash Sale caused better working capital management with 12 days reduction in debtors.

However, international operations being restructured, caused stress on the consolidated Profit & Loss account to the extent of Rs.2.74 Crores (net) loss on sale of assets of Golden Harvest Middle East FZC, Sharjah, UAE, which is a onetime loss which the Company chose to bear since future operations in India will lead to a reduction in cost of manufacturing of several key brands.

KEY EVENTS

The following were the key events during the year;

1) Aries organized the first ever Agri Business Flash Sale at BSE International Convention Centre and at Aries Head Office on 19th and 20th April, 2016. 900 number of dealers/distributors from 20 states participated in the Flash Sale which led to Rs.201.78 crores bookings in 30 minutes which was certified as a National Record by Limca Book of Records.
2) All India Planning meeting was held in Daman with Top Management, Stateheads and Region Heads to finalize plans for 2016-17.
3) Dealers Meetings were held across India in Hyderabad, Vijayawada, Puri, Haridwar, Goa, Mettupalayam and Pondicherry.
4) Aries organized family day in Mumbai office on 24-Jun-2016 and awarded meritorious students of staff and workers with the Founders Award for academic excellence.
5) Aries organized Training and Development programme 'Aries Futura' for its Extension Team consisting of more than 300 number of extension staff trained at Acharya Nagarjuna University, Guntur from 17th to 20th April 2016. 'Aries Futura was also held at Bhopal, Raipur and Karnal during 2016-17.
6) Aries conducted half yearly meeting in Delhi from 18th to 21st October, 2016. The entire team visited Rashtrapati Bhavan as part of the Half Yearly Conference.

7) North Young Leaders Connect Conclave invited Aries to mentor youth in Arunachal Pradesh on 28th and 29th October, 2016.

8) On 8th March, 2017 Aries had industry interactive session on "Impact Assessment of CSR Interventions" with MBA students from Georgetown University's McDonough School of Business, USA

9) Aries and SCA Group jointly organized Capacity Building workshop optimizing post harvest supply chain for Indian farmers conducted by Scientists from Wageningen University & Research Centre, Netherlands.

RECOGNITION:

1) Aries was selected for being amongst the top 100 SMEs in India and was conferred the Skoch Order of Merit – 2017

2) Aries was awarded the National Record by Limca Book of Records for the largest Flash Sale of specialty plant nutrition products conducted during April 2016 at Bombay Stock Exchange, International Convention Center, Mumbai.

3) Aries was awarded the highest independent honour in India, the Skoch Gold Award 2017 for our consistent work serving Indian farmers.

4) For Twelve consecutive years Aries Quality Management System was audited and certified as NS-EN ISO 9001:2008 with zero non-compliance report showing complete adherence to international quality standards.

GLOBAL SOURCING

Aries has sourced 52% of its total raw materials from overseas suppliers located in Taiwan, UAE, China, Belgium, Malaysia and UK. Imports constitute 23% of our total purchases and our Company has identified a pool of reliable overseas suppliers.

COST MANAGEMENT

Financial year 2016-17 showed noticeable changes in cost management. The material cost increased by 20.91%, Finance Cost increased by 2.30% and Employee Cost and Benefits increased by 14.86% of sales. However, trade schemes increased as a result of 2020 Flash Sale and additional cash discounts offered post demonetization. Considering both these positive and negative cost drivers, the profitability stood at 5.16% of sales, an increase of 85% compared to previous Financial Year. The customs duties levied on imports post the change of classification of many brands being imported by the Company led to a steep escalation in the cost of imported materials. As a result, the Company has extensively carried out import substitution with closure of one overseas unit, reinstallation of similar machinery in India and identification of indigenous sources of key raw materials.

The foreign exchange rate fluctuations caused impact of 88 % significantly lower than the previous years since domestic production and reduced imports reduced the exposure of the Company to this cost factor.

MAN POWER

The total Man Power of the Company increased from 748 to 822 during the year under review. Stringent norms has been set for performance appraisals and manpower costs were in line with pre-sanctioned budgets and funds are released only based on the progress of the season.

GLOBAL DISTRIBUTION:

International clients are located in Bangladesh, Ghana, Kenya, Nepal, Vietnam and Taiwan. Distributors in Nepal and Vietnam have invested in branding and promotion of our range of products in their respective countries. The total exports and global sales constituted 12.50 % of our group revenue during the Financial Year 2016-17.

OUTLOOK:

2017 monsoons are expected to be 98% of normal and the Company is hopeful that it will achieve good growth in revenues and profitability. A series of dealers meetings and booking bazaars were conducted during April 2017 at Amritsar, Puri, Goa and Kakdwip. The orders with payment instruments totaling to Rs. 305.88 Crores are in hand with bookings made by 1250 number of dealers. Following from the experience of the previous Financial Year, the Company is planning inventories and production based on this order book and conversion of bookings into actual sales is estimated as 75% similar to the previous Financial Year. The major focus area includes;

- Increase penetration in Acquaculture. Aqua culture is a new market and is a non monsoon dependant sector. During the year under review we had sales of around 12 Crores in Andhra Pradesh, West Bengal and Chattisgarh in this sector. We are looking forward to a wider penetration this year. It is noteworthy that existing agri products are being positioned for aquaculture
- Increase in exports in Asian Region after receiving Export License
- Launch slow release granules for some existing soil applied products.

The Company is introducing 7 new products in the plant nutrition sector and this will be launched in August and October 2017 which will support growth in the topline and bottom line.

SEGMENTWISE / PRODUCTWISE PERFORMANCE

As the Company's business activity falls within a single primary business segment, the disclosure requirements of Accounting Standard (Ind AS-108) " Operating Segments ", are not applicable.

RISK MANAGEMENT & INTERNAL CONTROLS

RISK MANAGEMENT

The Company has a Risk Management Policy.

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviours together form the Aries Risk Management Systems (ARMS) that governs how the Company conducts its business and manages associated risks.

The Company has in place adequate Internal Financial Controls with reference to Financial Statements. During the year, such controls were tested and no reportable material weakness in the design or operations were observed.

INTERNAL CONTROL SYSTEM

The Company has an extensive system of internal controls to ensure optimal utilization of resources and accurate reporting of financial transactions and strict compliance with applicable laws and regulations. The Company has put in place sufficient systems to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly.

THREATS AND OPPORTUNITIES

The external factors which could serve as possible threat to the business would include erratic spread of the rainfall and water availability in the reservoirs, fluctuations in oil and gas prices, foreign exchange rate fluctuations, shortages of key raw materials, pricing pressure, indirect and direct substitutes, etc.

Opportunities would include growth in product range as well as expansion into unserved markets in India and abroad. Increasing awareness levels amongst existing customers on balanced nutrition will increase number of products the farmers purchase from the Aries range.

FINANCIAL PERFORMANCE:

The Company's Sales Turnover for the financial year ended March 31, 2017 increased to Rs. 27,719.13 Lakhs from Rs. 23,461.58 Lakhs in the previous year, reflecting an increase of 18.15%.

Total expenses for the year was Rs. 21,282.99 Lakhs as against Rs. 20,385.66 Lakhs in the previous year.

Profit Before Tax increased to Rs. 1,834.36 Lakhs during the year as against Rs. 1,040.39 Lakhs in the previous year.

Tax provision for the year was Rs. 650.01 Lakhs as against Rs. 400.71 Lakhs in the previous year which translates to 2.83 % on FY 16-17 Sales.

Profit After Tax for the year was Rs. 1,184.35 Lakhs as against Rs. 639.68 Lakhs in the previous year which is 5.16 % of FY 16-17 Sales.

RESOURCES AND LIQUIDITY:

As on March 31, 2017, the net worth of the Company stood at Rs. 13,510.21 Lakhs as against Rs.12,568.24 Lakhs.

As on March 31, 2017, the Company had a Debt / Equity ratio of 0.83. The Company has not raised any Deposits from the public.

HUMAN RESOURCES:

As at the end of the financial year there were 822 employees under the permanent rolls and 153 plus under contract. We have an ongoing arrangement with few labour supplier organizations for our various locations.

We have 136 workers in our permanent employment and sizeable numbers on contract, working in our factories. The detailed breakup of the same is as under:

Sr. No.	Particular	Employees
1.	Skilled	30
2.	Semi-Skilled	7
3.	Unskilled	99
	Sub- Total	**136**
4.	Contract Labour	153
	TOTAL	**289**

The Department wise breakup of our manpower is as under:

Sr. No	Name of the Department	No. of Staff
1.	Directors	2
2.	Accounts, Personnel & Administration, Legal & Secretarial	153
3.	Production(Staff and Workers), R&D and Spray Dryer Operators	188
4.	Sales	479
	TOTAL	**822**

HEALTH/ SAFETY/ENVIRONMENT SENSITIVITY

HEALTH THROUGH NUTRITION:

- The Company promotes "Balanced Nutrition as a National Imperative", building resistance of crops to pests and diseases and hence lowering the usage of harmful and expensive pesticides

ENVIRONMENT SENSITIVITY:

- The Solar Power Generation System at its manufacturing unit in Hyderabad is still operational and has generated 68,622 kws of power during the Financial Year 2016-17.
- All Aries products are based on the philosophy of "Use less chemicals and use safe chemicals" – low doses of chemically inert and cost effective nutrient complexes
- The entire range of Aries Chelates are environmentally safe

NON POLLUTING:

- All Aries factories have zero effluents and produce no harmful emissions

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

CSR AT ARIES AGRO LIMITED

Aries continues its tradition of carrying out a range of activities that spread knowledge and adoption of farming best practices in the markets that Aries functions in. The Company has carried out a range of projects during the financial year 2016-17 in addition to some philanthropic activities.

FOCUS AREAS OF ENGAGEMENTS

SUPPORTING THE GIRL CHILD:

The company undertook activities focused specifically on supporting school aged girls across India which included;

- Constructing Ladies Washroom at Z.P High School, Vizianagaram, Vijayawada.
- Aries supported the campaign "Help My Daughter" by donating to Milaap Social Ventures India (P) Ltd., to support the Girl Child.

EDUCATION:

- Aries constructed Kitchen-cum-Dining Hall at V.K.P. Komarana Bheem Vidyarthi Nilayam, Khamam.
- Distributed Computer desktops, school uniforms, exam pads, geometry boxes, books, bath bucket, mugs, dustbin, etc for the students of Police CAP School (Orphans and single parent children), Guntur.
- Distributed School lab furniture, Iron Stools, and Sports items for the students of Zilla Parishad High School Vatluru and Mandala Praja Parishat Primary School, Kavvagunta
- Distributed food grains to the students of Veda School, Nagpur.
- Distributed Projectors, Laptops to the students of Solapur and also distributed Desktops to the students of Zilla Parishad Primary School, Solapur.
- Also donated for the development of students at Parpoli Gram Vikas Mandal, Sawantwadi, Sindhudurg.

LEARNING FOR THE DIFFERENTLY ABLED:

- Aries supplied Braille Kits (Slates, Mathematic Slates, Abacus Kits) Iron Safe, Trunk Boxes, Toiletry Kits, Rice Bags, etc for the students of Kasturibai Blind Women Ashram, Anantapur Dist.
- Distributed Hearing Aid Machines for the deaf students of Navjeevan Special School for the Deaf, Kurnool.

FARMERS CALL CENTRE:

The Company's Call Centre based in Vijayawada continued to provide answers to farmer's queries and provided direct interaction with consumers. During the year under review, 5446 number of farmers called the call center at Vijayawada with queries on integrated nutrient management, pest management, soil health and post harvest management, etc were answered by the three call center executives. In addition, the Company has added call center numbers on all literature and promotional materials and is extending the reach of this call center to other states across India.

SPREADING KNOWLEDGE:

- Aries' extension team continues to strongly advocate good agricultural practices in all states of India. The activities are conducted under the supervision of Agronomist and Agricultural Research Institutions throughout the year. During the year under review 5877 knowledge dissemination activities including farmers meeting were undertaken impacting 73,300 number of farmers. These sessions were conducted by team of 71 extension officials spread across 20 states.
- Aries organized various state level farmers' conference at Andhra Pradesh, Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Gujarat, Karnataka, Rajasthan, Haryana, Uttar Pradesh, Himachal Pradesh, Punjab, Bihar, Odisha, Jharkhand, West Bengal, Tamil Nadu, Kerala and Jammu & Kashmir. The unique feature of these events have been that they had participation on a common intellectual platform from top government officials, opinion leaders, academia, research scholars, scientists, agribusiness students and farmers from across the states.
- Large farmers training programme on good agricultural practices exposed the farming community to latest plant nutrition concepts and also focused on socially and economically backward areas at Kakdwip, West Bengal
- Educating Indian farmers on post harvest practices adopted by the Dutch on tomato and banana crop leading to creation of product market combination for Indian farmers to export to Netherlands.

SOIL TESTING SERVICES

- The Company has organized during the year soil testing camps in North Karnataka, Andhra Pradesh and Telangana using Mobile Soil Testing Kits which analyse 10 parameters including pH, EC, NPK levels in soil, micro nutrient levels including Zinc, Ferrous, Boron, Organic Carbon, etc. Approximately 2412 Soil Health Cards were issued to farmers providing an additional service in order that they understand the specific nutrient needs of their farms.

ACCESS TO CLEAN WATER

- Provided Acqua Fresh RO + UV Water purifier system to students of Mandala Praja Parishat Primary School, Kavvagunta.

OTHER CSR ACTIVITIES:

- In addition, a series of awards were distributed in R. A. Podar College of Commerce & Economics, Matunga, Mumbai for the meritorious students in the Bachelor of Management Studies programme. Have been distributing these awards since the last 15 years in the name of Aries' founder, Late Bala Mirchandani. 56 students received these awards at the College Annual Day.
- Sponsorship of students' activities at K. J. Somaiya Institute of Management, Mumbai.
- The Company donated for India Leadership Initiative supporting the development of young leaders within the Ananta Aspen Institute.

- The Company contributed to NGOs assisting the treatment of victims of stone pelting in Jammu & Kashmir for their rehabilitation.
- Aries supplied Pots and red mud to plant trees at the Chaitanya Mahila Mandali, Secunderabad.

INFLUENCER RELATIONS

During the year the Company was represented at various industry bodies including Confederation of Indian Industry's Agricultural Council, Confederation of Indian Industry's Innovation Council, Indian Micro-Fertilizers Manufacturers Association (IMMA) and Fertilizer Association of India (FAI). At these forums, the Company advocated that balanced plant nutrition being recognized as a national imperative. It has also conducted various sessions with key influencers to promote the systematic spread of world class farmers' education and skilling programmes. The Company believes that the spread of knowledge is an essential part of its responsibility towards society development and nation building.

Through our knowledge sharing activities and continuous connect with Research Institutions, our commitment to use knowledge as a catalyst for building agricultural productivity remains steadfast. In addition, our products remain environmentally sensitive and we ensure minimum adverse reactions to the soil and related eco systems.

Through its products and passion, Aries continually demonstrates that it is a responsible corporate citizen, working hard to retain the delicate balance of nature and the development of communities where it works and grows.

CSR EXPENDITURE DURING THE YEAR 2016-17

Head of Expense	Amount (Rs.)
Education including farmers	21,43,035
Farmers Call Centre	5,74,192
Infrastructure	6,81,547
Healthcare	50,000
TOTAL	**34,48,774**

Assessing the impact of CSR activities:

The Company having spent significant amount of money over the past few years, it was decided to create an assessment framework to track the impact of CSR activities on the various communities and projects being supported. The assessment frame work was based on global best practices and hence four MBA students from Georgetown University's McDonough School of Business, USA worked on independently assessing our CSR activities over the past three years and submitted their recommendations for impact assessment based on the following parameters.

- Business Strategy
- CSR Vision
- Mission
- Goals
- Objectives
- Activities
- Output
- Impact
- Communication

This will be implemented from 2017-18 onwards.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

ARIES AGRO LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **ARIES AGRO LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), and the Statement of cash flows and statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgement, 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 aforesaid 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 including the Ind AS:

(a) in the case of the Balance Sheet, of financial position of the Company as at 31st March, 2017;

(b) in the case of the Statement of Profit and Loss, of the financial performance including other comprehensive income of the Company for the year ended on that date;

(c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date; and

(d) in the case of the statement of changes in equity, of 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 A, 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 purposes of our audit;
- **(b)** In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us];
- **(c)** The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement, and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
- **(d)** In our opinion, the Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement, and the statement of changes in equity comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rule issued there under;
- **(e)** On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act;
- **(f)** With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- **(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 as referred to in the notes to accounts of these standalone Ind AS financial statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

iv. The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company as referred to in the notes to accounts of these standalone Ind AS financial statements.

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No. 032371

Place : Mumbai
Date : 30th May,2017

ANNEXURE- A TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March 2017, we report that:

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

(b) These fixed assets were physically verified by the management at reasonable intervals. We have been informed that no material discrepancies were noticed on such physical verification.

(c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

ii. According to the information and explanations provided to us, the stock of inventory has been physically verified during the period by the management at reasonable intervals. No material discrepancies were noticed on physical verification of stocks as compared to book records.

iii. The Company has granted loans to five companies (subsidiaries) covered in the Register maintained under Section 189 of the Act, 2013

(a) As per information and explanation provided to us, the rate of interest and other terms and conditions on which the loans granted by the Company to the bodies corporate listed in the register maintained under section 189 of the Act were not , prima facie, prejudicial to the interest of the company.

(b) As per information and explanation provided to us, in the case of loans granted by the company to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of principal and interest as stipulated wherever applicable.

(c) As per the information given by the management, there are no overdue amounts in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.

iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments made.

v. According to the information and explanations provided by the company, The Company has not accepted deposits from the public.

vi. The Company has appointed a cost accountant firm to carry out the Cost Audit. We have reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2014 prescribed by the Central Government under section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete

vii. (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing statutory dues including Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues except occasional/ minor delays. As per the information given by the management and apparent from the records the undisputed liabilities as on 31st March 2017 is for a period exceeding six months from the date of it becoming payable is NIL.

(b) Details of disputed liability in respect of tax dues on account of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess together with the status and the Forum before which such dispute is pending as on 31st March 2017 is as per Annexure I.

viii. The company has not defaulted in repayment of loans or borrowing to a financial institution, banks, or Government. The Company has not obtained any borrowings by way of issue of debentures.

ix. According to the information and explanation provided to us, the company did not raise any money by way of initial public offering or further public offer (including debt instruments). The company has taken term loans which have been utilized for the purpose for which such loans were obtained.

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

xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided for managerial remuneration in accordance with the requisites approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No. 032371

Place : Mumbai
Date : 30th May,2017

Annexure I to Clause vii(b) of Auditor's Report

Details of disputed statutory dues outstanding as on 31st March, 2017

Nature of Dues	Period to which payment relates	Forum where the dispute is pending	Particulars of Dispute	Tax Outstanding Rs.
Sales Tax (Lucknow)	2013-14	Additional Commissioner-Grade II (Appeals), Commercial tax, Lucknow(U.P.)	Disallowance of legitimate claim of goods return and levied VAT on Branch transfer and incorrect enhancement of sales turnover.	13,08,936
			Total	**13,08,936**
Income Tax	2006-07	Income Tax Appellate Tribunal	Disallowance of Notional Interest on Advances given	4,41,660
Income Tax	2008-09	Commissioner of Income Tax (Appeals) XXII , Mumbai	Disallowance of deduction u/s 14A. and Disallowance u/s 35D	30,40,640
Income Tax	2009-10	Commissioner of Income Tax (Appeals) XXII, Mumbai	Disallowance of deduction u/s 35D.	25,92,730
Income Tax	2010-11	Commissioner of Income Tax (Appeals) XXI, Mumbai	Disallowance of deduction u/s 35D.	26,98,410
Income Tax	2012-13	Income Tax Appellate Tribunal, Mumbai	(1) Transfer Pricing adjustment (2) Disallowance of deduction u/s 35D (3) Disallowance u/s 2(24)(x) r.w.s 36(1)(va)	2,12,74,249
Income Tax	2013-14	Dispute Resolution Panel – I, Mumbai	(1) Transfer Pricing adjustment	82,25,568
			Total	**3,82,73,257**
Central Excise & Customs	2011-12 & 2012-13	Central Excise & Service Tax Appellate Tribunal (CESTAT)	Classification of Goods Imported	29,91,582
Central Excise & Customs	March 2011 to October 2012	Central Excise & Service Tax Appellate Tribunal (CESTAT)	Classification of Goods Manufactured	3,81,04,558 + 3,81,04,558(Penalty)
			Total	**7,92,00,698**

ANNEXURE "B" to the Independent Auditor's Report

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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 Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No. 032371

Place : Mumbai
Date : 30th May,2017

Balance Sheet as on 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Particulars	Note Nos.	As at 31st March 2017	As at 31st March 2016	As at 1st April, 2015
I. ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	6	**246,831,498**	256,428,298	210,069,287
(b) Intangible Assets	6	**1,171,853**	1,312,120	888,665
(c) Capital Work in Progress		**150,000,000**	90,500,000	92,919,950
(d) Financial Assets				
(i) Non-Current Investments	7	**202,764,000**	202,764,000	202,764,000
		600,767,351	551,004,418	506,641,902
(2) Current Assets				
(a) Inventories	8	**1,149,055,703**	992,822,395	996,849,305
(b) Financial Assets				
(i) Trade Receivables	9	**801,285,222**	808,905,120	822,416,516
(ii) Cash & Cash Equivalents	10	**52,178,120**	40,766,091	38,842,110
(iii) Other Bank Balances	11	**53,674,394**	50,886,069	45,799,618
(iv) Current Loans	12	**1,231,984**	1,232,152	1,050,353
(v) Other Financial Assets	13	**1,587,443**	1,886,876	1,713,025
(c) Other Current Assets	14	**522,672,785**	542,917,130	475,928,756
		2,581,685,651	2,439,415,833	2,382,599,683
TOTAL		**3,182,453,002**	2,990,420,251	2,889,241,585
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share Capital	15	**130,043,390**	130,043,390	130,043,390
(b) Other Equity	16	**1,220,978,104**	1,126,780,947	1,097,030,082
		1,351,021,494	1,256,824,337	1,227,073,472
(2) Non-Current Liabilities				
(a) Financial Liabilities				
Non Current Borrowings	17	**139,895,247**	116,922,422	129,683,541
(b) Non Current Provisions	18	**10,890,071**	8,888,561	11,600,400
(c) Deferred Tax Liabilities (Net)	19	**38,235,226**	38,315,141	36,904,465
		189,020,544	164,126,124	178,188,406
(3) Current Liabilities				
(a) Financial Liabilities				
(i) Current Borrowings	20	**960,524,916**	997,301,620	872,736,225
(ii) Trade Payables	21	**296,540,174**	224,991,431	258,433,808
(iii) Other Current Financial Liabilities	22	**20,316,638**	26,150,255	70,012,788
(b) Other Current Liabilities	23	**304,047,052**	286,262,245	222,973,780
(c) Current Provisions	24	**9,854,183**	9,546,963	8,330,112
(d) Current Tax Liability (Net)	25	**51,128,001**	25,217,277	51,492,993
		1,642,410,964	1,569,469,790	1,483,979,707
TOTAL		**3,182,453,002**	2,990,420,251	2,889,241,585
Summary of Significant Accounting Policies	5			

The Notes referred to above form an integral part of these Financial Statements

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date : 30th May, 2017

For and on behalf of the **Board of Directors** of **Aries Agro Limited**

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN 00239057

Prof. R. S. S. Mani
Director
DIN 00527270

Mr. S. Ramamurthy
Chief Financial Officer
Membership No. ACA-31200

Dr. Jimmy Mirchandani
Director
DIN 00239021

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Mrs. Nitya Mirchandani
Director
DIN 06882384

Mr. B.V. Dholakia
Director
DIN 01871816

Statement of Profit and Loss for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

	Particulars	Note Nos.	Year Ended 31st March, 2017	Year Ended 31st March, 2016
I.	**Revenue from Operations**	26	**2,771,912,698**	2,346,158,039
	Less :- Discounts / Rebates		**475,440,074**	217,812,140
			2,296,472,624	2,128,345,900
II.	Other Income	27	**15,262,163**	14,259,519
III.	**Total Revenue (I + II)**		**2,311,734,786**	2,142,605,419
IV.	**Expenses :**			
	a) Cost of Materials Consumed	28	**660,032,516**	569,022,119
	b) Purchases of Stock-in-Trade	29	**430,251,224**	435,399,707
	c) (Increase)/Decrease in Inventories of Finished Goods and Stock-in-Trade	30	**(148,429,224)**	(8,883,411)
	d) Excise Duty on Sale of Goods	31	**128,555,679**	52,365,507
	e) Employee Benefits Expense	32	**256,682,788**	223,475,657
	(f) Finance Costs	33	**211,940,436**	207,165,452
	g) Depreciation and Amortization	6	**18,529,371**	17,563,096
	h) Other Expenses	34	**570,735,839**	542,458,021
	Total Expenses		**2,128,298,629**	2,038,566,146
V.	**Profit / (Loss) Before Tax - (III - IV)**		**183,436,157**	104,039,272
VI.	**Tax Expense**			
	(a) Current Tax		**65,100,000**	36,500,000
	(b) Adjustment of Tax relating to earlier periods		**528,839**	2,160,597
	(c) Deferred Tax		**(627,358)**	1,410,676
	Income Tax Expense		**65,001,481**	40,071,273
VII.	**Profit / (Loss) for the period**		**118,434,677**	63,968,000
VIII.	**Other Comprehensive Income**			
	(A) Items that will not be reclassified to Profit or Loss			
	(i) Remeasurements of Defined Benefit Plans		**(4,622,344)**	(2,883,267)
			(4,622,344)	(2,883,267)
IX.	**Total Comprehensive Income for the period (VIII + IX)**		**113,812,333**	61,084,733
X.	**Earnings per Equity Share**	35		
	(1) Basic & Diluted		**9.11**	4.92
	Summary of Significant Accounting Policies	5		

The Notes referred to above form an integral part of these Financial Statements

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date : 30th May, 2017

For and on behalf of the **Board of Directors** of **Aries Agro Limited**

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN 00239057

Prof. R. S. S. Mani
Director
DIN 00527270

Mr. S. Ramamurthy
Chief Financial Officer
Membership No. ACA-31200

Dr. Jimmy Mirchandani
Director
DIN 00239021

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Mrs. Nitya Mirchandani
Director
DIN 06882384

Mr. B.V. Dholakia
Director
DIN 01871816

Statement of Changes in Equity for the year ended 31st March, 2017

Note No. 15

(Amounts in Rupees unless stated otherwise)

A	Equity Share Capital	As at 1st April, 2015	Changes in Equity Share Capital during 2015-16	Balance as at 31st March, 2016	Changes in Equity Share Capital during 2016-17	Balance as at 31st March, 2017
		130,043,390	-	130,043,390	-	130,043,390

Note No. 16

B	Other Equity		Reserves & Surplus			Items of Other Comprehensive Income	Total
			Securities Premium Reserve	General Reserve	Reatined Earnings	Re-measurement of net defined benefit plans	
	Balance as at 1st April, 2015		**490,037,050**	**97,956,310**	**509,036,723**	**-**	**1,097,030,082**
	Add :	Profit / (Loss) for the year	-	-	63,968,000	-	63,968,000
	Add :	Transfer from Retained Earnings	-	5,000,000	-	-	5,000,000
	Less :-	Transfer to General Reserve	-	-	(5,000,000)	-	(5,000,000)
	Less :-	Dividend paid F Y 2014-15	-	-	(26,008,678)	-	(26,008,678)
	Less:	Dividend Distribution Tax paid F Y 2014-15	-	-	(5,325,191)	-	(5,325,191)
	Less:	Re-measurements of the net defined benefit plans	-	-	-	(2,883,267)	(2,883,267)
	Balance at at 31st March, 2016		**490,037,050**	**102,956,310**	**536,670,854**	**(2,883,267)**	**1,126,780,947**
	Add :	Profit / (Loss) for the year	-	-	118,434,677	-	118,434,677
	Add :	Ind AS Impact on Defined Benefit Plans	-	-	4,649,931	-	4,649,931
	Less :-	Ind AS Impact on Deferred Tax		-	(547,443)	-	(547,443)
	Less :-	Dividend paid for F Y 2015-16	-	-	(19,506,509)	-	(19,506,509)
	Less:	Dividend Distribution Tax paid for F Y 2015-16	-	-	(3,971,066)	-	(3,971,066)
	Less:	Ind AS Impact on Residential Flat	-	-	(240,088)	-	(240,088)
	Less:	Re-measurements of the net defined benefit plans	-	-	-	(4,622,344)	(4,622,344)
	Balance as at 31 March, 2017		**490,037,050**	**102,956,310**	**635,490,356**	**(7,505,611)**	**1,220,978,104**

Dividend declared @ ₹2 per share

Statement of Cash Flows for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Sr. No.	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax as per Statement of Profit and Loss	**183,436,157**	104,039,272
	Adjusted for :		
	Depreciation and Amortisation Expense	**18,529,371**	17,563,096
	Loss on Sale of Assets (net)	**174,616**	3,611,641
	Effect of Re-measurements	**(759,944)**	(2,883,267)
	Interest Income	**(14,842,099)**	(13,568,722)
	Finance Costs	**211,940,436**	207,165,452
	Operating Profit before Working Capital Changes	**398,478,538**	315,927,472
	Adjusted for :		
	(Increase) / Decrease in Trade Receivables	**7,619,897**	13,511,396
	(Increase) / Decrease in Inventories	**(156,233,308)**	4,026,910
	Increase / (Decrease) in Trade Payables	**71,548,743**	(33,442,377)
	Increase / (Decrease) in Provisions & Other Current Liabilities	**40,170,645**	(8,344,773)
	Cash Generated from Operations	**361,584,516**	291,678,627
	Income Taxes (paid) / received (Net)	**(65,081,394)**	(38,660,597)
	Net Cash Flow from Operating Activities (A)	**296,503,121**	253,018,030
B)	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Purchase of Fixed Assets (Tangible Fixed Assets, Capital work in progress (WIP)	**(70,588,297)**	(71,573,414)
	Proceeds from Sale of Fixed Assets	**2,121,375**	6,036,161
	Movement in Short Term Loans and Advances & Other Assets	**17,755,621**	(72,430,475)
	Interest Income	**14,842,099**	13,568,722
	Net Cash Flow from / (used in) Investing Activities (B)	**(35,869,202)**	(124,399,006)
C)	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Dividend Paid	**(19,506,509)**	(26,008,678)
	Tax on Dividend paid	**(3,971,066)**	(5,325,191)
	Non Current Borrowings (Net)	**22,972,825**	(12,761,119)
	Current Borrowings (Net)	**(36,776,704)**	124,565,395
	Finance Costs	**(211,940,436)**	(207,165,452)
	Net Cash (used in) / from financing activities (C)	**(249,221,890)**	(126,695,044)
	Net Increase in Cash and Cash Equivalents	**11,412,029**	1,923,980
	Opening Balance of Cash and Cash Equivalents	**40,766,091**	38,842,110
	Closing Balance of Cash and Cash Equivalents	**52,178,120**	40,766,091

Note: The above statement has been prepared under the indirect method set out in Ind AS-7 "Statement of Cash Flow"

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date : 30th May, 2017

For and on behalf of the **Board of Directors** of **Aries Agro Limited**

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN 00239057

Prof. R. S. S. Mani
Director
DIN 00527270

Mr. S. Ramamurthy
Chief Financial Officer
Membership No. ACA-31200

Dr. Jimmy Mirchandani
Director
DIN 00239021

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Mrs. Nitya Mirchandani
Director
DIN 06882384

Mr. B.V. Dholakia
Director
DIN 01871816

NOTES to the Financial Statements for the year ended 31st March, 2017

1. Corporate Information

Aries Agro Limited('Aries' or the 'Company') was incorporated at Mumbai in 1969 for manufacturing of small range of mineral feed additives for animals & birds and then diversified into mineral additives for the agriculture use and currently is into business of manufacturing micronutrients and other nutritional products for plants and animals.

In January, 2007 the Company incorporated Aries Agro Care Private Limited as a Wholly Owned Subsidiary for carrying business in the Branch of agro protection, seeds etc.

In January, 2007 the Company incorporated Aries Agro Equipments Private Limited as a Wholly Owned Subsidiary for carrying business in all type of farm equipments, machinery etc.

In 2008 the Company acquired 75% Shares in Golden Harvest Middle East FZC, Sharjah, UAE, by virtue of which the said Golden Harvest Middle East FZC has become a Subsidiary of the Company. Golden Harvest Middle East FZC is in the business of manufacturing chelated micronutrients.

In June, 2008 the Company incorporated Aries Agro Produce Private Limited as a Subsidiary for carrying business in all kinds of farming etc.

In the year 2010 the Company's Overseas Subsidiary viz M/S Golden Harvest Middle East FZC acquired 75% Shares of M/S Amarak Chemicals FZC based in Fujairah Free Zone, UAE by virtue of which M/S Amarak Chemicals FZC has become a Step Down Subsidiary of Aries Agro Limited.

Aries Agro Limited is an Indian Multinational Company that offers the widest range of products in the primary, secondary and micro-fertilizer sector, ranging from individual elements to mixed specialty plant nutrient fertilizers. Since 1969, Aries has pioneered several innovative concepts of farming to Indian agriculturists, including the wonder of Chelation Technology, bio-degradable complexes of plant nutrients, water soluble NPK fertilizers, value added secondary nutrients, natural and biological products and water treatment formulations.

2. Basis of Preparation

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) (amendment) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS for the year ended 31st March, 2018. However, the company has voluntarily adopted Ind AS as from the year 1st April, 2016 with 1st April, 2015 being the date of transition. The comparative figures in the Balance Sheet as at 31st March, 2016 and 1st April 2015 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended 31st March, 2016 has been restated accordingly.

The Company has adopted all the Ind AS standards and the adoption was carried out in-accordance with IndAS 101 First time adoption of Indian Accounting Standards.

1.1 Statement of Compliance

The Comparative Consolidated Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31st March 2016 have been prepared in accordance with the Ind AS as notified above.

For all periods up to and including the year ended 31st March 2015, 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).

1.2 Basis of Measurement - Historic Cost Convention

These Consolidated Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans – plan assets measured at fair value

All assets and liabilities has been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

2.3 Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company.

The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

1.4 Use of Estimates:

The preparation of Financial Statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those

NOTES to the Financial Statements for the year ended 31st March, 2017

estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

Estimates and assumptions are required in particular for :

(i) **Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized :**

Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

Recognition and measurement of defined benefit obligations :

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

(iii) Recognition of deferred tax assets :

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

(iv) Recognition and measurement of other provisions :

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

(v) Discounting of long-term financial liabilities :

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

(vi) Determining whether an arrangement contains a lease :

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements based on their relative fair values. If the Company concludes for a finance lease that, it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

3. Standards Issued but not yet effective :

Ind AS 115 "Revenue from Contract with Customers : The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February, 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

4. Current Versus Non-Current Classification :

(i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalents 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.

(ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle

NOTES to the Financial Statements for the year ended 31st March, 2017

2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated 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 realization in cash and cash equivalents

5. Significant Accounting Policies

A) Plant, Property & Equipment :

All the property, plant and equipments have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are changed to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

B) Depreciation & Amortization :

a) Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight line basis over their remaining useful life of such assets.

b) Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

C) Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

NOTES to the Financial Statements for the year ended 31st March, 2017

D) Impairment of Non-Current Assets :

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use.

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 risk specific to the asset.

In determining fair value less cost disposal, recent market transaction are taken in to account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

E) Cash and Cash Equivalents :

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

F) Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a) Raw materials and packing materials :

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

b) Work-in-progress and finished goods :

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

c) Traded goods :

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d) Waste and scrap are not separately valued being insignificant in value.

e) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

G) Leases :

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

a) Operating Lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

b) Finance Lease

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in

NOTES to the Financial Statements for the year ended 31st March, 2017

the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

H) Retirement benefits :

a) **Short Term Employee Benefits :**

Accumulated leave, which is expected to be utilised within the next 12 months, 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.

Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) **Post-Employment Benefits :**

i) **Defined Contribution Plans :**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

ii) **Defined Contribution Plans :**

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

c) **Other Long Term Employee Benefits :**

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

I) Non-current assets held for sale :

Non Current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programmer to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

NOTES to the Financial Statements for the year ended 31st March, 2017

J) Foreign Currency :

Functional and Presentation Currency

Consolidated financial statements have been presented in Indian Rupees (₹), which is the Group's functional currency and Group's presentation currency. Each entity in the Group determines its own functional currency (the currency of the primary economic environment in which the entity operates) and items included in the financial statements of each entity are measured using that functional Currency.

Transactions and Balances :

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to the Statement of profit and loss.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

K) 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.

1) Financial Assets :

(i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

(ii) Initial recognition measurement :

All financial assets is recognized 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.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

(iii) Subsequent Recognition

a) Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. For some trade receivables the Group may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if thecounterparty is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision account and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Subsequent changes in assessment of impairment are recognised in provision for impairment and changes in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income

b) Financial Assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

c) **Financial Assets measured at fair value through profit or loss (FVTPL)**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

d) **Investment in Subsidiary and Associates**

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

e) **Investment in Debt Instruments**

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified 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.

(iv) De-recognition of Financial Assets:

A financial asset is primarily derecognized 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.

2) Financial Liabilities:

(i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, 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, security deposits and other deposits.

(ii) Subsequent measurement:

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 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 is 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.

(iii) Loans and Borrowings :

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through 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. This category generally applies to borrowings.

(iv) Trade and Other Payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent unpaid liabilities for goods and services provided to the Group till the end of financial year. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

(v) Derecognition of Financial Liabilities :

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 and Loss.

L) Borrowing Costs :

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

NOTES to the Financial Statements for the year ended 31st March, 2017

M) Taxes :

(a) Current Income Tax :

(i) Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit & loss. 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.

(b) Deferred Tax :

(i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

(ii) 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 liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

Sales / value added taxes :

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Minimum Alternate Tax :

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on “Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961”, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

N) 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, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

(a) Sale of products :

As stated in Ind AS 18, Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. The Company collects sales tax and value added tax (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

NOTES to the Financial Statements for the year ended 31st March, 2017

(b) **Other Income :**

Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

Dividend Income

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

O) Dividend / Distribution :

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

P) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Q) Segment Reporting :

Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates

R) Provisions, Contingent Liabilities and Contingent Assets :

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

(a) Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

(i) the Company has a present obligation as a result of past event,

(ii) a probable outflow of resources is expected to settle the obligation; and

(iii) the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profi t and loss net of any reimbursement.

(b) Contingent liabilities are disclosed in case of:

(i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,

(ii) a present obligation arising from past events, when no reliable estimate is possible,

(iii) a possible obligation arising from past events where the probability of outflow of resources is not remote.

(c) Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date

Note No. 6 - Property , Plant and Equipment and Intangible Assets as at 31st March , 2017

Particulars	PROPERTY, PLANT AND EQUIPMENT												INTANGIBLE ASSETS	Total
	Land	Buildings	Plant & Machinery	Electrical Installations	Laboratory Equipments	Office Equipments	Furniture & Fixtures	Air Conditioners	Computer	Vehicles	Commercial Vehicles	Total	Computer Software	
Gross Block														
As at 1st April , 2015	13,456,619	306,931,088	64,147,383	17,552,854	2,219,893	5,431,876	18,500,967	3,234,246	7,615,967	28,323,793	5,167,127	472,581,813	17,658,898	**490,240,711**
Add :- Addition during the year	-	901,590	56,073,587	-	332,799	774,510	74,745	647,412	545,201	15,025,249	315,000	74,690,093	527,167	**75,217,260**
Less : -Disposals / Impaired during the year	-	-	5,958,773	609,437	303,032	291,795	91,599	606,693	441,600	14,860,468	878,501	24,041,898	-	**24,041,898**
As at 31st March , 2016	**13,456,619**	**307,832,678**	**114,262,197**	**16,943,417**	**2,249,660**	**5,914,591**	**18,484,113**	**3,274,965**	**7,719,568**	**28,488,574**	**4,603,626**	**523,230,008**	**18,186,065**	**541,416,073**
Add :- Addition during the year	-	6,157,932	2,626,089	11,400	47,522	769,081	1,243,499	136,877	180,426	115,725	-	11,288,551	39,835	**11,328,386**
Less : -Disposals / Impaired during the year	-	350,000	-	-	0	21,900	-	5,000	-	8,264,791	486,886	9,128,578	-	**9,128,578**
As at 31st March , 2017	**13,456,619**	**313,640,610**	**116,888,286**	**16,954,817**	**2,297,182**	**6,661,772**	**19,727,611**	**3,406,842**	**7,899,994**	**20,339,508**	**4,116,740**	**525,389,981**	**18,225,900**	**543,615,881**
Accumulated Depreciation														
As at 1st April , 2015	-	191,971,017	26,405,608	3,394,452	1,097,474	4,382,646	8,236,720	2,788,784	6,778,765	14,267,811	3,189,252	262,512,528	16,770,234	**279,282,761**
Add :- Addition during the year	-	3,702,566	3,960,682	2,120,431	283,340	443,742	2,080,811	238,067	402,829	3,619,827	607,089	17,459,384	103,711	**17,563,096**
Less : -Disposals / Impaired during the year	-	-	4,360,335	609,437	153,863	283,749	91,599	577,203	439,853	6,006,766	647,397	13,170,201	-	**13,170,201**
As at 31st March , 2016	**-**	**195,673,582**	**26,005,956**	**4,905,446**	**1,226,951**	**4,542,638**	**10,225,932**	**2,449,648**	**6,741,741**	**11,880,872**	**3,148,944**	**266,801,711**	**16,873,945**	**283,675,656**
Add :- Addition during the year	-	3,885,715	6,906,018	1,779,378	260,498	419,333	2,138,540	207,161	318,601	1,884,765	549,261	18,349,269	180,102	**18,529,371**
Less : -Disposals / Impaired during the year	-	109,912	-	-	-	13,506	-	4,750	-	6,061,383	402,946	6,592,498	-	**6,592,498**
As at 31st March , 2017	**-**	**199,449,386**	**32,911,973**	**6,684,824**	**1,487,449**	**4,948,465**	**12,364,473**	**2,652,059**	**7,060,342**	**7,704,253**	**3,295,259**	**278,558,482**	**17,054,047**	**295,612,529**
Net carring amount														**-**
As at 1st April, 2015	13,456,619	114,960,071	37,741,775	14,158,403	1,122,419	1,049,231	10,264,246	445,463	837,202	14,055,982	1,977,875	210,069,287	888,665	210,957,952
As at 31st March, 2016	13,456,619	112,159,096	88,256,241	12,037,971	1,022,709	1,371,953	8,258,180	825,318	977,827	16,607,702	1,454,682	256,428,298	1,312,120	257,740,418
As at 31st March, 2017	**13,456,619**	**114,191,224**	**83,976,313**	**10,269,993**	**809,733**	**1,713,307**	**7,363,139**	**754,783**	**839,652**	**12,635,254**	**821,481**	**246,831,498**	**1,171,853**	**248,003,351**

NOTES :

6.1 On transition to Ind AS, Property, Plant and Equipment and Intangibles are carried at net block.

6.2 The Gross Block of Fixed Assets includes Rs. 17,60,00,000/- (Previous Year Rs. 17,60,00,000/-) on account of revaluation of Building carried out in F Y 1994-95.

6.3 In accordance with the Ind AS 36 "Impairment of Assets", the management has during the year carried out and exercise of identifying the assets that would have been impaired in respect of each cash generating unit. On the basis of this review carried out by the Management, there was no impairment loss on Fixed Assets during the year.

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

7	NON-CURRENT INVESTMENTS (Unquoted and fully paid up)	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
		No. of Shares	Face Value		No. of Shares	Face Value		No. of Shares	Face Value	
	A) Equity Shares									
	(i) Subsidiary Companies (at Cost)		(₹)			(₹)			(₹)	
	(a) Aries Agro Care Pvt Ltd	10000	10	**100,000**	10000	10	100,000	10000	10	100,000
	(b) Aries Agro Equipments Pvt Ltd	10000	10	**100,000**	10000	10	100,000	10000	10	100,000
	(c) Aries Agro Produce Pvt Ltd	7500	10	**75,000**	7500	10	75,000	7500	10	75,000
	(d) Golden Harvest Middle East FZC	1125	AED 10.91	**1,227,375**	1125	AED 10.91	1,227,375	1125	AED 10.91	1,227,375
				1,502,375			1,502,375			1,502,375
	B) Share Application Money									
	(i) Subsidiary Companies									
	(a) Golden Harvest Middle East FZC			**201,261,625**			201,261,625			201,261,625
	Total			**202,764,000**			202,764,000			202,764,000

7.1 Aries Agro Care Pvt. Ltd. has been incorporated as a wholly owned subsidiary on 5th January, 2007 with the Registrar of Companies, Maharashtra, Mumbai. to carry on the business in all branches of agro protection, agro care, etc. The Registered Office of the Company is located at “Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043”.

7.2 Aries Agro Equipments Pvt. Ltd. has been incorporated as a wholly owned subsidiary on 12th January, 2007 with the Registrar of Companies, Maharashtra, Mumbai. to carry on the business of manufacturing, repair, etc. of all types of rural and farm equipments, machinery, etc. The Registered Office of the Company is located at “Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043”.

7.3 Golden Harvest Middle East FZC was incorporated on 31st December, 2004 as a Free Zone Company with limited liability to carry on the activities of manufacturing Chemical Fertilizer and exporting all the necessities, material and acts related to its natural work or needed to the above mentioned works. In the year 2008 it became 75% subsidiary of the Company, Aries Agro Limited.The Registered Office of the Company is located at “ SAIF Zone (Emirates of Sharjah)”. The licence has since been converted into a trading licence effective from 7th December, 2016.

7.4 Aries Agro Produce Pvt. Ltd. has been incorporated on 20th June, 2008 as 75% owned subsidiary with the Registrar of Companies, Maharashtra, Mumbai. to carry out the business of all kinds of Farming, agriculture, horticulture etc. and to plant, grow, cultivate and in any other way deal in farming and agricultural produce. The registered office of the Company is located at “Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043”.

7.5 The Company sold majority of shareholding in its subsidiary Aries Agro Produce Private Limited on 3rd April,2017 i.e. after the date of Balance Sheet. Hence Aries Agro Produce Private Limited has ceased to be a subsidiary of the Company w.e.f. 3rd April, 2017.

7.6 Losses of Subsidiaries not provided in accounts :

Particulars	Year Ended 31st March 2017		Year Ended 31st March 2016		Year Ended 31st March 2015	
	Accumulated	**Current Year**	Accumulated	Current Year	Accumulated	Current Year
a) Aries Agro Care Pvt. Ltd.	**(2,776,015)**	**(42,195)**	(2,733,820)	(36,728)	(2,697,092)	(23,120)
b) Aries Agro Produce Pvt. Ltd.	**(327,178)**	**(27,300)**	(299,878)	(27,100)	(272,778)	(19,610)
	(3,103,193)	**(69,495)**	(3,033,698)	(63,828)	(2,969,869)	(42,730)

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

8	**INVENTORIES**	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
	(At lower of cost or Net Realisable Value)			
	(As Certified and valued by the Management)			
	Raw Materials	**259,370,367**	248,251,581	259,416,461
	Finished Goods	**748,017,690**	593,804,669	550,417,940
	Stock-in-Trade (in respect of Goods acquired for Trading)	**55,912,119**	61,695,916	96,199,234
	Packing Materials	**85,755,527**	89,070,229	90,815,670
	Total	**1,149,055,703**	992,822,395	996,849,305

9	**TRADE RECEIVABLES**	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
	Unsecured			
	Considered Good	**801,285,222**	808,905,120	822,416,516
	Considered Doubtful	**-**	-	154,321,123
		801,285,222	808,905,120	976,737,639
	Less :- Credit Loss	**-**	-	154,321,123
	Total	**801,285,222**	808,905,120	822,416,516

9.1 **Ageing of Trade Receivables**

Particulars	**Neither Due nor Impaired**	**Ageing**			**Total**
		Upto 6 Months	**6-12 Months**	**above 12 Months**	
As at 31st March, 2017					
Unsecured	**-**	655,233,913	130,615,578	15,435,731	**801,285,222**
Gross Total	-	655,233,913	130,615,578	15,435,731	**801,285,222**
Provision for Doubtful Receivables					**-**
Net Total	-	655,233,913	130,615,578	15,435,731	**801,285,222**

9.1 **Trade Receivables includes Amount due from Related Parties**

Particulars	**Maximum balance during the year**		Maximum balance during the year		Maximum balance during the year	
(a) Amarak Chemicals	**19,278,704**	**10,738,213**	19,278,704	19,278,704	17,382,958	17,382,958
		10,738,213		19,278,704		17,382,958

9.2 Trade Receivables are non-interest bearing and receivable in normal operating cycle

10	**CASH AND CASH EQUIVALENTS**	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
	Balance with Banks in Current Accounts	**52,168,489**	40,444,923	38,421,249
	Cash on hand	**9,631**	321,168	420,861
	Total	**52,178,120**	40,766,091	38,842,110

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

11 OTHER BANK BALANCES	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Fixed Deposits with Banks held as Margin Money (Maturigy less than One Year)	**50,735,147**	48,327,434	43,436,829
Unclaimed Dividend Accounts	**2,939,247**	2,558,635	2,362,789
Total	**53,674,394**	50,886,069	45,799,618

11.1 Fixed Deposits are kept as Margin against various Credit Limits / Guarantees

12 CURRENT LOANS	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
(Unsecured and Considered Good)			
Loans to Related Parties	**-**	-	-
Loans to Employees	**1,231,984**	1,232,152	1,050,353
	1,231,984	1,232,152	1,050,353

13 OTHER CURRENT FINANCIAL ASSETS	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
(Unsecured and Considered Good)			
Interest Accrued but not due	**1,587,443**	1,886,876	1,713,025
	1,587,443	1,886,876	1,713,025

13.1 Interest Accrued but not due includes Interest accrued on various Fixed Deposits with Banks

14 OTHER CURRENT ASSETS	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
(Unsecured and Considered Good)			
Advances to Related Parties	**243,773,851**	137,295,276	130,644,669
Other Advances	**271,576,389**	397,088,950	337,912,637
Security Deposits	**7,322,545**	8,532,904	7,371,449
Total	**522,672,785**	542,917,130	475,928,756

14.1 **Advances given to Subsidiaries :**

Company Name	**Maximum balance during the year**	**As at 31st March, 2017**	Maximum balance during the year	As at 31st March 2016	Maximum balance during the year	As at 1 April, 2015
(a) Amarak Chemicals FZC	**29,929,966**	**28,913,173**	-	-	30,324,780	27,595,098
(b) Aries Agro Care Pvt Ltd	**5,918,635**	**5,918,635**	5,814,935	5,814,935	5,812,435	5,812,435
(c) Aries Agro Equipments Pvt Ltd	**3,736,812**	**3,736,812**	3,552,759	3,552,759	3,550,259	3,550,259
(d) Aries Agro Produce Pvt Ltd	**190,866**	**190,866**	65,460	65,460	65,460	65,460
(e) Golden Harvest Middle East FZC	**194,601,075**	**205,014,365**	170,893,945	127,862,122	178,876,485	93,621,418
	234,377,353	**243,773,851**	180,327,099	137,295,276	218,629,418	130,644,669

a) All the above Advances are interest free.

b) Other terms and conditions on which such advances are given to the Companies are not prejudicial to the interest of the Company.

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

14.2 Refer Note No. 38 for details of Advances to Related Parties

14.4 **Other Advances includes :**

Particulars	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
(a) Balances with Customs, Central Excise Authorities	**13,591,504**	8,294,889	6,524,998
(b) Advance to Suppliers	**253,615,707**	381,661,081	326,370,848
(c) Advance to Staff against expenses	**1,856,769**	4,603,497	2,689,568
(d) Imprest Advance for Vehicle Expenses	**383,705**	403,932	172,450
(e) Prepaid Expenses	**2,128,704**	2,125,551	2,154,774
	271,576,389	397,088,950	337,912,637

15 EQUITY SHARE CAPITAL	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Authorised			
15,000,000 Equity Shares of ₹ 10/- each	**150,000,000**	150,000,000	150,000,000
	150,000,000	150,000,000	150,000,000
Issued, Subscribed and Fully Paidup			
13,004,339 (31st March, 2016 130,04,339, 1st April, 2015 130,04,339) Equity Shares of ₹10/- each.	**130,043,390**	130,043,390	130,043,390
	130,043,390	130,043,390	130,043,390

15.1 Reconciliation of the number of **Equity Shares** :

Particulars	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Shares outstanding at the beginning of the year	**13,004,339**	13,004,339	13,004,339
Add : - Issued during the year	**-**	-	-
Less :- Shares cancelled during the year	**-**	-	-
Shares outstanding at the end of the year	**13,004,339**	13,004,339	13,004,339

15.2 **List of Shareholder's holding more than 5 % Shares in the Company :**

Name of the Shareholders	**No of Shares**	**As at 31st March, 2017**	No of Shares	As at 31st March 2016	No of Shares	As at 1 April, 2015
		% of Holding		% of Holding		% of Holding
(i) Dr. Jimmy Mirchandani	**3,524,830**	**27.11%**	3,524,830	27.11%	3,524,830	27.11%
(ii) Dr. Rahul Mirchandani	**2,623,221**	**20.17%**	2,623,221	20.17%	2,623,221	20.17%
Total	**6,148,051**	**47.28%**	6,148,051	47.28%	6,148,051	47.28%

16 Nature of Reserves

16.1 **Securities Premium Reserve :** represents the amount received in excess of par value of securities i.e equity shares. Premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.

16.2 **General Reserve :** represents the statutory reserve, this is in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

16.3 **Retained Earnings :** represent the undistributed profits of the Company

16.4 **Other Comprehensive Income Reserve :** represent the balance in equity for items to be accounted in Other Comprehensive Income. Othe Comprehensice Income is classified into i) items that will not be reclassified to profit and loss, ii) items that will be reclassified to profit and loss.

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

17	NON - CURRENT BORROWINGS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Secured Term Loans			
	Term Loans from Banks	**7,353,716**	10,317,130	13,438,750
		7,353,716	10,317,130	13,438,750
	Un-Secured Term Loans			
	Term Loans from Banks	**132,541,531**	106,605,292	116,244,791
	Total	**132,541,531**	106,605,292	116,244,791
		139,895,247	116,922,422	129,683,541

17.1 Secured Term Loans from Banks referred above to the extent of :

Sr. No.	Partuculars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a)	Secured by way of Charge on the Company's Motor Vehicles.	**7,353,716**	10,317,130	2,794,903
(b)	Secured by way of Primary Charge on all Fixed Assets at Mouje Rajpur, Gujarat and personally guaranteed by Directors.	**-**	-	5,120,985
(c)	Secured by way of Primary Charge on Solar Panel at Pashamylaram, Andhrapradesh and Pari Pasu charge on all Fixed Assets at Deonar, Mumbai and personally guaranteed by Directors.	**-**	-	5,522,862
		7,353,716	10,317,130	13,438,750

17.2 Un-Secured Term Loans from Banks are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

17.3 Maturity Profile of Term Loans are as set out below :

Sr. No.	Financial Years		Secured Term Loans from Banks	Un-Secured Term Loans from Banks	Total
(a)	2017-18		2,963,415	13,403,229	16,366,644
		Sub-Total	2,963,415	13,403,229	16,366,644
(b)	2018-19		3,236,487	15,042,729	18,279,216
(c)	2019-20		3,204,322	16,883,939	20,088,261
(d)	2020-21 & Above		912,907	100,614,863	101,527,770
		Sub-Total	7,353,716	132,541,531	139,895,247
	Total	**Grand-Total**	**10,317,130**	**145,944,760**	**156,261,890**

17.4 ₹1,63,66,644/- is shown in Current Maturities (On 31st March, 2016 ₹227,01,466/- and on 31st March, 2015 ₹6,66,02,628/-.)

18	NON CURRENT PROVISIONS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Provision for Employee Benefits (Refer Note No. 32)			
	Gratuity	**3,861,101**	2,878,904	6,246,391
	Leave Salary	**6,457,024**	4,645,779	3,768,286
	One Time Incentive	**571,946**	1,363,878	1,585,723
	Total	**10,890,071**	8,888,561	11,600,400

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

19	DEFERRED TAX LIABILITY	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A	**Deferred Tax Liability**			
	Related to Fixed Assets : Difference between Depreciation charged for Financial Reporting and Depreciation as per Income Tax	**42,306,134**	42,414,085	40,373,167
	Gross Deferred Tax Liability	**42,306,134**	42,414,085	40,373,167
B	**Gross Deferred Tax Asset**			
	Disallowance under the Income Tax Act, 1961 U/s 43B	**4,070,908**	4,098,945	3,468,702
		4,070,908	4,098,945	3,468,702
C	**Net Deferred Tax Liability (A-B)**	**38,235,226**	38,315,141	36,904,465

20	CURRENT BORROWINGS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Secured Borrowings			
	Working Capital Facilities from Banks			
	Cash Credits	**777,131,292**	876,206,637	728,116,232
	Working Capital Demand Loan	**40,000,000**	-	-
	Buyers Credits	**143,393,624**	110,779,308	106,248,417
		960,524,916	986,985,945	834,364,649
	Un-Secured Borrowings			
	From Related Parties	**-**	10,315,675	38,371,576
		-	10,315,675	38,371,576
	Total	**960,524,916**	997,301,620	872,736,225

20.1 Working Capital Facilities from Banks are secured by way of Charge on Company's Inventory, Book Debts, Charge on Land, Building, Plant & Machinery and all other movable fixed assets of the Company and guaranteed by Directors.

21	TRADE PAYABLES	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Due to Others	**296,540,174**	224,991,431	258,433,808
	Total	**296,540,174**	224,991,431	258,433,808

21.1 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

21.2 Trade Payables includes amount due to Indian Subsidiary, Aries Agro Equipments Private Limited of ₹ 1,18,06,960/-

21.3 All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.

22	OTHER CURRENT FINANCIAL LIABILITIES	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Current Maturities of Long Term Debt	**16,366,644**	22,701,466	66,602,628
	Interest Accrued but not due on Borrowings	**1,010,747**	890,154	1,047,371
	Unclaimed Dividend	**2,939,247**	2,558,635	2,362,789
	Total	**20,316,638**	26,150,255	70,012,788

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

22.1 Current Maturities of Long Term Debt includes amount repayable within one year of :

Sr. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a)	Secured Term Loans from Banks	**2,963,415**	13,061,967	58,048,064
(b)	Un-Secured Term Loans from Banks	**13,403,229**	9,639,499	8,554,564
		16,366,644	22,701,466	66,602,628

22.2 Secured Term Loans from Banks included in Current Maturities of Long Term Debt to the extent of :

Sr. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a)	Secured by way of Charge on the Company's Motor Vehicles.	**2,963,415**	2,687,179	1,747,323
(b)	Foreign Currency Term Loan which is secured by way of Equitable Mortgage of Land and Building and personal guarantee of Directors.	**-**	-	31,128,740
(c)	Axis Bank Ltd by way of Primary Charge on all Fixed Assets at Mouje Rajpur, Gujarat and personally guaranteed by Directors.	**-**	4,900,669	20,000,000
(d)	Canara Bank by way of Primary Charge on Solar Panel at Pashamylaram, Andhrapradesh and Pari Pasu charge on all fixed assets at Deonar, Mumbai and personally guaranteed by Directors.	**-**	5,474,119	5,172,000
		2,963,415	13,061,967	58,048,064

22.3 Un-Secured Term Loans from Banks included in Current Maturities of Long Term Debt to the extent of Rs. 1,34,03,229/- are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

22.4 Unclaimed Dividend do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

23	OTHER CURRENT LIABILITIES	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Accrued Salaries and Benefits	**78,084,640**	56,915,595	37,410,700
	Advances / Credits from Customers	**83,856,092**	61,942,821	37,114,500
	Dues to Directors	**20,438,123**	27,110,793	26,176,913
	Security Deposits	**75,371,794**	84,310,271	75,976,654
	Statutory Dues	**14,053,364**	11,083,571	14,938,258
	Other Payables	**32,243,040**	44,899,193	31,356,756
	Total	**304,047,052**	286,262,245	222,973,780

23.1 Statutory Dues includes Indirect Taxes, Tax Deducted at Source, Tax Collected at Source, ESIC, Provident Fund and Profession Tax.

23.1 Other Payables includes mainly Staff Expense Claims and Provision for Expenses.

24	CURRENT PROVISIONS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Provision for Employee Benefits			
	Gratuity	**3,539,172**	4,752,293	4,411,179
	Leave Salary	**4,821,917**	4,265,073	3,475,383
	One Time Incentive	**1,493,094**	529,597	443,550
	Total	**9,854,183**	9,546,963	8,330,112

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

25	CURRENT TAX LIABILITY (NET)	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Provision for Income Tax (Net of Advance Tax / TDS)	**51,128,001**	25,217,277	51,342,993
	Provision for Wealth Tax	**-**	-	150,000
	Total	**51,128,001**	25,217,277	51,492,993

26	REVENUE FROM OPERATIONS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Sales of Products		
	Manufactured	**2,168,417,390**	1,695,971,701
	Traded	**603,495,308**	650,186,338
		2,771,912,698	2,346,158,039
	Less:- Discounts / Rebates	**475,440,074**	217,812,140
	Total	**2,296,472,624**	2,128,345,900

26.1 **Particulars of Sale of Products :**

Sr. No.	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Manufactured Products		
(a)	Agricultural Mirconutrient and Speciality Fertilizers	**1,905,284,554**	1,464,601,403
(b)	Insecticides and Pesticides	**248,631,309**	223,529,887
(c)	Animal Feed and Feed Concentrates	**8,742,917**	-
(d)	Others	**5,758,610**	7,840,412
		2,168,417,390	1,695,971,701
	Traded Products		
(a)	Agricultural Mirconutrient and Speciality Fertilizers	**603,495,308**	372,233,128
(b)	Agri Equipments	**-**	523,760
(c)	Others	**-**	277,429,450
		603,495,308	650,186,338
	Less:- Discounts / Rebates	**475,440,074**	217,812,140
		2,296,472,624	2,128,345,900

27	OTHER INCOME	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Interest Income on :		
	Bank Fixed Deposits	**3,782,085**	4,097,735
	Others	**11,060,014**	9,470,987
	Other Non-Operating Income		
	Misc. / Other Income	**26,049**	111,912
	Re-Processing Charges	**394,016**	578,885
	Total	**15,262,163**	14,259,519

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

28	COST OF MATERIALS CONSUMED	Year Ended 31st March, 2017	Year Ended 31st March, 2016
1)	Opening Stock of Raw Materials	248,251,581	259,416,461
	Add : Purchases	487,899,198	403,520,182
		736,150,779	662,936,643
	Less : Closing Stock of Raw Materials	259,370,367	248,251,581
	Raw Material Consumed	476,780,412	414,685,062
2)	Opening Stock of Packing Materials	89,070,229	90,815,670
	Add : Purchases	179,937,402	152,591,616
		269,007,631	243,407,286
	Less : Closing Stock of Packing Materials	85,755,527	89,070,229
	Packing Materials Consumed	183,252,104	154,337,057
	Consumption of Materials (1+2)	660,032,516	569,022,119

29	PURCHASES OF STOCK-IN-TRADE	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Purchases of Stock-In-Trade	430,251,224	435,399,707
		430,251,224	435,399,707

30	(INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Inventories at the beginning of the year		
	Finished Goods	593,804,669	550,417,940
	Stock-in-Trade	61,695,916	96,199,234
		655,500,585	646,617,174
	Inventories at the end of the year		
	Finished Goods	748,017,690	593,804,669
	Stock-in-Trade	55,912,119	61,695,916
		803,929,809	655,500,585
	(Increase) / Decrease in Inventories	(148,429,224)	(8,883,411)

31	EXCISE DUTY ON SALE OF GOODS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Excise Duty on Sale of Goods	128,555,679	52,365,507
	Total	128,555,679	52,365,507

32	EMPLOYEE BENEFIT EXPENSES	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Salaries, Wages and Allowances	197,879,073	180,381,952
	Directors Remuneration	21,422,420	13,172,262
	Contribution to Provident & Other Funds	28,554,556	23,530,709
	Staff Welfare Expenses	8,826,739	6,390,733
	Total	256,682,788	223,475,657

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

32.1 **As per Ind AS 19 "Employee Benefits", the disclosure of employee benefits as defined in the Indian Accounting Standard (Ind AS) are given below :**

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Expense recognised for Defined Contribution Plan		
Company's contribution to Provident Fund	**17,645,354**	16,033,666
	17,645,354	16,033,666

All Permanent Employees having served from the 1st day of their employment are entitled to the benefits of the contribution to Provident Fund.

The Company contributes specified percentage of the salary paid to Employees to the Defined Fund.

Defined Benefit Plan

All Employees who have completed five years or more of service are entitled to benefits of Gratuity. The Company has the Employee's Group Gratuity scheme managed by Life Insurance Corporation of India which is a Defined Benefit Plan. The Employees Leave Encashment scheme, which is a Defined Benefit Plan is unfunded.

Below table sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the Standalone Balance Sheet as at 31st March, 2017 and 31st March, 2016, being the respective measurement dates :

I Reconciliation of opening and closing balances of the Present Value of the Defined Benefit Obligation

Particulars	Gratuity		Leave Encashment		OneTime Incentive	
	As at 31st March, 2017	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016
Present Value of Defined Benefit obligation at the beginning of the year	**55,923,691**	53,738,148	**8,910,852**	7,243,669	**1,893,475**	2,029,273
Current Service Cost	**4,752,293**	4,411,179	**1,669,743**	1,551,085	**100,099**	103,831
Interest Cost	**3,716,352**	3,745,284	**517,326**	428,462	**124,594**	140,985
Actuarial (gain) / loss	**3,193,281**	2,169,823	**1,981,680**	1,183,243	**(53,128)**	(380,614)
Benefits paid	**(3,871,179)**	(8,140,743)	**(1,800,660)**	(1,495,607)	**-**	-
Present Value of Defined Benefit obligation at the end of the year	**63,714,438**	55,923,691	**11,278,941**	8,910,852	**2,065,040**	1,893,475

II Reconciliation of opening and closing balances of the Fair Value of the Plan Assets

Particulars	Gratuity	
	As at 31st March, 2017	As at 31st March, 2016
Fair Value of Plan Assets at the beginning of the year	**48,292,494**	43,080,578
Interest Income	**3,361,835**	3,130,484
Return on plan assets excluding amounts included in Interest Income	**499,489**	89,185
Contributions	**5,988,603**	10,132,990
Benefits paid	**(3,871,179)**	(8,140,743)
Actuarial gain / (loss)	**-**	-
Fair value of Plan Assets at the end of the year	**54,271,242**	48,292,494

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

III Expenses recognised in Profit and Loss

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2017	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016
Current Service Ccost	**4,752,293**	4,411,179	1,669,743	1,551,085	100,099	103,831
Interest Cost	**354,517**	614,800	517,326	428,462	124,594	140,985
Net Cost recognised in Statement of Profit and Loss	**5,106,810**	5,025,979	2,187,069	1,979,547	224,693	244,816

IV Expenses recognised in Other Comprehensive Income

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2017	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016
Components of actuarial gain / losses on obligations :						
Due to change in financial assumptions	**2,358,382**	475,171	379,754	80,175	67,732	14,723
Due to change in demographic assumptions	**-**	-	1,198,140	-	-	-
Due to experience adjustments	**834,899**	1,694,652	403,786	1,103,068	(120,860)	(395,337)
Return on Plan Assets excluding amounts included in Interest Income	**(499,489)**	(89,185)	-	-	-	-
Net Cost recognised in Other Comprehensive Income	**2,693,792**	2,080,638	1,981,680	1,183,243	(53,128)	(380,614)

V Assumptions used to determine the Defined Benefit Obligations :

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2017	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016
Mortality rate	**IALM 2006-08**	IALM 2006-08	**IALM 2006-08**	IALM 2006-08	**IALM 2006-08**	IALM 2006-08
	Ultimate	Ultimate	**Ultimate**	Ultimate	**Ultimate**	Ultimate
Discount rate (per annum)	**7.00%**	7.65%	**7.00%**	7.65%	**7.00%**	7.65%
Expected rate of Return on Plan Assets (per annum)	**7.00%**	7.65%				
Expected rate of increase in Salary (per annum)	**5.00%**	5.00%	**5.00%**	5.00%	**NA**	NA
Expected Average remaining working lives of Employees (Years)	**23.70**	23.06	**-**	-	**-**	-

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. Same assumptions were considered for comparative period i.e. 2015-16 as considered in previous GAAP on transition to Ind AS.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

VI Sensitivity Analysis :

Particulars	Change in Assumption	Effect on Gratuity obligation
For the year ended 31st March, 2016		
Discount Rate	+0.5%	54,374,694
	-0.5%	57,576,487
Salary Growth Rate	+0.5%	57,461,828
	-0.5%	54,396,725
For the year ended 31st March, 2017		
Discount Rate	**+0.5%**	**61,882,121**
	-0.5%	**65,676,944**
Salary Growth Rate	**+0.5%**	**65,677,421**
	-0.5%	**61,927,011**

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the Projected Unit Credit method has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

VII

History of Experience adjustments is as follows :	
Particulars	**Gratuity**
For the year ended 31st March, 2016	
Plan Liabilities - (loss) / gain	(1,694,652)
Plan Assets - (loss) / gain	-
For the year ended 31st March, 2017	(834,899)
Plan Liabilities - (loss) / gain	-
Plan Assets - (loss) / gain	

VIII Estimate of Expected Benefit payments

Particulars	Gratuity
1st April, 2017 to 31st March, 2018	15,325,650
1st April, 2018 to 31st March, 2019	8,242,737
1st April, 2019 to 31st March, 2020	5,137,289
1st April, 2020 to 31st March, 2021	6,445,556
1st April, 2021 to 31st March, 2022	6,172,934
1st April, 2022 to 31st March, 2023 and Onwards	21,573,636

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

IX Statement of Employee Benefit Provision

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2017	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016
Fair Value of Plan Assets	**54,271,242**	48,292,494	**-**	-	**-**	-
Present Value of Obligation	**63,714,438**	55,923,691	**11,278,941**	8,910,852	**2,065,040**	1,893,475
Amount recognised in Balance Sheet	**(9,443,196)**	(7,631,197)	**(11,278,941)**	(8,910,852)	**(2,065,040)**	(1,893,475)

X Current and Non-Current provision for Gratuity, Leave Salary and One Time Incentive

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2017	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016
Current	**3,539,172**	4,752,293	**4,821,917**	4,265,073	**1,493,094**	529,597
Non-Current	**3,861,101**	2,878,904	**6,457,024**	4,645,779	**571,946**	1,363,878
Total	**7,400,273**	7,631,197	**11,278,941**	8,910,852	**2,065,040**	1,893,475

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FINANCE COST	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Interest Expense		
On Term Loans	**18,480,009**	20,769,473
On Bank Borrowings	**112,700,865**	109,935,894
On Security Deposits	**5,325,480**	4,749,280
Other Interest	**51,210,828**	45,534,708
Bank and Finance Charges	**24,223,254**	26,176,096
Total	**211,940,436**	207,165,452

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DEPRECIATION & AMORTISATION	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Depreciation	**18,349,269**	17,459,384
Amortisation	**180,102**	103,711
Total	**18,529,371**	17,563,096

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

34	OTHER EXPENSES	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Manufacturing Expenses		
	Stores and Spare Parts consumed	**1,115,550**	1,680,443
	Power & Fuel	**19,084,093**	18,489,985
	Rent, Rates & Taxes	**5,708,243**	4,963,939
	Repairs to Building	**519,980**	2,125,849
	Repairs to Machinery	**4,309,073**	3,311,080
	Freight Inward	**62,645,672**	54,410,458
	Processing Charges	**27,328,622**	19,577,791
	Security Charges	**852,018**	1,822,595
	Wages & Allowances	**60,570,629**	54,402,457
	Miscellaneous Expenses	**4,340,426**	2,281,850
		186,474,306	163,066,447
	Selling & Distribution Expenses		
	Advertisement and Publicity Expenses	**117,025,861**	121,938,487
	Freight & Delivery Expenses	**62,477,898**	51,895,859
	Mobile Selling Expenses	**735,051**	847,019
	Selling Expenses	**7,521,483**	6,033,007
	Travelling Expenses	**84,933,516**	79,399,856
		272,693,808	260,114,227
	Other Administration Expenses		
	Audit Fees	**2,300,000**	2,748,000
	Conveyance & Motor Car Expenses	**26,459,215**	23,210,752
	Corporate Social Responsibility (CSR) Expenses	**3,448,774**	3,353,963
	Electricity	**1,063,047**	1,153,146
	General Expenses	**2,536,237**	4,316,039
	Insurance	**2,632,662**	2,637,257
	Legal & Professional Fees	**9,880,716**	6,313,406
	Loss on Sale of Asset	**174,616**	3,611,641
	Postage & Telephones	**7,520,971**	7,251,297
	Printing & Stationery	**4,558,704**	4,489,757
	Rent, Rates & Taxes	**45,462,074**	39,298,881
	Repairs & Maintenance	**3,154,824**	1,440,527
	Net Gain / Loss on Foreign Currency Transaction and Translation	**2,375,888**	19,452,679
		111,567,726	119,277,346
	Total	**570,735,839**	542,458,021

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

34.1 **Other Disclosures**

a) **Autitors Remuneration**

Sr. No.	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
1	**Statutory Auditors**		
(i)	Audit Fee	**2,300,000**	2,748,000
(ii)	Tax Audit Fee	**690,000**	274,800
(iii)	Taxation Matters	**726,350**	461,692
(iv)	Certification and Consultancy Fee	**1,322,250**	279,315
Total		**5,038,600**	3,763,807

b) **Expenditure incurred on Corporate Social Responsibility**
Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of the Companies Act, 2013 read with Schedule III are as below :

Sr. No.	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
(i)	Education including Farmers	**2,143,035**	1,492,599
(ii)	Farmers Call Centre	**574,192**	237,784
(iii)	Infrastructure	**681,547**	1,392,230
(iv)	Health Care	**50,000**	-
(v)	Scholarships	**-**	178,850
(v)	Distribution of Books	**-**	52,500
		3,448,774	3,353,963

c) **Disclosure on Specified Bank Notes (SBN's)**

During the year, the Company had specified bank notes or other denomination notes as defined in the MCA Notification G.S.R. 308(E) dated 31st March, 2017 on the details of Specified Bank Notes (SBN's) held and transacted from the period from 8th November, 2016 to 30th December, 2016. The denomination wise SBN's and other notes as per the notification is given below :

Particulars	SBN's	Other Demonination Notes	Total
Closing Cash in Hand as on 8th November, 2016	39,496,700	536,378	40,033,078
Add :- Permitted Receipts	-	10,517,533	10,517,533
Less :- Permitted Payments	-	9,982,540	9,982,540
Less :- Amount deposited in Banks	39,496,700	331	39,497,031
Closing Cash in Hand as on 30th December, 2016	**-**	1,071,040	**1,071,040**

For the purpose of this clause, the term Specified Bank Notes shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8th November, 2016

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

35 EARNINGS PER SHARE (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share : **(Number of Shares)**

Sr. No	Particulars	As at 31st March, 2017	As at 31st March, 2016
(i)	Issued Equity Shares	**13,004,339**	13,004,339
	Weighted Average Shares outstanding - Basic and Diluted	**13,004,339**	13,004,339

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows :

Sr. No	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
(i)	Profit and Loss after Tax for attributable to Equity Shareholders	**118,434,677**	63,968,000
(ii)	Basic Earning per Equity Share	**9.11**	4.92
(iii)	Face Value per Equity Share	**10**	10

36.1 OPERATING LEASE COMMITMENTS (Company is a Lessee)

The Company's significant leasing arrangements are in respect of Operating Leases for Vehicles. These leasing arrangements which are not non-cancellable range upto 60 months generally and are renewable by mutual consent on mutually agreeable terms. The aggregate Lease Rentals payable are charged as "RENT" in Other Administrative Expenses under Note 34.

With regard to Operating Leases for Vehicles, the future minimum lease rentals are as follows.

Sr. No.	Particulars	Total Minimum Lease Payments outstanding as at 31st March, 2017	Total Minimum Lease Payments outstanding as at 31st March, 2016
(a)	Within One year	**26,903,531**	12,555,858
(b)	Later than One year and not later than Five years	**37,044,865**	14,363,090
		63,948,396	26,918,947
The above lease rentals are inclusive of VAT, Insurance and Other Charges			

36.2 Lease payments recognised in the Statement of Profit and Loss :

Sr. No.	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
(a)	Minimum Lease Payments (Inclusive of VAT, Insurance and Other Charges)	**30,199,284**	25,809,342

36.3 General description of Lease terms :

(a) Lease Rentals are charged on the basis of agreed terms.

(b) Assets are taken on Lease for a period upto 60 months.

37 Transition to Ind AS

Basis of preparation

For all period up to and including the year ended 31st March, 2016, the Company has prepared its financial statements in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements for the year ended 31st March, 2017 are the Company's first annual Ind AS financial statements and have been prepared in accordance with Ind AS. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods beginning on or after 1st April, 2015 as described in the Accounting Policies. In preparing these financial statements, the Company's opening Balance Sheet was prepared as at 1st 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 Balance Sheet as at 1st April, 2015 and its previously published Indian GAAP financial statements for the quarter ended 31st March, 2016 and year ended 31st March, 2016.

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Impact of Transition to Ind AS

The following is a summary of the effects of the differences between Ind AS and Indian GAAP on the Company's total equityshareholders' funds and profit and loss for the financial period, for the periods previously reported under Indian GAAP following the date of transition to Ind AS.

Reconciliation of Balance Sheet as at 1st April, 2015

Particulars			Local GAAP As at 31st March, 2015	Ind AS Adjustment	As per Ind AS As at 1st April, 2015
I.	**ASSETS**				
(1)	**Non-Current Assets**				
	(a)	Property, Plant and Equipment	210,069,287	-	210,069,287
	(b)	Intangible Assets	888,665	-	888,665
	(c)	Capital Work in Progress	92,919,950	-	92,919,950
	(d)	Financial Assets			
	(i)	Non-Current Investments	202,764,000	-	202,764,000
			506,641,902	**-**	**506,641,902**
(2)	**Current Assets**				
	(a)	Inventories	996,849,305	-	996,849,305
	(b)	Financial Assets			
	(i)	Trade Receivables	976,737,639	154,321,123	822,416,516
	(ii)	Cash & Cash Equivalents	38,842,110	-	38,842,110
	(iii)	Other Bank Balances	45,799,618	-	45,799,618
	(iv)	Current Loans	1,050,353	-	1,050,353
	(v)	Other Financial Assets	1,713,025	-	1,713,025
	(c)	Other Current Assets	475,928,756	-	475,928,756
			2,536,920,806	**154,321,123**	**2,382,599,683**
		TOTAL	**3,043,562,708**	**154,321,123**	**2,889,241,585**
II.	**EQUITY AND LIABILITIES**				
(1)	**Equity**				
	(a)	Equity Share Capital	130,043,390	-	130,043,390
	(b)	Other Equity	1,221,275,200	124,245,118	1,097,030,082
			1,351,318,590	**124,245,118**	**1,227,073,472**
(2)	**Non-Current Liabilities**				
	(a)	Financial Liabilities			
		Non Current Borrowings	129,683,541	-	129,683,541
	(b)	Non Current Provisions	7,048,585	(4,551,815)	11,600,400
	(c)	Deferred Tax Liabilities (Net)	37,552,167	647,702	36,904,465
			174,284,293	**(3,904,113)**	**178,188,406**
(3)	**Current Liabilities**				
	(a)	Financial Liabilities			
	(i)	Current Borrowings	872,736,225	-	872,736,225
	(ii)	Trade Payables	258,433,808	-	258,433,808
	(iii)	Other Current Financial Liabilities	70,012,788	-	70,012,788
	(b)	Other Current Liabilities	222,973,780	-	222,973,780
	(c)	Current Provisions	42,310,230	33,980,118	8,330,112
	(d)	Current Tax Liability (Net)	51,492,993	-	51,492,993
			1,517,959,825	**33,980,118**	**1,483,979,707**
		TOTAL	**3,043,562,708**	**154,321,123**	**2,889,241,585**

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Reconciliation of Other Equity as at 1st April, 2015

Particulars		Reserves & Surplus			Total
		Securities Premium Reserve	General Reserve	Reatined Earnings	
Balance as at 1 April, 2015 (Previous GAAP)		490,037,050	97,956,310	633,281,841	1,221,275,200
Add:	Proposed Dividend	-	-	26,008,678	26,008,678
Add:	Dividend Distribution Tax	-	-	5,325,191	5,325,191
Add:	Deferred Tax Impact	-	-	647,702	647,702
Less :-	Difference in Gratuity provided	-	-	(1,025,261)	(1,025,261)
Less:	Difference in Leave Salary provided	-	-	1,148,968	1,148,968
Less:	One Time Incentive provided	-	-	(2,029,273)	(2,029,273)
Less	Impairment of Trade Receivables	-	-	(154,321,123)	(154,321,123)
Total Ind AS Adjustments		**-**	**-**	**(124,245,118)**	**(124,245,118)**
Balance as at 1st April, 2015 (Ind AS)		**490,037,050**	**97,956,310**	**509,036,723**	**1,097,030,082**

Principal differences between Ind AS and Indian GAAP

Measurement and Recognition difference for year ended 31st March, 2016

1. **Trade Receivables**

   An entity is required to recognise a credit loss allowance of 12 month expected losses on the initial recognition of financial asset, expect when the simplified approach is applied. Subsequently, 12 months expected losses are replaced by life time expected losses if the credit risk increases significantly since initial recognition. Accordingly the Company has recognised ₹ 15,43,21,123/- as Lifetime Expected Credit Loss and reduced the Trade Receivables to the tune of Credit Loss with a corresponding debit to Other Equity.

2. **Proposed Dividend**

   Under Indian GAAP, proposed dividends are recognised as liability in the period to which they relate irrespective of the approval by shareholders.Under Ind AS a proposed dividend is recognised as liability in the period in which it is declared (on approval of shareholders in a general meeting) or paid. There the proposed dividend and the dividend distribution tax of ₹ 313,33,869/- on 31st March, 2015 has been derecognised and recognised during 2015-16 on payment. Similary proposed dividend and dividend distribution tax of ₹ 234,77,575/- on 31st March, 2016 has been derecognised and recognised during 2016-17.

3. **Defined Benefit Plan**

   Adjustments reflect unamortised negative past service cost arising on change in actuarial valuation of Gratuity and Leave Salary and inclusion of actuarial valuation of One Time Incentive.. The impact of change in the actuarial assumption and experience adjustments for defined benefit obligation towards gratuity / Leave Salary / One Time Incentive is accounted in the Statement of Other Comprehensive Income. Due to this ₹28,83,267/- and ₹46,22,344/- for the year ended 31st March, 2016 and 31st March, 2017 respectively is shown in Other Comprehensive Income and reversal in Statement of profit and Loss.

4. **Deferred Tax**

   The Group has accounted for deferred tax on the various adjustments between Indnan GAAP and Ind AS at the tax rate at which they are expected to be reversed and impact of balance sheet approach applied under Ind AS against profit and loss approach under Indian GAAP.

5. **Other Equity**

   Adjustment to retained earnings and other comprehensive income has been made in accordance with Ind AS for the above mentioned line items. Actuarial gains and losses are recognised in Other Comprehensive Income as per Ind AS 19 which were recognised in Statement of Profit and Loss under Indian GAAP.

6. **Statement of Cash Flows**

   The impact of transition from Indian GAAP to Ind AS on the Statement of Cash Flows is due to various reclassification adjustments recorded under Ind AS in Balance Sheet, Statement of Profit and Loss and difference in the defination of Cash and Cash Equivalents and these two GAAP's.

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Reconciliation of Balance Sheet as at 31st March, 2016

Particulars			Local GAAP As at 31st March, 2016	Ind AS Adjustment	As per Ind AS As at 31st March, 2016
I.	**ASSETS**				
(1)	**Non-Current Assets**				
	(a)	Property, Plant and Equipment	256,428,298	-	256,428,298
	(b)	Intangible Assets	1,312,120	-	1,312,120
	(c)	Capital Work in Progress	90,500,000	-	90,500,000
	(d)	Financial Assets			
	(i)	Non-Current Investments	202,764,000	-	202,764,000
			551,004,418	**-**	**551,004,418**
(2)	**Current Assets**				
	(a)	Inventories	992,822,395	-	992,822,395
	(b)	Financial Assets			
	(i)	Trade Receivables	963,226,243	154,321,123	808,905,120
	(ii)	Cash & Cash Equivalents	40,766,091	-	40,766,091
	(iii)	Other Bank Balances	50,886,069	-	50,886,069
	(iv)	Current Loans	1,232,152	-	1,232,152
	(v)	Other Financial Assets	1,886,876	-	1,886,876
	(c)	Other Current Assets	542,917,130	-	542,917,130
			2,593,736,956	**154,321,123**	**2,439,415,833**
		TOTAL	**3,144,741,374**	**154,321,123**	**2,990,420,251**
II.	**EQUITY AND LIABILITIES**				
(1)	**Equity**				
	(a)	Equity Share Capital	130,043,390	-	130,043,390
	(b)	Other Equity	1,261,713,332	134,932,386	1,126,780,947
			1,391,756,722	**134,932,386**	**1,256,824,337**
(2)	**Non-Current Liabilities**				
	(a)	Financial Liabilities			
		Non Current Borrowings	116,922,422	-	116,922,422
	(b)	Non Current Provisions	8,738,238	(150,323)	8,888,561
	(c)	Deferred Tax Liabilities (Net)	38,862,584	547,443	38,315,141
			164,523,244	**397,120**	**164,126,124**
(3)	**Current Liabilities**				
	(a)	Financial Liabilities			
	(i)	Current Borrowings	997,301,620	-	997,301,620
	(ii)	Trade Payables	224,991,431	-	224,991,431
	(iii)	Other Current Financial Liabilities	26,150,255	-	26,150,255
	(b)	Other Current Liabilities	286,998,245	736,000	286,262,245
	(c)	Current Provisions	27,802,580	18,255,617	9,546,963
	(d)	Current Tax Liability (Net)	25,217,277	-	25,217,277
			1,588,461,408	**18,991,617**	**1,569,469,790**
		TOTAL	**3,144,741,374**	**154,321,123**	**2,990,420,251**

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Reconciliation of Other Equity as at 31st March, 2016

Particulars		Reserves & Surplus			Items of Other Comprehensive Income	Total
		Securities Premium Reserve	General Reserve	Reatined Earnings		
Balance as at 31st March, 2016 (Previous GAAP)		**490,037,050**	**102,956,310**	**668,719,973**	**-**	**1,261,713,332**
Less :	Difference in Other Equity on Transition as at 1st April, 2015	-	-	(124,245,118)	-	**(124,245,118)**
Add :	De-Recognition of Proposed Dividend	-	-	19,506,509	-	**19,506,509**
Add :	De-Recognition of Dividend Distribution Tax	-	-	3,971,066	-	**3,971,066**
Add :	Difference in Profit and Loss F Y 2015-16	-	-	52,292	-	**52,292**
Less :-	Dividend paid F Y 2014-15	-	-	(26,008,678)	-	**(26,008,678)**
Less:	Dividend Distribution Tax paid F Y 2014-15	-	-	(5,325,191)	-	**(5,325,191)**
Less:	Re-measurements of the net defined benefit plans	-	-	-	(2,883,267)	**(2,883,267)**
Total Ind AS Adjustments		**-**	**-**	**(132,049,119)**	**(2,883,267)**	**(134,932,386)**
Balance as at 31st March, 2016 (Ind AS)		**490,037,050**	**102,956,310**	**536,670,854**	**(2,883,267)**	**1,126,780,947**

Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2016

Particulars			As per Local GAAP Year Ended 31st March, 2016	Ind AS Adjustment	As per Ind AS Year Ended 31st March, 2016
I.	Revenue from Operations		2,346,158,039	-	2,346,158,039
	Add :- Excise Duty On Sales		52,365,507	52,365,507	-
	Less :- Discounts / Rebates		-	(217,812,140)	217,812,140
			2,293,792,532	**165,446,632**	**2,128,345,900**
II.	Other Income		14,259,519	-	14,259,519
III.	Total Revenue (I + II)		**2,308,052,051**	**165,446,632**	**2,142,605,419**
IV.	Expenses :				
	(a)	Cost of Materials Consumed	569,022,119	-	569,022,119
	(b)	Purchases of Stock-in-Trade	435,399,707	-	435,399,707
	(c)	(Increase) / Decrease in Inventories of Finished Goods and Stock-in-Trade	(8,883,411)	-	(8,883,411)
	(d)	Excise Duty on Sale of Goods	-	(52,365,507)	52,365,507
	(e)	Employee Benefits Expense	224,901,641	1,425,984	223,475,657
	(f)	Finance Costs	205,892,020	(1,273,432)	207,165,452
	(g)	Depreciation and Amortization	17,563,096	-	17,563,096
	(h)	Other Expenses	760,270,160	217,812,140	542,458,021
		Total Expenses	**2,204,165,331**	**165,599,184**	**2,038,566,146**
V.	**Profit Before Tax (PBT) - (III - IV)**		**103,886,720**	**(152,552)**	**104,039,272**
VI.	**Tax Expense**				
	(a)	Current Tax	36,500,000	-	36,500,000
	(b)	Adjustment of Tax relating to earlier periods	-	(2,160,597)	2,160,597
	(c)	Deferred Tax	1,310,416	(100,260)	1,410,676
		Income Tax Expense	**37,810,416**	**(2,260,857)**	**40,071,273**
VII.	**Profit after Tax (PAT) - (V - VI)**		**66,076,304**	**2,108,305**	**63,968,000**
	Less :- Short Provision for Tax in Earlier Years		2,160,597	2,160,597	-
VIII.	**Profit / (Loss) for the period**		**63,915,708**	**(52,292)**	**63,968,000**
IX.	**Other Comprehensive Income**				
	(A)	Items that will not be reclassified to Profit or Loss			
	(i)	Remeasurements of Defined Benefit Plans	-	2,883,267	(2,883,267)
			-	**2,883,267**	**(2,883,267)**
X.	**Total Comprehensive Income for the period (VII + VIII)**		**63,915,708**	**2,830,975**	**61,084,733**

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Summary of reconciliation of movement in Profit and Loss on transition to Ind AS for the year ended 31st March, 2016

Net Profit as per Indian GAAP		**63,915,708**
Add / (Less) :- Adjustments on account of transition to Ind AS		
	Reclassification of actuarial gains and losses on defined benefit plans to Other Comprehensive Income	2,883,267
	Decrease in Profit due to increase in provision of defined benefit plans	(2,730,715)
	Deferred Tax on accounting effect of Ind AS adjustments	(100,260)
A	**Net Profit as per Ind AS**	63,968,000
B	**Add :- Other Comprehensive Income**	
	Re-measurements of defined benefit plans	(2,883,267)
	Total Comprehensive Income (A+B)	**61,084,733**

38. RELATED PARTY DISCLOSURES

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

Part - A

Details of Related Parties

Sr. No.	Nature of Relationship	Name of the Related Party		Remarks	
1	Key Management Personnel	a) Dr. Rahul Mirchandani		a) Chairman & Managing Director	
		b) Dr. Jimmy Mirchandani		b) Director	
		c) Mrs. Nitya Mirchndani		c) Director	
		d) Mr. S. Ramamurthy		d) Chief Financial Officer	
		e) Mr. Qaiser P. Ansari		e) Company Secretary	
2	Entities where Control exists - Subsidiaries and Indirect Subsidiaries	a) Aries Agro Care Pvt Ltd	[100%]	a) Date of Incorporation 5th January, 2007	
	[Extent of Holding]	b) Aries Agro Equipments Pvt Ltd	[100%]	b) Date of Incorporation 12th January, 2007	
		c) Aries Agro Produce Pvt Ltd	[75%]	c) Date of Incorporation 20th June, 2008	
		d) Golden Harvest Middle East FZC	[75%]	d) Date of Incorporation 31st October, 2004	
		e) Amarak Chemicals FZC	[75%]	e) Step Down Subsidiary Date of Incorporation 9th September, 2007	
3	Enterprises over which the Key Management Persons has significant Influence of Control	a) Aries Marketing Ltd.			
		b) Blossoms International Ltd.			
		c) Sreeni Agro Chemicals Ltd.			
		d) Aries East West Nutrients Pvt. Ltd.			
4	Relatives of Key Management Personnel	**Name of the Key Management Personnel**		**Name of the Relative**	**Relationship**
		a) Dr. Rahul Mirchandani		a) Mrs. Nitya Mirchandani	Spouse
				b) Master Armaan Mirchandani	Son
				c) Dr. Jimmy Mirchandani	Brother
		b) Dr. Jimmy Mirchandani		a) Mrs. Vivian Prokop Mirchandani	Spouse
				b) Mr. Akshay Mirchandani	Son
				c) Mr. Amol Mirchandani	Son
				d) Dr. Rahul Mirchandani	Brother
		c) Mrs. Nitya Mirchandani		a) Dr. Rahul Mirchandani	Spouse
				b) Master Armaan Mirchandani	Son

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Part - B				
Disclosure of Transactions between the Company and Related Parties				
Sr. No.	**Category**	**Nature of Service**	**Year Ended 31st March, 2017**	Year Ended 31st March, 2016
1	Key Management Personnel	Loan repaid	**12,165,675**	35,280,201
		Loan taken	**1,850,000**	7,224,300
		Directors Remuneration paid	**20,649,920**	12,414,762
		Salary Paid	**6,692,110**	5,883,163
		Sitting Fees	**120,000**	130,000
2	Subsidiaries	Loan given	**413,159**	5,000
		Loan refund	**-**	32,180,000
		Sale of Goods	**121,591**	950,538
		Purchase of Goods	**21,378,159**	92,737,870
		Payments (Including Advance) for Goods	**130,417,664**	136,254,834
		Interest Income on Loan	**-**	293,027
3	Relatives of Key Management Personnel	Salary paid	**1,155,698**	604,189

Part - C				
Balance Outstanding with Related Parties				
Category	**Nature of Outstanding**	**Name of the Related Party**	**As at 31st March, 2017**	As at 31st March, 2016
Key Management Personnel	Dues to Directors	Dr. Jimmy Mirchandani	**4,819,574**	10,890,094
		Dr. Rahul Mirchandani	**16,104,549**	16,956,699
		Mr. S. Ramamurthy	**148,668**	132,992
		Mr. Qaiser P. Ansari	**109,452**	104,590
Subsidiary	Loans & Advances	Aries Agro Care Pvt. Ltd.	**5,918,635**	5,814,935
		Aries Agro Equipments Pvt. Ltd.	**3,736,812**	3,552,759
		Aries Agro Produce Pvt. Ltd.	**190,866**	65,460
		Golden Harvest Middle East FZC	**205,014,365**	127,862,122
		Amarak Chemicals FZC	**28,913,173**	-
	Creditors for Goods	Golden Harvest Middle East FZC	**27,884,130**	28,583,573
		Aries Agro Equipments Pvt. Ltd.	**11,806,960**	11,806,960
	Share Investments	Golden Harvest Middle East FZC	**202,489,000**	202,489,000
	Sundry Debtors	Amarak Chemicals FZC	**10,738,213**	19,278,704
Relatives of Key Management Personnel	Salary	Amol Mirchandani	**67,905**	39,649

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

39. Contingent Liability not provided for in the accounts:

a) Letters of credit / guarantees given / Bills discounting Rs.2,650.98 Lakhs.

b) Standby letter of credit for Overseas Subsidiary Golden Harvest Middle East FZC

- Axis Bank Rs. 3,522.98 Lakhs

  Rs. 3,522.98 Lakhs

  ============

c) Claims against company not acknowledged as debts Rs. 1201.34 Lakhs which includes tax dues disputed as Rs. 13.09 Lakhs towards sales Tax, Rs. 382.73 Lakhs towards Income Tax Rs. 792.01 Lakhs towards central excise & customs and includes Rs. 13.51 Lakhs pertaining to pending suits regarding quality issue.

d) 1. The Commissioner of Central Excise, Mumbai and Hyderabad had issued Show Cause-Cum-Demand Notices for levy of Excise Duty on clearances of Micronutrients by classifying the same as Plant Growth Regulators under Chapter Heading No. 38.08 of Central Excise Act. The Commissioner of Central Excise, Mumbai, vide his Order dated 27th November, 2006 and Commissioner of Central Excise, Hyderabad, vide his Order dated 30th November, 2005 had cancelled these demands in respect of clearance upto June, 2006. The Department has preferred appeals against the said orders. The Department has also issued periodical Show Cause Notices of about Rs. 108.20 Crores to the Company in respect of clearances thereafter and the Company has replied to all such notices. In view of the Orders referred to above on the pending appeals and submissions, no action has been taken.

2. Commissioner of Central Excise, Ahmedabad – II, has passed an order confirming demand of Rs.3.81 Crores on account of Central Excise duty, interest on the said amount and penalty of like amount i.e. Rs.3.81 Crores against which the Company has preferred an appeal before the Central Excise and Service Tax Appellate Tribunal, Ahmedabad.

The Central Board of Excise and Customs vide their Circular No. 1022/10/2016/CX dated 06/04/2016 has clarified that Micronutrients are not classifiable as Plant Growth Regulators under Chapter Heading No. 38.08 of the Central Excise Act.

Under the circumstances, and in view of legal pronouncements that the Excise Authorities cannot go beyond the Show Cause Notice, the Show Cause-Cum-Demand Notices are liable to be dropped in view of the Circular referred to above.

3. The Company has been classifying Sulphur Bentonite under Chapter Heading No. 25030090 as other forms of Sulphur. However, the Customs authorities classified Sulphur Bentonite imported under Chapter Heading No. 25030010 "as recovered byproduct in refining of crude oil". The Additional Commissioner of Customs, Nhava Sheva confirmed the classification under Chapter Heading No. 25030010 and demanded an amount of Rs. 29.91 Lakhs, in addition penalty of like amount i.e. Rs.29.91 Lakhs along with fine and penalty of Rs.7.00 Lakhs each on the Chairman & Managing Director and Purchase Manager of the Company.

The Company preferred an appeal before the Commissioner, Appeals, who vide order dated 19/02/2016 while upholding the Department's contention of classifying the product under Chapter Heading No. 25030010 set aside the fine and penalty imposed upon the Company, the Chairman & Managing Director and the Purchase Manager. The Commissioner Appeals also directed to grant benefit vide Sr. No. 60 under Notification No. 21/2002/CUS. The Company has preferred an appeal against the said order to the Customs, Central Excise and Service Tax Tribunal, Mumbai on 19/05/2016 contesting the classification of Sulphur Bentotonite under Chapter Heading No. 25030010.

40. Segmental Reporting as per Ind AS - 108

The Company has only One business Segment " Agro Inputs "as its primary segment and hence disclosure of segment-wise information is not required under Ind AS 108 'Operating Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

41. Events Occurring after Balance Sheet

a) Sale of Shareholding in Subsidiary

The Company Sold its Majority of shareholding in its subsidiary Aries Agro Produce Private Limited on 3rd April, 2017 i.e. after the date of Balance Sheet. Hence the Company Aries Agro Produce Private Limited has ceased to be a Subsidiary of the Company w.e.f. 3rd April, 2017. The Consolidatited Profit & Loss includes ₹27,300/- as loss of the said Subsidiary.

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

b) Dividend proposed to be distributed

(Amount in Rupees unless stated otherwise)

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Dividend proposed for Equity Shareholders @ ₹2 per share	2,60,08,678	1,95,06,509
Total	2,60,08,678	195,06,509

(Amounts in Rupees unless stated otherwise)

42.

Supplementary Profit and Loss Data	Year Ended 31 March 2017	Year Ended 31 March 2016
(a) Value of Imports calculated on CIF basis (on accrual basis) :	25,45,82,553	20,39,43,143

(b) Earnings in Foreign Currency (on accrual basis)		
F.O.B. Value of export sales	1,31,13,165	1,20,61,982
Interest on ECB Loans	-	1,50,517

(c) Expenditure in Foreign Currency (on accrual basis)		
Foreign Traveling Expenses	13,15,670	35,57,720
Interest on ECB Loans	-	1,50,517

(d) Details of Consumption of Raw Materials :

Particulars	Year Ended 31 March 2017		Year Ended 31 March 2016	
Imported	19,83,58,328	41.60%	17,59,49,485	42.43%
Indigenous	27,84,22,084	58.40%	23,87,35,577	57.57%
Total	47,67,80,412	100.00%	41,46,85,062	100.00%

43. The Company has acquired a vehicle in the name of the Director which is yet to be transferred in the name of the Company. The Company has all the ownership rights and Depreciation thereon has been charged at the rates prescribed in the Schedule II to the Companies Act, 2013.

44. Previous Years figures have been regrouped wherever necessary so as to make them comparable with the current year.

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date : 30th May, 2017

For and on behalf of the **Board of Directors** of **Aries Agro Limited**

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN 00239057

Prof. R. S. S. Mani
Director
DIN 00527270

Mr. S. Ramamurthy
Chief Financial Officer
Membership No. ACA-31200

Dr. Jimmy Mirchandani
Director
DIN 00239021

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Mrs. Nitya Mirchandani
Director
DIN 06882384

Mr. B.V. Dholakia
Director
DIN 01871816

Statement Pursuant to first proviso to sub-section (3) of section 129 the Companies Act 2013, read with rule 5 of Companies (Account) Rules , 2014 in the prescribed Form AOC - 1 relating to subsidairy companies

(Rupees in Lakhs)

Sr. No.	Name of the Subsidairy Company	Reporting Currency	Exchange Rate	Share Capital	Other Equity	Total Asets	Total Liabities	Investments	Turnover	Profit Before Taxation	Porvision for Taxation	Profit after Taxation	Proposed Dividend	% of Shareholding	Country
1	Aries Agro Care Pvt. Ltd.	INR	1.00	1.00	(27.66)	33.47	33.47	-	-	(0.33)	-	(0.33)	-	100 %	India
2	Aries Agro Equipments Pvt. Ltd.	INR	1.00	1.00	76.84	119.05	119.05	-	-	(0.30)	-	(0.30)	-	100 %	India
3	Aries Agro Produce Pvt. Ltd.	INR	1.00	1.00	(3.27)	-	-	-	-	(0.27)	-	(0.27)	-	75 %	India
4	Golden Harvesh Middle East FZC	AED	17.66	26.49	2,972.84	11,921.25	11,921.25	609.27	181.03	(809.11)	-	(809.11)	-	75 %	UAE
5	Amarak Chemical FZC	AED	17.66	529.80	1,381.24	15,916.17	15,916.17	-	3,599.19	170.37	-	170.37	-	75 % held by Golden Harvest Middle East FZC	UAE

As per our report of even date

For and on behalf of the **Board of Directors** of **Aries Agro Limited**

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Dr. Rahul Mirchandani
Chairman &
Managing Director
DIN 00239057

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Director
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Mr. S. Ramamurthy
Chief Financial Officer
Membership No. ACA-31200

Kirti D. Shah
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Company Secretary
Membership No. ACS-8979

Mrs. Nitya Mirchandani
Director
DIN 06882384

Mr. B.V. Dholakia
Director
DIN 01871816

Place : Mumbai
Date : 30th May, 2017

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ARIES AGRO LIMITED

REPORT ON THE CONSOLIDATED Ind AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statement of **ARIES AGRO LIMITED** ("the Holding Company"), its subsidiaries and jointly controlled entities (collectively referred as the "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and consolidated statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

MANAGEMENT RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and presentation 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated 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 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 the reports of the other auditors on the financial statements / consolidated Ind AS financial statements of the subsidiaries and associates as noted below, the Ind AS consolidated 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 including Ind AS:

(a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2017;

(b) In the case of the Consolidated Statement of Profit and Loss including other compressive income, of the profit of the Group for the year ended on that date; and

(c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

(d) In the case of statement of changes in equity, of the changes in equity for the year then ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.

(c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement and the consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant 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 Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2017 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.

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

(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 consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as referred to in the notes of accounts to these financial statements ;

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivatives contracts; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and subsidiary companies incorporated in India.

iv. The Company has provided requisite disclosures in its consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer notes to the consolidated Ind AS financial statements.

OTHER MATTERS

The Ind AS Financial Statements/consolidated Ind AS financial statements of certain subsidiaries which reflect total asset of Rs. 1,52,52,786/- as at 31st March, 2017 total revenue of Rs. NIL/- and net cash flow amounting to Rs. 31,236/- for the year then ended, have been audited by us and Ind AS financial statements of an associate in which the share of Loss of the group is Rs. 89,643/- have been audited by us.

We did not audit the financial statements / consolidated financial statements of certain subsidiaries whose financial statements reflect total asset of AED 10,43,98,794 as at March 31, 2017 total revenues of AED 2,17,53,592 and net cash flow amounting to AED 2,92,342 for the year ended on that date and financial statements of an associate in which the share of loss of the group is AED (38,58,056). This financial statements / consolidated financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

Our opinion is not qualified in respects of other matters.

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No. 032371

Place : Mumbai

Date : 30th May, 2017

ANNEXURE "A" to the Independent Auditor's Report

Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Aries Agro Limited** ("the Company") as of 31 March 2017 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No. 032371

Place : Mumbai

Date : 30th May, 2017

Consolidated Balance Sheet as on 31st March, 2017

(Amounts in Rupees unless stated otherwise)

PARTICULARS	Note Nos.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I. ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	6	**708,682,981**	852,841,132	857,293,991
(b) Intangible Assets	6	**1,171,853**	1,312,120	888,665
(c) Goodwill	7	**-**	17,742,406	16,731,807
(d) Capital Work in Progress		**222,039,555**	164,089,670	92,919,950
(e) Financial Assets				
(i) Non-Current Investments	8	**21,192,000**	21,648,000	20,414,940
		953,086,389	1,057,633,327	988,249,352
(2) Current Assets				
(a) Inventories	9	**1,415,102,198**	1,423,811,297	1,447,224,155
(b) Financial Assets				
(i) Trade Receivables	10	**1,423,862,986**	1,183,276,475	1,159,146,106
(ii) Cash & Cash Equivalents	11	**57,372,112**	41,184,651	45,066,292
(iii) Other Bank Balances	12	**53,674,394**	50,886,069	45,799,618
(iv) Current Loans	13	**46,498,193**	55,031,865	56,038,772
(v) Other Financial Assets	14	**1,587,443**	1,886,876	1,713,025
(c) Other Current Assets	15	**548,844,695**	661,828,531	538,289,989
		3,546,942,021	3,417,905,763	3,293,277,958
TOTAL		**4,500,028,410**	4,475,539,090	4,281,527,310
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share Capital	16	**130,043,390**	130,043,390	130,043,390
(b) Other Equity	17	**1,621,884,133**	1,585,868,023	1,530,412,859
		1,751,927,523	1,715,911,413	1,660,456,249
(2) Non-Controlling Interest	18			
Non-Controlling Interest - Equity		**247,543,109**	273,823,270	222,584,661
Non-Controlling Interest - Non-Equity		**134,668,364**	155,095,076	137,152,410
		382,211,473	428,918,346	359,737,070
(3) Non-Current Liabilities				
(a) Financial Liabilities				
Non Current Borrowings	19	**139,895,247**	117,913,936	132,650,656
(b) Non Current Provisions	20	**19,299,026**	17,972,874	18,522,144
(c) Deferred Tax Liability (Net)	21	**38,235,225**	38,315,141	36,904,465
		197,429,498	174,201,952	188,077,264
(4) Current Liabilities				
(a) Financial Liabilities				
(i) Current Borrowings	22	**1,218,107,417**	1,523,141,246	1,386,147,363
(ii) Trade Payables	23	**349,635,695**	289,378,438	340,264,003
(iii) Other Current Financial Liabilities	24	**22,027,331**	47,955,076	82,251,016
(b) Other Current Liabilities	25	**514,263,589**	257,678,671	200,160,865
(c) Current Provisions	26	**13,297,883**	13,136,670	12,940,486
(d) Current Tax Liability (Net)	27	**51,128,001**	25,217,277	51,492,993
		2,168,459,916	2,156,507,379	2,073,256,726
TOTAL		**4,500,028,410**	4,475,539,090	4,281,527,310
Summary of Significant Accounting Policies	5			

The Notes referred to above form an integral part of these Financial Statements

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date : 30th May, 2017

For and on behalf of the **Board of Directors** of **Aries Agro Limited**

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN 00239057

Prof. R. S. S. Mani
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Membership No. ACS-8979

Mrs. Nitya Mirchandani
Director
DIN 06882384

Mr. B.V. Dholakia
Director
DIN 01871816

Statement of Profit and Loss for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

PARTICULARS		Note Nos.	Year Ended 31st March, 2017	Year Ended 31st March, 2016
I.	Revenue from Operations	28	3,129,052,004	2,897,585,178
	Less :- Discounts / Rebates		475,440,074	217,812,140
			2,653,611,929	2,679,773,039
II.	Other Income	29	30,612,444	14,170,628
III.	Total Revenue (I + II)		2,684,224,373	2,693,943,667
IV.	Expenses :			
	(a) Cost of Materials Consumed	30	825,082,091	828,639,258
	(b) Purchases of Stock-in-Trade	31	430,251,224	435,399,707
	(c) (Increase) / Decrease in Inventories of Finished Goods and Stock-in-Trade	32	(70,102,631)	(3,826,972)
	(d) Excise Duty on Sale of Goods	33	128,555,679	52,365,507
	(e) Employee Benefits Expense	34	282,994,602	257,940,026
	(f) Finance Costs	35	233,705,597	246,757,349
	(g) Depreciation and Amortization	6	66,892,626	105,803,681
	(h) Other Expenses	36	667,352,820	649,115,293
	Total Expenses		2,564,732,007	2,572,193,850
V.	**Profit Before Tax (PBT) - (III - IV)**		119,492,365	121,749,817
VI.	**Tax Expense**			
	a) Current Tax		65,100,000	36,500,000
	b) Adjustment of Tax relating to earlier periods		528,839	2,160,597
	c) Deferred Tax		(627,358)	1,410,676
	Income Tax Expense		65,001,481	40,071,273
VII.	**Profit / (Loss) for the Period**		54,490,884	81,678,544
VIII.	**Profit / (Loss) for the year attributable to :**			
	Owners of the Parent		70,608,545	72,307,124
	Non-Controlling Interest		(16,117,661)	9,371,420
			54,490,884	81,678,544
IX.	**Other Comprehensive Income**			
	(A) Items that will not be reclassified to Profit or Loss			
	(i) Remeasurements of Defined Benefit Plans		(4,622,344)	(2,883,267)
			(4,622,344)	(2,883,267)
X.	**Total Comprehensive Income for the year (VIII + IX)**		49,868,540	78,795,277
XI.	**Other Comprehensive Income for the year attributable to :**			
	Owners of the Parent		(4,622,344)	(2,883,267)
			(4,622,344)	(2,883,267)
XII.	**Total Comprehensive Income for the year attributable to :**			
	Owners of the Parent		65,986,201	69,423,857
	Non-Controlling Interest		(16,117,661)	9,371,420
			49,868,540	78,795,277
XIII.	**Earnings per Equity Share**	37		
	(1) Basic & Diluted		5.43	5.56
Summary of Significant Accounting Policies		5		

The Notes referred to above form an integral part of these Financial Statements

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date : 30th May, 2017

For and on behalf of the **Board of Directors** of **Aries Agro Limited**

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Mr. C. B. Chhaya
Director
DIN 00968966

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Mrs. Nitya Mirchandani
Director
DIN 06882384

Mr. B.V. Dholakia
Director
DIN 01871816

Statement of Changes in Equity for the year ended 31st March, 2017

Note No. 16

A Equity Share Capital	As at 1st April, 2015	Changes in Equity Capital during 2015-16	Balance as at 31st March, 2016	Changes in Equity Capital during 2016-17	Balance as at 31st March, 2017	Non-Controlling Interest
	130,043,390	-	130,043,390	-	130,043,390	247,543,109

Note No. 17

B Other Equity		Reserves & Surplus						Items of Other Comprehensive Income	TOTAL	Non-Controlling Interest
		Securities Premium Reserve	Legal Reserve	Foreign Currency Translation Reserve	Genaral Reserve	Reatined Earnings	TOTAL	Re-measurement of net defined benefit plans		
Balance as at 1st April, 2015		490,037,050	12,392,022	79,223,316	97,956,310	850,804,161	1,530,412,859	-	1,530,412,859	137,152,410
Add :	Profit / (Loss) for the year	-	-	-	-	72,307,124	72,307,124	-	72,307,124	9,657,167
Add :	Transfer from Retained Earnings	-	3,560,823	-	5,000,000	-	8,560,823	-	8,560,823	-
Less :-	Transfer to General Reserve / Legal Reserve	-	-	-	-	(8,560,823)	(8,560,823)	-	(8,560,823)	-
Less :-	Dividend paid F Y 2014-15	-	-	-	-	(26,008,678)	(26,008,678)	-	(26,008,678)	-
Less:	Dividend Distribution Tax paid F Y 2014-15	-	-	-	-	(5,325,191)	(5,325,191)	-	(5,325,191)	-
Less:	Re-measurements of the net defined benefit plans	-	-	-	-	-	-	(2,883,267)	(2,883,267)	-
Less	Foreign Currency Translation Reserve	-	-	2,015,180	-	15,349,996	17,365,176	-	17,365,176	8,285,499
Balance as at 31st March, 2016		490,037,050	15,952,844	81,238,496	102,956,310	898,566,590	1,588,751,291	(2,883,267)	1,585,868,023	155,095,076
Add :	Profit / (Loss) for the year	-	-	-	-	70,608,545	70,608,545	-	70,608,545	(17,033,316)
Add :	Transfer from Retained Earnings	-	1,367,660	-	-	-	1,367,660	-	1,367,660	-
Less :-	Transfer to General Reserve / Legal Reserve	-	-	-	-	(1,367,660)	(1,367,660)	-	(1,367,660)	-
Add :	Ind AS Impact on Defined Benefit Plans	-	-	-	-	4,649,931	4,649,931	-	4,649,931	-
Less :-	Ind As Impact on Deferred Tax	-	-	-	-	(547,443)	(547,443)	-	(547,443)	-
Less :-	Dividend paid for F Y 2015-16	-	-	-	-	(19,506,509)	(19,506,509)	-	(19,506,509)	-
Less:	Dividend Distribution Tax paid for F Y 2015-16	-	-	-	-	(3,971,066)	(3,971,066)	-	(3,971,066)	-
Less:	Ind As Impact on Residential Flat	-	-	-	-	(240,088)	(240,088)	-	(240,088)	-
Less:	Re-measurements of the net defined benefit plans	-	-	-	-	-	-	(4,622,344)	(4,622,344)	-
Less	Foreign Currency Translation Reserve	-	-	14,337,984	-	(24,692,900)	(10,354,917)	-	(10,354,917)	(3,393,396)
Balance as at 31 March, 2017		490,037,050	17,320,504	95,576,480	102,956,310	923,499,400	1,629,389,744	(7,505,611)	1,621,884,133	134,668,364

Dividend declared @ ₹2 per share

Statement of Cash Flows for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Sr. No.	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax as per Statement of Profit and Loss	**119,492,365**	121,749,817
	Adjusted for :		
	Depreciation and Amortisation Expense	**66,892,626**	105,803,681
	Loss on Sale of Assets (net)	**27,618,115**	3,728,926
	Effect of Exchange Rate change	**23,670,768**	(30,785,600)
	Effect of Re-measurements	**(759,944)**	(2,883,267)
	Interest Income	**(14,857,807)**	(13,462,108)
	Finance Costs	**233,705,597**	246,757,349
	Operating Profit before Working Capital Changes	**455,761,720**	430,908,799
	Adjusted for :		
	(Increase) / Decrease in Trade Receivables	**(240,586,511)**	(24,130,369)
	(Increase) / Decrease in Inventories	**8,709,100**	23,412,858
	Increase / (Decrease) in Trade Payables	**60,257,256**	(50,885,564)
	Increase / (Decrease) in Provisions & Other Current Liabilities	**258,055,261**	(3,406,936)
	Cash Generated from Operations	**542,196,826**	375,898,788
	Income Taxes (paid) / received (Net)	**(65,081,394)**	(38,660,597)
	Net Cash Flow from Operating Activities (A)	**477,115,432**	337,238,191
B)	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Purchase of Fixed Assets (Property, Plant & Equipment, Intangible Assets, Capital work in progress (WIP)	**(53,366,918)**	(146,308,688)
	Proceeds from Sale of Fixed Assets	**45,495,090**	6,171,461
	Movement in Short Term Loans and Advances & Other Assets	**119,028,615**	(127,791,936)
	Interest Income	**14,857,807**	13,462,108
	Net Cash Flow from / (used in) Investing Activities (B)	**126,014,594**	(254,467,055)
C)	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from issue of Share Capital, Increase in Share Application Money / Shareholders Current Account	**(46,706,873)**	69,181,276
	Dividend Paid	**(19,506,509)**	(26,008,678)
	Tax on Dividend paid	**(3,971,066)**	(5,325,191)
	Non Current Borrowings (Net)	**21,981,310**	(14,736,719)
	Current Borrowings (Net)	**(305,033,829)**	136,993,883
	Finance Costs	**(233,705,597)**	(246,757,349)
	Net Cash (used in) / from financing activities (C)	**(586,942,564)**	(86,652,778)
	Net Increase in Cash and Cash Equivalents	**16,187,461**	(3,881,641)
	Opening Balance of Cash and Cash Equivalents	**41,184,651**	45,066,292
	Closing Balance of Cash and Cash Equivalents	**57,372,112**	41,184,651

Note: The above statement has been prepared under the indirect method set out in Ind AS-7 "Statement of Cash Flow"

The Notes referred to above form an integral part of these Financial Statements

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date : 30th May, 2017

For and on behalf of the **Board of Directors** of **Aries Agro Limited**

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN 00239057

Prof. R. S. S. Mani
Director
DIN 00527270

Mr. S. Ramamurthy
Chief Financial Officer
Membership No. ACA-31200

Dr. Jimmy Mirchandani
Director
DIN 00239021

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Mrs. Nitya Mirchandani
Director
DIN 06882384

Mr. B.V. Dholakia
Director
DIN 01871816

NOTES to the Financial Statements for the year ended 31st March, 2017

1. Corporate Information

Aries Agro Limited('Aries' or the 'Company') was incorporated at Mumbai in 1969 for manufacturing of small range of mineral feed additives for animals & birds and then diversified into mineral additives for the agriculture use and currently is into business of manufacturing micronutrients and other nutritional products for plants and animals.

In January, 2007 the Company incorporated Aries Agro Care Private Limited as a Wholly Owned Subsidiary for carrying business in the Branch of agro protection, seeds etc.

In January, 2007 the Company incorporated Aries Agro Equipments Private Limited as a Wholly Owned Subsidiary for carrying business in all type of farm equipments, machinery etc.

In 2008 the Company acquired 75% Shares in Golden Harvest Middle East FZC, Sharjah, UAE, by virtue of which the said Golden Harvest Middle East FZC has become a Subsidiary of the Company. Golden Harvest Middle East FZC is in the business of manufacturing chelated micronutrients.

In June, 2008 the Company incorporated Aries Agro Produce Private Limited as a Subsidiary for carrying business in all kinds of farming etc.

In the year 2010 the Company's Overseas Subsidiary viz M/S Golden Harvest Middle East FZC acquired 75% Shares of M/S Amarak Chemicals FZC based in Fujairah Free Zone, UAE by virtue of which M/S Amarak Chemicals FZC has become a Step Down Subsidiary of Aries Agro Limited.

Aries Agro Limited and its Subsidiaries ('the Group') are engaged in manufacture and trading of Micronutrient Fertilizers, Farm Equipments ranging from individual elements to mixed specialty plant nutrient fertilizers. Since 1969, Aries has pioneered several innovative concepts of farming to Farming Community, including the wonder of Chelation Technology, bio-degradable complexes of plant nutrients, water soluble NPK fertilizers, value added secondary nutrients, natural and biological products and water treatment formulations.

2. Basis of Preparation and Consolidation

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) (amendment) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS for the year ended 31st March, 2018. However the Group has elected to voluntarily adopt Ind AS for the financial year beginning on 1st April, 2016, with 1st April, 2015 as the transition date. These are the Group's first annual consolidated financial statements prepared complying in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2014. These financial statements comply with Ind AS notified by Ministry of Company Affairs ("MCA"), the Group has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet at 1st April, 2015 and throughout all periods presented, as if these policies had always been in effect and are covered by Ind AS 101 ''First-time adoption of Indian Accounting Standards''. The Transition was carried out from accounting principles generally accepted in India (''Indian GAAP'') which is considered as the previous GAAP, as defined in Ind AS 101. The reconciliation of effects of the transition from Indian GAAP on the equity as at 1st April, 2015 and 31st March, 2016 and on the net profit and loss and cash flows for the year ended 31st March, 2016 is disclosed in Note 39 to these financial statements.

The financial statement has been prepared considering all Ind AS notified by MCA till reporting date i.e. 31st March, 2017.

The Significant accounting policies used in preparing the consolidated financial statements are set out in Note 5 of the Notes to the Consolidated Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

The consolidated financial statements relate to the 'ARIES GROUP' together with its Subsidiaries. Subsidiary are those entities in which the Parent directly or indirectly, has interest more than 50% of the voting power or otherwise control the composition of the board or governing body so as to obtain economic benefits from activities. The consolidated financial statements have been prepared on the following basis:-

a) The financial statements of the subsidiaries are combined on a line-by–line basis by adding together the like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and unrealized profits or losses in accordance with Ind AS 110 –'Consolidated Financial Statements' notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended time to time.

b) In the case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average exchange rates prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Components of equity are translated at closing rate. Any gain / (Loss) on exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve (FCTR).

NOTES to the Consolidated Financial Statements for the Year Ended 31st March, 2017

c) Non-controlling Interest (NCI) in the net assets of the consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and the equity attributable to the Parent's shareholders. NCI in the net assets of the consolidated subsidiaries consists of:

- The amount of equity attributable to NCI at the date on which investment in a subsidiary is made; and
- The NCI share of movement in the equity since the date the parent subsidiary relationship came into existence.

d) NCI in the total comprehensive income (comprising of profit and loss and other comprehensive income) for the year, of consolidated subsidiaries is identified and adjusted against the total comprehensive income of the Group. Where accumulated losses attributable to the NCI before the date of transition i.e. 1st April, 2015 are in excess of their equity, in the absence of actual obligation of the NCI, the same is accounted for by Aries Agro. However, losses attributable over and above the share of NCI are borne by NCI even if it results in their deficit balance subsequent to Ind AS transition date.

e) Where Group has contractual obligation (Put, call or any other) to deliver cash or another financial asset and to settle any compound financial instruments classified by subsidiary as equity or mix of equity and liability, to the extent there is such an obligation or a component of it subject to obligation, the equity component considered by subsidiary is classified as financial liability in consolidated financial statement.

f) For acquisitions of additional interests in subsidiaries, where there is no change in control, the Group recognises a reduction to the non-controlling interest of the respective subsidiary with the difference between this figure and the cash paid, inclusive of transaction fees, being recognised in equity. In addition, upon dilution of non-controlling interests the difference between the cash received from sale or listing of the subsidiary shares and the increase to non-controlling interest is also recognised in equity. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit and loss. Any investment retained is recognised at fair value. The results of subsidiaries acquired or disposed off will re included in the consolidated Profit and Loss Statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

g) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the companies separate financial statements.

2.1 Statement of Compliance

The Comparative Consolidated Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31st March 2016 have been prepared in accordance with the Ind AS as notified above.

For all periods up to and including the year ended 31st March 2015, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

2.2 Basis of Measurement - Historic Cost Convention

These Consolidated Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans – plan assets measured at fair value

All assets and liabilities has been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

2.3 Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company.

The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

2.4 Use of Estimates:

The preparation of Consolidated Financial Statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

Estimates and assumptions are required in particular for :

(i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized :

Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

(ii) Recognition and measurement of defined benefit obligations :

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

(iii) Recognition of deferred tax assets :

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

(iv) Recognition and measurement of other provisions :

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

(v) Discounting of long-term financial liabilities :

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

(vi) Determining whether an arrangement contains a lease :

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements based on their relative fair values. If the Company concludes for a finance lease that, it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

3. Standards Issued but not yet effective :

Ind AS 115 "Revenue from Contract with Customers : The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February, 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

4. Current Versus Non-Current Classification :

(i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalents 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.

(ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated 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 realization in cash and cash equivalents

NOTES to the Consolidated Financial Statements for the Year Ended 31st March, 2017

5. Significant Accounting Policies

A) Plant, Property & Equipment :

All the property, plant and equipments have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are changed to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

B) Depreciation & Amortization :

a) Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

- The cost of Property, Plant and Equipment for Subsidiary "Golden Harvest Middle East FZC" is depreciated by equal annual installments over the estimated useful lives of Assets. The estimated useful lives of the Assets for the calculation of Depreciation are as follows :

Name of the Asset	Years
Building	20
Machinaries	10
Equipments	5
Office Furniture	5
Motor Vehicles	4

- The cost of Property, Plant and Equipment for Subsidiary "Amarak Chemicals FZC" is depreciated by equal annual installments over the estimated useful lives of Assets. The estimated useful lives of the Assets for the calculation of Depreciation are as follows :

Name of the Asset Years	
Building	20
Machinaries	10
Furniture, Fixture and Office Equipments	5
Motor Vehicles	4

Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight line basis over their remaining useful life of such assets.

b) Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

NOTES to the Consolidated Financial Statements for the Year Ended 31st March, 2017

c) Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

D) Impairment of Non-Current Assets :

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit’s fair value less cost to sell and the value in use.

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 risk specific to the asset.

In determining fair value less cost disposal, recent market transaction are taken in to account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

E) Cash and Cash Equivalents :

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

F) Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a) Raw materials and packing materials :

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

b) Work-in-progress and finished goods :

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

c) Traded goods :

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d) Waste and scrap are not separately valued being insignificant in value.

e) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

G) Leases :

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

a) Operating Lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

b) Finance Lease

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

H) Retirement benefits :

a) Short Term Employee Benefits :

Accumulated leave, which is expected to be utilised within the next 12 months, 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.

Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Post-Employment Benefits :

i) Defined Contribution Plans :

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

ii) Defined Contribution Plans :

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

c) Other Long Term Employee Benefits :

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

I) Non-current assets held for sale :

Non Current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programmer to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.
- Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

J) Foreign Currency :

Functional and Presentation Currency

Consolidated financial statements have been presented in Indian Rupees (₹), which is the Group's functional currency and Group's presentation currency. Each entity in the Group determines its own functional currency (the currency of the primary economic environment in which the entity operates) and items included in the financial statements of each entity are measured using that functional Currency.

Transactions and Balances :

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to the Statement of profit and loss.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

K) 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.

1) Financial Assets :

(i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

(ii) Initial recognition measurement :

All financial assets is recognized 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.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

(iii) Subsequent Recognition

a) Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. For some trade receivables the Group may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if thecounterparty is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision account and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Subsequent changes in assessment of impairment are recognised in provision for impairment and changes in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income

b) Financial Assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

c) Financial Assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

d) Investment in Subsidiary and Associates

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

e) Investment in Debt Instruments

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified 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.

(iv) De-recognition of Financial Assets:

A financial asset is primarily derecognized 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.

2) Financial Liabilities:

(i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, 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, security deposits and other deposits.

(ii) Subsequent measurement:

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 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 is 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.

(iii) Loans and Borrowings :

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through 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. This category generally applies to borrowings.

Trade and Other Payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent unpaid liabilities for goods and services provided to the Group till the end of financial year. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

(v) Derecognition of Financial Liabilities :

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 and Loss.

L) Borrowing Costs :

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost.

A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

M) Taxes :

(a) Current Income Tax :

(i) Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit & loss. 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.

(b) Deferred Tax :

(i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

(ii) 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 liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

(c) Sales / value added taxes :

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(d) Minimum Alternate Tax :

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on “Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961”, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

N) 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, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

(a) Sale of products :

As stated in Ind AS 18, Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. The Company collects sales tax and value added tax (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

(b) Other Income :

Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

Dividend Income

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

O) Dividend / Distribution :

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

P) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Q) Segment Reporting :

Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates

R) Provisions, Contingent Liabilities and Contingent Assets :

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

(a) Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

(i) the Company has a present obligation as a result of past event,

(ii) a probable outflow of resources is expected to settle the obligation; and

(iii) the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profi t and loss net of any reimbursement.

(b) Contingent liabilities are disclosed in case of:

(i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,

(ii) a present obligation arising from past events, when no reliable estimate is possible,

(iii) a possible obligation arising from past events where the probability of outflow of resources is not remote.

(c) Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

Note No. 6 - Property , Plant and Equipment and Intangible Assets as at 31st March , 2017

Particulars	PROPERTY, PLANT AND EQUIPMENT												INTANGIBLE ASSETS	Total
	Land	Buildings	Plant & Machinery	Electrical Installations	Laboratory Equipments	Office Equipments	Furniture & Fixtures	Air Conditioners	Computer	Vehicles	Commercial Vehicles	Total	Computer Software	
Gross Block														
As at 1st April , 2015	13,456,619	603,382,250	722,554,232	21,355,409	2,219,893	8,163,429	20,420,464	3,527,371	7,615,967	43,948,878	6,094,306	1,452,738,817	17,658,898	**1,470,397,714**
Add :- Addition during the year	-	1,707,796	56,285,917	-	332,799	901,575	74,745	647,412	545,201	15,025,249	315,000	75,835,694	527,167	**76,362,861**
Less : -Disposals / Impaired during the year	-	-	5,958,773	1,564,616	303,032	291,795	91,599	606,693	441,600	14,860,468	878,501	24,997,077	-	**24,997,077**
Add / (Less) :- Adjustments on account of Exchange Rate	-	17,929,250	39,773,922	201,665	-	168,710	115,937	17,705	-	943,753	56,001	59,206,943	-	**59,206,943**
As at 31st March , 2016	**13,456,619**	**623,019,296**	**812,655,297**	**19,992,458**	**2,249,660**	**8,941,920**	**20,519,547**	**3,585,794**	**7,719,568**	**45,057,412**	**5,586,806**	**1,562,784,376**	**18,186,065**	**1,580,970,441**
Add :- Addition during the year	-	6,157,932	2,930,967	11,400	47,522	769,081	1,243,499	136,877	180,426	1,641,900	-	13,119,604	39,835	**13,159,439**
Less : -Disposals / Impaired during the year	-	48,464,193	110,687,930	3,016,930	0	1,055,486	977,320	312,556	-	24,061,149	1,459,711	190,035,276	-	**190,035,276**
Add / (Less) :- Adjustments on account of Exchange Rate	-	(6,127,046)	(13,536,217)	(32,113)	-	(52,767)	(32,472)	(3,273)	-	(197,115)	(10,355)	(19,991,358)	-	**(19,991,358)**
As at 31st March , 2017	**13,456,619**	**574,585,989**	**691,362,117**	**16,954,815**	**2,297,182**	**8,602,747**	**20,753,253**	**3,406,842**	**7,899,994**	**22,441,048**	**4,116,740**	**1,365,877,345**	**18,225,900**	**1,384,103,245**
Accumulated Depreciation														
As at 1st April , 2015	-	257,509,200	280,672,747	4,997,824	1,097,474	6,594,775	9,979,016	3,081,908	6,778,765	20,941,199	3,791,918	595,444,826	16,770,233	**612,215,060**
Add :- Addition during the year	-	19,004,571	72,281,574	2,120,431	283,340	854,631	2,263,371	238,067	402,829	7,644,067	607,089	105,699,970	103,711	**105,803,682**
Less : -Disposals / Impaired during the year	-	-	4,360,335	1,315,879	153,863	283,749	91,599	577,203	439,853	6,006,766	647,397	13,876,643	-	**13,876,643**
Add / (Less) :- Adjustments on account of Exchange Rate	-	4,407,071	17,360,507	76,122	-	145,657	110,586	17,705	-	521,041	36,401	22,675,091	-	**22,675,091**
As at 31st March , 2016	**-**	**280,920,842**	**365,954,494**	**5,878,499**	**1,226,951**	**7,311,314**	**12,261,374**	**2,760,477**	**6,741,741**	**23,099,542**	**3,788,011**	**709,943,245**	**16,873,945**	**726,817,190**
Add :- Addition during the year	-	18,276,224	38,790,513	1,779,378	260,498	675,263	2,138,540	207,161	318,601	3,717,103	549,261	66,712,541	180,102	**66,892,643**
Less : -Disposals / Impaired during the year	-	19,071,247	69,118,388	962,822	-	1,047,092	977,323	312,306	-	18,196,072	1,035,282	110,720,533	-	**110,720,533**
Add / (Less) :- Adjustments on account of Exchange Rate	-	(1,747,020)	(6,764,451)	(10,249)	-	(50,043)	(32,472)	(3,273)	-	(126,652)	(6,731)	(8,740,890)	-	**(8,740,890)**
As at 31st March , 2017	**-**	**278,378,800**	**328,862,167**	**6,684,807**	**1,487,450**	**6,889,441**	**13,390,119**	**2,652,059**	**7,060,341**	**8,493,920**	**3,295,259**	**657,194,364**	**17,054,047**	**674,248,411**
Net carring amount														**-**
As at 1st April, 2015	13,456,619	345,873,050	441,881,485	16,357,585	1,122,419	1,568,655	10,441,448	445,462	837,202	23,007,678	2,302,388	857,293,991	888,665	858,182,657
As at 31st March 2016	13,456,619	342,098,454	446,700,803	14,113,958	1,022,709	1,630,606	8,258,173	825,317	977,827	21,957,870	1,798,795	852,841,132	1,312,120	854,153,252
As at 31st March 2017	**13,456,619**	**296,207,189**	**362,499,949**	**10,270,008**	**809,733**	**1,713,306**	**7,363,134**	**754,783**	**839,652**	**13,947,127**	**821,481**	**708,682,981**	**1,171,853**	**709,854,835**

NOTES :

6.1 On transition to Ind AS, Property, Plant and Equipment and Intangibles are carried at net block.

6.2 The Gross Block of Fixed Assets includes Rs. 17,60,00,000/- (Previous Year Rs. 17,60,00,000/-) on account of revaluation of Building carried out in F Y 1994-95.

6.3 In accordance with the Ind AS 36 “Impairment of Assets”, the management has during the year carried out and exercise of identifying the assets that would have been impaired in respect of each cash generating unit. On the basis of this review carried out by the Management, there was no impairment loss on Fixed Assets during the year.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

7	GOODWILL	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Created on Consolidation	-	17,742,406	16,731,807
		-	17,742,406	16,731,807

8	NON-CURRENT INVESTMENTS			As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	(Unquoted and fully paid up)	No. of Shares	Face Value			
	A) Equity Shares					
	(i) Subsidiary Companies (at Cost)	45,000	AED			
	(a) (48,000 Equity Shares of AED 25 each) - MAPCO Fertilizers Industries FZC		25	**21,192,000**	21,648,000	20,414,940
	Total			**21,192,000**	21,648,000	20,414,940

9	INVENTORIES	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	(At lower of cost or Net Realisable Value)			
	(As Certified and valued by the Management)			
	Raw Materials	**416,291,967**	487,016,965	535,036,562
	Finished Goods	**854,990,007**	610,847,724	571,398,441
	Stock-in-Trade (in respect of Goods acquired for Trading)	**55,912,119**	233,087,282	244,473,454
	Packing Materials	**87,908,104**	92,859,326	96,315,698
	Total	**1,415,102,198**	1,423,811,297	1,447,224,155

10	TRADE RECEIVABLES	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Unsecured			
	Considered Good	**1,423,862,986**	1,183,276,475	1,159,146,106
	Considered Doubtful	**-**	-	154,321,123
		1,423,862,986	1,183,276,475	1,313,467,229
	Less :- Credit Loss	**-**	-	154,321,123
	Total	**1,423,862,986**	1,183,276,475	1,159,146,106

10.1 **Ageing of Trade Receivables**

Particulars	Neither Due nor Impaired	Ageing			Total
		Upto 6 Months	6-12 Months	above 12 Months	
As at 31st March, 2017					
Unsecured	-	955,517,207	353,496,613	114,849,167	**1,423,862,986**
Gross Total	-	955,517,207	353,496,613	114,849,167	**1,423,862,986**
Provision for Doubtful Receivables					**-**
Net Total	-	955,517,207	353,496,613	114,849,167	**1,423,862,986**

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

11	CASH AND CASH EQUIVALENTS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Balance with Banks in Current Accounts	**57,227,982**	40,679,109	44,484,217
	With Scheduled Banks in Deposit Accounts	**15,316**	15,316	22,783
	Cash on hand	**128,814**	490,226	559,291
	Total	**57,372,112**	41,184,651	45,066,292

12	OTHER BANK BALANCES	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Fixed Deposits with Banks held as Margin Money (Maturity less than One Year)	**50,735,147**	48,327,434	43,436,829
	Unclaimed Dividend Accounts	**2,939,247**	2,558,635	2,362,789
	Total	**53,674,394**	50,886,069	45,799,618

12.1 Fixed Deposits are kept as Margin against various Credit Limits / Guarantees

13	CURRENT LOANS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	(Unsecured and Considered Good)			
	Loans to Related Parties	**45,230,546**	53,799,713	54,988,419
	Loans to Employees	**1,267,648**	1,232,152	1,050,353
		46,498,193	55,031,865	56,038,772

14	OTHER CURRENT FINANCIAL ASSETS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Interest Accrued but not due	**1,587,443**	1,886,876	1,713,025
		1,587,443	1,886,876	1,713,025

14.1 Interest Accrued but not due includes Interest accrued on various Fixed Deposits with Banks

15	OTHER CURRENT ASSETS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	(Unsecured and Considered Good)			
	Balances with Income Tax Authorities	**-**	5,505	9,949
	Other Advances	**538,876,463**	650,171,022	526,280,913
	Security Deposits	**9,968,232**	11,652,004	11,999,127
	Total	**548,844,695**	661,828,531	538,289,989

15.1 **Other Advances includes :**

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Balances with Customs, Central Excise Authorities	**13,597,009**	8,294,889	6,524,998
(b) Advance to Suppliers	**514,961,348**	625,396,421	500,320,799
(c) Advance to Staff against expenses	**1,856,769**	4,603,497	2,689,568
(d) Imprest Advance for Vehicle Expenses	**383,705**	403,932	172,450
(e) Prepaid Expenses	**8,077,633**	11,161,994	16,059,323
(f) Staff Loans	**-**	310,288	513,776
	538,876,463	650,171,022	526,280,913

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

16	EQUITY SHARE CAPITAL	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Authorised			
	15,000,000 Equity Shares of Rs. 10/- each	**150,000,000**	150,000,000	150,000,000
		150,000,000	150,000,000	150,000,000
	Issued, Subscribed and Fully Paidup			
	13,004,339 (31st March, 2016 130,04,339, 1st April, 2015 130,04,339) Equity Shares of Rs. 10/- each.	**130,043,390**	130,043,390	130,043,390
		130,043,390	130,043,390	130,043,390

16.1 **Reconciliation of the number of Equity Shares** :

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Shares outstanding at the beginning of the year	**13,004,339**	13,004,339	13,004,339
Add : - Issued during the year	**-**	-	-
Less :- Shares cancelled during the year	**-**	-	-
Shares outstanding at the end of the year	**13,004,339**	13,004,339	13,004,339

17.1 **List of Shareholder's holding more than 5 % Shares in the Company :**

Name of the Shareholders	No of Shares	As at 31st March, 2017	No of Shares	As at 31st March, 2016	No of Shares	As at 1st April, 2015
		% of Holding		% of Holding		% of Holding
(i) Dr. Jimmy Mirchandani	**3,524,830**	**27.11%**	3,524,830	27.11%	3,524,830	27.11%
(ii) Dr. Rahul Mirchandani	**2,623,221**	**20.17%**	2,623,221	20.17%	2,623,221	20.17%
Total	**6,148,051**	**47.28%**	6,148,051	47.28%	6,148,051	47.28%

17 Nature of Reserves

17.1 **Securities Premium Reserve :** represents the amount received in excess of par value of securities i.e equity shares. Premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.

17.2 **Legal Reserve :** represents reserve created out of profit of the Company in accordance with the provisions of Memorandum and Articles of Association of the Company.

17.3 **Foreign Currency Translation Reserve :** represents differrence in valuation of Investment in Overseas Subsidiary

17.2 **General Reserve :** represents the statutory reserve, this is in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

17.3 **Retained Earnings :** represent the undistributed profits of the Company

17.4 **Other Comprehensive Income Reserve :** represent the balance in equity for items to be accounted in Other Comprehensive Income. Other Comprehensice Income is classified into i) items that will not be reclassified to profit and loss, ii) items that will be reclassified to profit and loss.

18	NON-CONTROLLING INTEREST	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Non-Controlling Interest - Equity	**247,543,109**	273,823,270	222,584,661
	Non-Controlling Interest - Non-Equity	**134,668,364**	155,095,076	137,152,410
		382,211,473	428,918,346	359,737,070

18.1 Non-Controlling Interest as at 31st March, 2017, represents that part of the profit / (Loss) and net asssets of Golden Harvest Middle East FZC to the extent of 375 Shares (25%) and Amarak Chemicals FZC to the extent of 5,000 Shares (25%) held by other parties.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

19	NON - CURRENT BORROWINGS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Secured Term Loans			
	Term Loans from Banks	**7,353,716**	11,308,644	16,405,865
		7,353,716	11,308,644	16,405,865
	Un-Secured Term Loans			
	Term Loans from Banks	**132,541,531**	106,605,292	116,244,791
		132,541,531	106,605,292	116,244,791
	Total	**139,895,247**	117,913,936	132,650,656

19.1 Secured Term Loans from Banks referred above to the extent of :

Sr. No.	Partuculars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a)	Secured by way of Charge on the Company's Motor Vehicles.	**7,353,716**	11,308,644	5,762,018
(b)	Secured by way of Primary Charge on all Fixed Assets at Mouje Rajpur, Gujarat and personally guaranteed by Directors.	**-**	-	5,120,985
(c)	Secured by way of Primary Charge on Solar Panel at Pashamylaram, Andhrapradesh and Pari Pasu charge on all Fixed Assets at Deonar, Mumbai and personally guaranteed by Directors.	**-**	-	5,522,862
		7,353,716	11,308,644	16,405,865

19.2 Un-Secured Term Loans from Banks are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

19.3 Maturity Profile of Term Loans are as set out below :

Sr. No.	Financial Years	Secured Term Loans from Banks	Un-Secured Term Loans from Banks	Total
(a)	2017-18	2,963,415	13,403,229	16,366,644
	Sub-Total	2,963,415	13,403,229	16,366,644
(b)	2018-19	3,236,487	15,042,729	18,279,216
(c)	2019-20	3,204,322	16,883,939	20,088,261
(d)	2020-21 & Above	912,907	100,614,863	101,527,770
	Sub-Total	7,353,716	132,541,531	139,895,247
	Grand-Total	10,317,130	145,944,760	156,261,890

19.4 Rs. 1,63,66,644/- is shown in Current Maturities (On 31st March, 2016 Rs.2,48,56,272/- and on 31st March, 2015 Rs. 7,08,16,488/-)

20	NON CURRENT PROVISIONS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Provision for Employee Benefits			
	Gratuity	**12,270,056**	11,963,217	13,168,135
	Leave Salary	**6,457,024**	4,645,779	3,768,286
	One Time Incentive	**571,946**	1,363,878	1,585,723
	Total	**19,299,026**	17,972,874	18,522,144

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

21	DEFERRED TAX LIABILITY		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	A	**Deferred Tax Liability**			
		Related to Fixed Assets : Difference between Depreciation charged for Financial Reporting and Depreciation as per Income Tax	**42,306,134**	42,414,085	40,373,167
		Gross Deferred Tax Liability	**42,306,134**	42,414,085	40,373,167
	B	**Gross Deferred Tax Asset**			
		Disallowance under the Income Tax Act, 1961 U/s 43B	**4,070,908**	4,098,945	3,468,702
			4,070,908	4,098,945	3,468,702
	C	**Net Deferred Tax Liability (A-B)**	**38,235,225**	38,315,141	36,904,465

22	CURRENT BORROWINGS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Secured Borrowings			
	Working Capital Facilities from Banks			
	Cash Credits	**777,131,292**	876,206,637	728,116,232
	Working Capital Demand Loan	**40,000,000**	-	-
	Buyers Credits	**143,393,624**	110,779,308	106,248,417
		960,524,916	986,985,945	834,364,649
	Un-Secured Borrowings			
	Working Capital Facilities from Banks	**138,958,285**	404,610,591	381,564,160
	From Related Parties	**1,783,316**	12,190,110	40,780,593
	From Others	**116,820,900**	119,334,600	129,417,960
	Security Deposits	**20,000**	20,000	20,000
		257,582,501	536,155,301	551,782,714
	Total	**1,218,107,417**	1,523,141,246	1,386,147,363

22.1 Working Capital Facilities from Banks are secured by way of Charge on Company's Inventory, Book Debts, Charge on Land, Building, Plant & Machinery and all other movable fixed assets of the Company and guaranteed by Directors.

23	TRADE PAYABLES	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Due to Others	**349,635,695**	289,378,438	340,264,003
	Total	**349,635,695**	289,378,438	340,264,003

23.1 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

23.2 Trade Payables includes amount due to Indian Subsidiary, Aries Agro Equipments Private Limited of ₹ 1,18,06,960/-

23.3 All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.

24	OTHER CURRENT FINANCIAL LIABILITIES	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
	Current Maturities of Long Term Debt	**16,366,644**	24,856,272	70,816,488
	Interest Accrued but not due on Borrowings	**2,721,440**	3,514,017	2,811,157
	Unclaimed Dividend	**2,939,247**	2,558,635	2,362,789
	Dues to Directors	**-**	17,026,152	6,260,582
	Total	**22,027,331**	47,955,076	82,251,016

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

24.1 Current Maturities of Long Term Debt includes amount repayable within one year of :

Sr. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
(a)	Secured Term Loans from Banks	**2,963,415**	15,216,773	62,261,924
(b)	Un-Secured Term Loans from Banks	**13,403,229**	9,639,499	8,554,564
		16,366,644	24,856,272	70,816,488

24.2 Secured Term Loans from Banks included in Current Maturities of Long Term Debt to the extent of :

Sr. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
(a)	Secured by way of Charge on the Company's Motor Vehicles.	**2,963,415**	4,841,985	5,961,183
(b)	Foreign Currency Term Loan which is secured by way of Equitable Mortgage of Land and Building and personal guarantee of Directors.	**-**	-	31,128,740
(c)	Axis Bank Ltd by way of Primary Charge on all Fixed Assets at Mouje Rajpur, Gujarat and personally guaranteed by Directors.	**-**	4,900,669	20,000,000
(d)	Canara Bank by way of Primary Charge on Solar Panel at Pashamylaram, Andhrapradesh and Pari Pasu charge on all fixed assets at Deonar, Mumbai and personally guaranteed by Directors.	**-**	5,474,119	5,172,000
		2,963,415	15,216,773	62,261,924

24.3 Un-Secured Term Loans from Banks included in Current Maturities of Long Term Debt to the extent of Rs. 1,34,03,229/- are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

24.4 Unclaimed Dividend do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

25	OTHER CURRENT LIABILITIES	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
	Accrued Salaries and Benefits	**78,084,640**	56,915,595	37,410,700
	Advances / Credits from Customers	**277,261,783**	33,359,248	14,301,585
	Dues to Directors	**37,248,968**	27,110,793	26,176,913
	Security Deposits	**75,371,794**	84,310,271	75,976,654
	Statutory Dues	**14,053,364**	11,083,571	14,938,258
	Other Payables	**32,243,040**	44,899,193	31,356,756
	Total	**514,263,589**	257,678,671	200,160,865

25.1 Statutory Dues includes Indirect Taxes, Tax Deducted at Source, Tax Collected at Source, ESIC, Provident Fund and Profession Tax.

25.2 Other Payables includes mainly Staff Expense Claims and Provision for Expenses.

26	CURRENT PROVISIONS	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
	Provision for Employee Benefits			
	Gratuity	**3,539,172**	4,752,293	4,411,179
	Leave Salary	**8,265,617**	7,854,780	8,085,757
	One Time Incentive	**1,493,094**	529,597	443,550
	Total	**13,297,883**	13,136,670	12,940,486

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

27	CURRENT TAX LIABILITY (NET)	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
	Provision for Income Tax (Net of Advance Tax / TDS)	**51,128,001**	25,217,277	51,342,993
	Provision for Wealth Tax	**-**	-	150,000
	Total	**51,128,001**	25,217,277	51,492,993

28	REVENUE FROM OPERATIONS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Sales of Products		
	Manufactured	**2,510,701,844**	1,953,528,425
	Traded	**618,350,159**	944,056,754
		3,129,052,004	2,897,585,178
	Less:- Discounts / Rebates	**475,440,074**	217,812,140
	Total	**2,653,611,929**	2,679,773,039

28.1 **Particulars of Sale of Products :**

Sr. No.	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Manufactured Products			
(a)	Agricultural Mirconutrient and Speciality Fertilizers	**1,905,284,554**	1,464,601,403
(b)	Plant Nutrients	**342,284,454**	257,556,724
(c)	Insecticides and Pesticides	**248,631,309**	223,529,887
(d)	Animal Feed and Feed Concentrates	**8,742,917**	-
(e)	Others	**5,758,610**	7,840,412
		2,510,701,844	1,953,528,425
Less :- Excise Duty		**-**	-
		2,510,701,844	1,953,528,425
Traded Products			
(a)	Agricultural Mirconutrient and Speciality Fertilizers	**603,495,308**	372,233,128
(b)	Plant Nutrients	**14,854,851**	293,870,416
(c)	Agri Equipments	**-**	523,760
(d)	Others	**-**	277,429,450
		618,350,159	944,056,754
Less:- Discounts / Rebates		**475,440,074**	217,812,140
		2,653,611,929	2,679,773,039

29	OTHER INCOME	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Interest Income on :		
	Bank Fixed Deposits	**3,782,085**	4,097,735
	Others	**11,075,722**	9,364,373
	Other Non-Operating Income		
	Misc. / Other Income	**10,290,544**	129,634
	Profit on Sale of Fixed Assets	**5,070,077**	-
	Re-Processing Charges	**394,016**	578,885
	Total	**30,612,444**	14,170,628

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

30	COST OF MATERIALS CONSUMED	Year Ended 31st March, 2017	Year Ended 31st March, 2016
1)	Opening Stock of Raw Materials	**484,502,252**	696,112,366
	Add : Purchases	**571,044,182**	620,146,462
		1,055,546,434	1,316,258,828
	Less : Closing Stock of Raw Materials	**417,980,252**	646,727,163
	Raw Material Consumed	**637,566,182**	669,531,665
2)	Opening Stock of Packing Materials	**92,819,419**	96,481,799
	Add : Purchases	**182,627,754**	155,377,208
		275,447,173	251,859,006
	Less : Closing Stock of Packing Materials	**87,931,264**	92,751,413
	Packing Materials Consumed	**187,515,909**	159,107,593
	Consumption of Materials (1+2)	**825,082,091**	828,639,258

31	PURCHASES OF STOCK-IN-TRADE	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Purchases of Stock-In-Trade	**430,251,224**	435,399,707
		430,251,224	435,399,707

32	(INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Inventories at the beginning of the year		
	Finished Goods	**780,254,470**	572,032,051
	Stock-in-Trade	**61,695,916**	96,199,234
		841,950,386	668,231,285
	Inventories at the end of the year		
	Finished Goods	**856,140,898**	610,362,342
	Stock-in-Trade	**55,912,119**	61,695,916
		912,053,017	672,058,258
	(Increase) / Decrease in Inventories	**(70,102,631)**	(3,826,972)

33	EXCISE DUTY ON SALE OF GOODS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Excise Duty on Sale of Goods	**128,555,679**	52,365,507
	Total	**128,555,679**	52,365,507

34	EMPLOYEE BENEFIT EXPENSES	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Salaries, Wages and Allowances	**207,827,213**	193,260,368
	Directors Remuneration	**35,168,705**	31,010,454
	Contribution to Provident & Other Funds	**30,184,916**	25,361,685
	Staff Welfare Expenses	**9,813,768**	8,307,520
	Total	**282,994,602**	257,940,026

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

34.1 **As per Ind AS 19 "Employee Benefits", the disclosure of employee benefits as defined in the Indian Accounting Standard (Ind AS) are given below :**

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Expense recognised for Defined Contribution Plan		
Company's contribution to Provident Fund	**17,645,354**	16,033,666
	17,645,354	16,033,666

All Permanent Employees having served from the 1st day of their employment are entitled to the benefits of the contribution to Provident Fund.

The Company contributes specified percentage of the salary paid to Employees to the Defined Fund.

Defined Benefit Plan

All Employees who have completed five years or more of service are entitled to benefits of Gratuity. The Company has the Employee's Group Gratuity scheme managed by Life Insurance Corporation of India which is a Defined Benefit Plan. The Employees Leave Encashment scheme, which is a Defined Benefit Plan is unfunded.

Below table sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the Standalone Balance Sheet as at 31st March, 2017 and 31st March, 2016, being the respective measurement dates :

I **Reconciliation of opening and closing balances of the Present Value of the Defined Benefit Obligation**

Particulars	Gratuity		Leave Encashment		OneTime Incentive	
	As at 31st March, 2017	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016
Present Value of Defined Benefit obligation at the beginning of the year	**55,923,691**	53,738,148	**8,910,852**	7,243,669	**1,893,475**	2,029,273
Current Service Cost	**4,752,293**	4,411,179	**1,669,743**	1,551,085	**100,099**	103,831
Interest Cost	**3,716,352**	3,745,284	**517,326**	428,462	**124,594**	140,985
Actuarial (gain) / loss	**3,193,281**	2,169,823	**1,981,680**	1,183,243	**(53,128)**	(380,614)
Benefits paid	**(3,871,179)**	(8,140,743)	**(1,800,660)**	(1,495,607)	**-**	-
Present Value of Defined Benefit obligation at the end of the year	**63,714,438**	55,923,691	**11,278,941**	8,910,852	**2,065,040**	1,893,475

II **Reconciliation of opening and closing balances of the Fair Value of the Plan Assets**

Particulars	Gratuity	
	As at 31st March, 2017	As at 31st March, 2016
Fair Value of Plan Assets at the beginning of the year	**48,292,494**	43,080,578
Interest Income	**3,361,835**	3,130,484
Return on plan assets excluding amounts included in Interest Income	**499,489**	89,185
Contributions	**5,988,603**	10,132,990
Benefits paid	**(3,871,179)**	(8,140,743)
Actuarial gain / (loss)	**-**	-
Fair value of Plan Assets at the end of the year	**54,271,242**	48,292,494

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

III Expenses recognised in Profit and Loss

Particulars	Gratuity		Leave Encashment		OneTime Incentive	
	As at 31st March, 2017	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016
Current Service Ccost	**4,752,293**	**4,411,179**	1,669,743	1,551,085	100,099	103,831
Interest Cost	**354,517**	**614,800**	517,326	428,462	124,594	140,985
Net Cost recognised in Statement of Profit and Loss	**5,106,810**	**5,025,979**	2,187,069	1,979,547	224,693	244,816

IV Expenses recognised in Other Comprehensive Income

Particulars	Gratuity		Leave Encashment		OneTime Incentive	
	As at 31st March, 2017	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016
Components of actuarial gain / losses on obligations :						
Due to change in financial assumptions	**2,358,382**	**475,171**	379,754	80,175	67,732	14,723
Due to change in demographic assumptions	**-**	**-**	1,198,140	-	-	-
Due to experience adjustments	**834,899**	**1,694,652**	403,786	1,103,068	(120,860)	(395,337)
Return on Plan Assets excluding amounts included in Interest Income	**(499,489)**	**(89,185)**	-	-	-	-
Net Cost recognised in Other Comprehensive Income	**2,693,792**	**2,080,638**	1,981,680	1,183,243	(53,128)	(380,614)

V Assumptions used to determine the Defined Benefit Obligations :

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2017	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016
Mortality rate	**IALM 2006-08 Ultimate**	IALM 2006-08 Ultimate	**IALM 2006-08 Ultimate**	IALM 2006-08 Ultimate	**IALM 2006-08 Ultimate**	IALM 2006-08 Ultimate
Discount rate (per annum)	**7.00%**	7.65%	**7.00%**	7.65%	**7.00%**	7.65%
Expected rate of Return on Plan Assets (per annum)	**7.00%**	7.65%				
Expected rate of increase in Salary (per annum)	**5.00%**	5.00%	**5.00%**	5.00%	**NA**	NA
Expected Average remaining working lives of Employees (Years)	**23.70**	23.06	**-**	-	**-**	-

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. Same assumptions were considered for comparative period i.e. 2015-16 as considered in previous GAAP on transition to Ind AS.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

VI Sensitivity Analysis :

Particulars		Change in Assumption	Effect on Gratuity obligation
For the year ended 31st March, 2016			
	Discount Rate	+0.5%	54,374,694
		-0.5%	57,576,487
	Salary Growth Rate	+0.5%	57,461,828
		-0.5%	54,396,725
For the year ended 31st March, 2017			
	Discount Rate	**+0.5%**	**61,882,121**
		-0.5%	**65,676,944**
	Salary Growth Rate	**+0.5%**	**65,677,421**
		-0.5%	**61,927,011**

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the Projected Unit Credit method has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

VII History of Experience adjustments is as follows :

Particulars		Gratuity
For the year ended 31st March, 2016		
	Plan Liabilities - (loss) / gain	(1,694,652)
	Plan Assets - (loss) / gain	-
For the year ended 31st March, 2017		(834,899)
	Plan Liabilities - (loss) / gain	-
	Plan Assets - (loss) / gain	

VIII Estimate of Expected Benefit payments

Particulars	Gratuity
1st April, 2017 to 31st March, 2018	15,325,650
1st April, 2018 to 31st March, 2019	8,242,737
1st April, 2019 to 31st March, 2020	5,137,289
1st April, 2020 to 31st March, 2021	6,445,556
1st April, 2021 to 31st March, 2022	6,172,934
1st April, 2022 to 31st March, 2023 and Onwards	21,573,636

IX Statement of Employee Benefit Provision

Particulars	Gratuity		Leave Encashment		OneTime Incentive	
	As at 31st March, 2017	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016
Fair Value of Plan Assets	**54,271,242**	48,292,494	**-**	-	**-**	-
Present Value of Obligation	**63,714,438**	55,923,691	**11,278,941**	8,910,852	**2,065,040**	1,893,475
Amount recognised in Balance Sheet	**(9,443,196)**	(7,631,197)	**(11,278,941)**	(8,910,852)	**(2,065,040)**	(1,893,475)

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

X Current and Non-Current provision for Gratuity, Leave Salary and One Time Incentive

Particulars	Gratuity		Leave Encashment		OneTime Incentive	
	As at 31st March, 2017	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016
Current	**3,539,172**	4,752,293	**8,265,617**	4,265,073	**1,493,094**	529,597
Non-Current	**12,270,056**	2,878,904	**6,457,024**	4,645,779	**571,946**	1,363,878
Total	**15,809,228**	7,631,197	**14,722,641**	8,910,852	**2,065,040**	1,893,475

35	FINANCE COSTS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Interest Expense		
	On Term Loans	**18,764,967**	20,916,560
	On Bank Borrowings	**128,770,650**	126,081,930
	On Security Deposits	**5,325,480**	4,749,280
	Other Interest	**55,437,486**	64,635,625
	Bank and Finance Charges	**25,407,014**	30,373,954
	Total	**233,705,597**	246,757,349

6	DEPRECIATION & AMORTISATION	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Depreciation	**66,712,524**	105,699,970
	Amortisation	**180,102**	103,711
	Total	**66,892,626**	105,803,681

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

36	OTHER EXPENSES	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Manufacturing Expenses		
	Consumption of Stores & Spare Parts	**1,115,550**	1,680,443
	Power & Fuel	**26,753,631**	38,937,359
	Rent, Rates & Taxes	**17,981,261**	21,272,575
	Repairs to Building	**519,980**	5,951,604
	Repairs to Machinery	**8,242,460**	8,779,656
	Freight Inward	**62,645,672**	54,410,458
	Processing Charges	**27,328,622**	19,577,791
	Security Charges	**852,018**	1,822,595
	Wages & Allowances	**68,385,350**	68,546,828
	Miscellaneous Expenses	**5,823,421**	3,633,157
		219,647,965	224,612,467
	Selling & Distribution Expenses		
	Advertisement and Publicity Expenses	**117,025,861**	127,024,211
	Freight & Delivery Expenses	**62,477,898**	66,656,251
	Mobile Selling Expenses	**735,051**	847,019
	Selling Expenses	**20,900,952**	8,062,929
	Travelling Expenses	**86,682,530**	81,431,936
		287,822,291	284,022,346
	Other Administration Expenses		
	Audit Fees	**2,521,550**	3,097,471
	Bank Charges	**690**	269
	Conveyance & Motor Car Expenses	**28,147,379**	24,677,452
	Corporate Social Responsibility (CSR) Expenses	**3,448,774**	3,353,963
	Electricity	**1,504,227**	1,787,420
	General Expenses	**9,089,423**	10,102,715
	Insurance	**4,382,071**	5,047,226
	Legal & Professional Fees	**9,907,941**	7,008,060
	Loss on Sale of Asset	**32,688,192**	3,728,926
	Postage & Telephones	**10,661,196**	11,261,070
	Printing & Stationery	**4,671,534**	4,774,628
	Rent, Rates & Taxes	**46,915,648**	44,380,901
	Repairs & Maintenance	**3,568,051**	1,807,702
	Net Gain / Loss on Foreign Currency Transaction and Translation	**2,375,888**	19,452,679
		159,882,563	140,480,480
	Total	**667,352,820**	649,115,293

36.1 **Other Disclosures**

a) Autitors Remuneration

Sr. No.	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
1	**Statutory Auditors**		
(i)	Audit Fee	**2,521,550**	3,097,471
(ii)	Tax Audit Fee	**690,000**	274,800
(iii)	Taxation Matters	**743,600**	478,867
(iv)	Certification and Consultancy Fee	**1,322,250**	279,315
	Total	**5,277,400**	4,130,453

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

b) Expenditure incurred on Corporate Social Responsibility

Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of the Companies Act, 2013 read with Schedule III are as below :

Sr. No.	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
(i)	Education including Farmers	**2,143,035**	1,492,599
(ii)	Farmers Call Centre	**574,192**	237,784
(iii)	Infrastructure	**681,547**	1,392,230
(iv)	Health Care	**50,000**	-
(v)	Scholarships	**-**	178,850
(v)	Distribution of Books	**-**	52,500
		3,448,774	3,353,963

c) Disclosure on Specified Bank Notes (SBN's)

During the year, the Company had specified bank notes or other denomination notes as defined in the MCA Notification G.S.R. 308(E) dated 31st March, 2017 on the details of Specified Bank Notes (SBN's) held and transacted from the period from 8th November, 2016 to 30th December, 2016. The denomination wise SBN's and other notes as per the notification is given below :

Particulars	SBN's	Other Demonination Notes	Total
Closing Cash in Hand as on 8th November, 2016	**39,496,700**	**536,378**	**40,033,078**
Add :- Permitted Receipts	**-**	**10,517,533**	**10,517,533**
Less :- Permitted Payments	**-**	**9,982,540**	**9,982,540**
Less :- Amount deposited in Banks	**39,496,700**	**331**	**39,497,031**
Closing Cash in Hand as on 30th December, 2016	**-**	**1,071,040**	**1,071,040**

For the purpose of this clause, the term Specified Bank Notes shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8th November, 2016

37 EARNINGS PER SHARE (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share :

Sr. No	Particulars	Year Ended 31st March, 2017	Year Ended 31st March 2016
(i)	Issued Equity Shares	**13,004,339**	13,004,339
	Weighted Average Shares outstanding - Basic and Diluted	**13,004,339**	13,004,339

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows :

Sr. No	Particulars	Year Ended 31st March, 2017	Year Ended 31st March 2016
(i)	Profit and Loss after Tax for attributable to Equity Shareholders	**70,608,545**	72,307,124
(ii)	Basic Earning per Equity Share	**5.43**	5.56
(iii)	Face Value per Equity Share	**10**	10

38.1 OPERATING LEASE COMMITMENTS (Company is a Lessee)

The Company's significant leasing arrangements are in respect of Operating Leases for Vehicles. These leasing arrangements which are not non-cancellable range upto 60 months generally and are renewable by mutual consent on mutually agreeable terms. The aggregate Lease Rentals payable are charged as "RENT" in Other Administrative Expenses under Note 36.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

With regard to Operating Leases for Vehicles, the future minimum lease rentals are as follows.

Sr. No.	Particulars	Total Minimum Lease Payments outstanding as at 31st March, 2017	Total Minimum Lease Payments outstanding as at 31st March, 2016
(a)	Within One year	**26,903,531**	12,555,858
(b)	Later than One year and not later than Five years	**37,044,865**	14,363,090
(c)	Later than Five years	**-**	-
		63,948,396	26,918,947

The above lease rentals are inclusive of VAT, Insurance and Other Charges

38.2 Lease payments recognised in the Statement of Profit and Loss :

Sr. No.	Particulars	Year Ended 31st March, 2017	Year Ended 31st March 2016
(a)	Minimum Lease Payments (Inclusive of VAT, Insurance and Other Charges)	**30,199,284**	25,809,342

38.3 General description of Lease terms :

(a) Lease Rentals are charged on the basis of agreed terms.

(b) Assets are taken on Lease for a period upto 60 months.

39 Transition to Ind AS

Basis of preparation

For all period up to and including the year ended 31st March, 2016, the Company has prepared its financial statements in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements for the year ended 31st March, 2017 are the Company's first annual Ind AS financial statements and have been prepared in accordance with Ind AS. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods beginning on or after 1st April, 2015 as described in the Accounting Policies. In preparing these financial statements, the Company's opening Balance Sheet was prepared as at 1st 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 Balance Sheet as at 1st April, 2015 and its previously published Indian GAAP financial statements for the quarter ended 31st March, 2016 and year ended 31st March, 2016.

Impact of Transition to Ind AS

The following is a summary of the effects of the differences between Ind AS and Indian GAAP on the Company's total equity shareholders' funds and profit and loss for the financial period, for the periods previously reported under Indian GAAP following the date of transition to Ind AS.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Reconciliation of Balance Sheet as at 1st April, 2015

	Particulars	Local GAAP As at 31st March, 2015	Ind AS Adjustment	As per Ind AS As at 1st April, 2015
I.	**ASSETS**			
(1)	**Non-Current Assets**			
	(a) Property, Plant and Equipment	857,293,991	-	857,293,991
	(b) Intangible Assets	888,665	-	888,665
	(c) Good Will	16,731,807		16,731,807
	(d) Capital Work in Progress	92,919,950	-	92,919,950
	(e) Financial Assets			
	(i) Non-Current Investments	20,414,940	-	20,414,940
		988,249,352	**-**	**988,249,352**
(2)	**Current Assets**			
	(a) Inventories	1,447,224,155	-	1,447,224,155
	(b) Financial Assets			
	(i) Trade Receivables	1,313,467,229	154,321,123	1,159,146,106
	(ii) Cash & Cash Equivalents	45,066,292	-	45,066,292
	(iii) Other Bank Balances	45,799,618	-	45,799,618
	(iv) Current Loans	56,038,772	-	56,038,772
	(v) Other Financial Assets	1,713,025	-	1,713,025
	(c) Other Current Assets	538,289,989	-	538,289,989
		3,447,599,081	**154,321,123**	**3,293,277,958**
	TOTAL	**4,435,848,433**	**154,321,123**	**4,281,527,310**
II.	**EQUITY AND LIABILITIES**			
(1)	**Equity**			
	(a) Equity Share Capital	130,043,390	-	130,043,390
	(b) Other Equity	1,654,657,977	124,245,118	1,530,412,859
		1,784,701,367	**124,245,118**	**1,660,456,249**
(2)	**Non-Controlling Interest**			
	Non-Controlling Interest - Equity	222,584,661	-	222,584,661
	Non-Controlling Interest - Non-Equity	137,152,410	-	137,152,410
		359,737,070	-	359,737,070
(3)	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	Non Current Borrowings	132,650,656	-	132,650,656
	(b) Non Current Provisions	13,970,329	(4,551,815)	18,522,144
	(c) Deferred Tax Liabilities (Net)	37,552,167	647,702	36,904,465
		184,173,151	**(3,904,113)**	**188,077,264**
(4)	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Current Borrowings	1,386,147,363	-	1,386,147,363
	(ii) Trade Payables	340,264,003	-	340,264,003
	(iii) Other Current Financial Liabilities	82,251,016	-	82,251,016
	(b) Other Current Liabilities	200,160,865	-	200,160,865
	(c) Current Provisions	46,920,604	33,980,118	12,940,486
	(d) Current Tax Liability (Net)	51,492,993	-	51,492,993
		2,107,236,844	**33,980,118**	**2,073,256,726**
	TOTAL	**4,435,848,433**	**154,321,123**	**4,281,527,310**

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Reconciliation of Other Equity as at 1st April, 2015

Particulars		Reserves & Surplus					Total
		Securities Premium Reserve	Legal Reserve	Foreign Currency Translation Reserve	General Reserve	Reatined Earnings	
Balance as at 1 April, 2015 (Previous GAAP)		490,037,050	12,392,022	79,223,316	97,956,310	975,049,279	1,654,657,977
Add:	Proposed Dividend	-	-	-	-	26,008,678	26,008,678
Add:	Dividend Distribution Tax	-	-	-	-	5,325,191	5,325,191
Add:	Deferred Tax Impact	-	-	-	-	647,702	647,702
Less :-	Difference in Gratuity provided	-	-	-	-	(1,025,261)	(1,025,261)
Less:	Difference in Leave Salary provided	-	-	-	-	1,148,968	1,148,968
Less:	One Time Incentive provided	-	-	-	-	(2,029,273)	(2,029,273)
Less	Impairment of Trade Receivables	-	-	-	-	(154,321,123)	(154,321,123)
Total Ind AS Adjustments		**-**	**-**	**-**	**-**	**(124,245,118)**	**(124,245,118)**
Balance as at 1st April, 2015 (Ind AS)		**490,037,050**	**12,392,022**	**79,223,316**	**97,956,310**	**850,804,161**	**1,530,412,859**

Principal differences between Ind AS and Indian GAAP

Measurement and Recognition difference for year ended 31st March, 2016

1. **Trade Receivables**

An entity is required to recognise a credit loss allowance of 12 month expected losses on the initial recognition of financial asset, expect when the simplified approach is applied. Subsequently, 12 months expected losses are replaced by life time expected losses if the credit risk increases significantly since initial recognition. Accordingly the Company has recognised ` 15,43,21,123/- as Lifetime Expected Credit Loss and reduced the Trade Receivables to the tune of Credit Loss with a corresponding debit to Other Equity.

2. **Proposed Dividend**

Under Indian GAAP, proposed dividends are recognised as liability in the period to which they relate irrespective of the approval by shareholders.Under Ind AS a proposed dividend is recognised as liability in the period in which it is declared (on approval of shareholders in a general meeting) or paid. There the proposed dividend and the dividend distribution tax of ` 313,33,869/- on 31st March, 2015 has been derecognised and recognised during 2015-16 on payment. Similary proposed dividend and dividend distribution tax of ` 234,77,575/- on 31st March, 2016 has been derecognised and recognised during 2016-17.

3. **Defined Benedit Plan**

Adjustments reflect unamortised negative past service cost arising on change in actuarial valuation of Gratuity and Leave Salary and inclusion of actuarial valuation of One Time Incentive.. The impact of change in the actuarial assumption and experience adjustments for defined benefit obligation towards gratuity / Leave Salary / One Time Incentive is accounted in the Statement of Other Comprehensive Income. Due to this `28,83,267/- and `46,22,344/- for the year ended 31st March, 2016 and 31st March, 2017 respectively is shown in Other Comprehensive Income and reversal in Statement of profit and Loss.

4 **Deferred Tax**

The Group has accounted for deferred tax on the various adjustments between Indnan GAAP and Ind AS at the tax rate at which they are expected to be reversed and impact of balance sheet approach applied under Ind AS against profit and loss approach under Indian GAAP.

5. **Other Equity**

Adjustment to retained earnings and other comprehensive income has been made in accordance with Ind AS for the above mentioned line items. Actuarial gains and losses are recognised in Other Comprehensive Income as per Ind AS 19 which were recognised in Statement of Profit and Loss under Indian GAAP.

6. **Statement of Cash Flows**

The impact of transition from Indian GAAP to Ind AS on the Statement of Cash Flows is due to various reclassification adjustments recorded under Ind AS in Balance Sheet, Statement of Profit and Loss and difference in the defination of Cash and Cash Equivalents and these two GAAP's.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Reconciliation of Balance Sheet as at 1st April, 2016

Particulars			Local GAAP As at 31st March, 2015	Ind AS Adjustment	As per Ind AS As at 1st April, 2015
I.	**ASSETS**				
(1)	**Non-Current Assets**				
	(a)	Property, Plant and Equipment	852,841,132	-	852,841,132
	(b)	Intangible Assets	1,312,120	-	1,312,120
	(c)	Good Will	17,742,406		17,742,406
	(d)	Capital Work in Progress	164,089,670	-	164,089,670
	(e)	Financial Assets			
	(i)	Non-Current Investments	21,648,000	-	21,648,000
			1,057,633,327	**-**	**1,057,633,327**
(2)	**Current Assets**				
	(a)	Inventories	1,423,811,297	-	1,423,811,297
	(b)	Financial Assets			
	(i)	Trade Receivables	1,337,597,598	154,321,123	1,183,276,475
	(ii)	Cash & Cash Equivalents	41,184,651	-	41,184,651
	(iii)	Other Bank Balances	50,886,069	-	50,886,069
	(iv)	Current Loans	55,031,865	-	55,031,865
	(v)	Other Financial Assets	1,886,876	-	1,886,876
	(c)	Other Current Assets	661,828,531	-	661,828,531
			3,572,226,886	**154,321,123**	**3,417,905,763**
		TOTAL	**4,629,860,213**	**154,321,123**	**4,475,539,090**
II.	**EQUITY AND LIABILITIES**				
(1)	**Equity**				
	(a)	Equity Share Capital	130,043,390	-	130,043,390
	(b)	Other Equity	1,720,800,410	134,932,386	1,585,868,023
			1,850,843,800	**134,932,386**	**1,715,911,413**
(2)	**Non-Controlling Interest**				
	Non-Controlling Interest - Equity		273,823,270	-	273,823,270
	Non-Controlling Interest - Non-Equity		155,095,076	-	155,095,076
			428,918,346	-	428,918,346
(3)	**Non-Current Liabilities**				
	(a)	Financial Liabilities			
		Non Current Borrowings	117,913,936	-	117,913,936
	(b)	Non Current Provisions	17,822,551	(150,323)	17,972,874
	(c)	Deferred Tax Liabilities (Net)	38,862,584	547,443	38,315,141
			174,599,072	**397,120**	**174,201,952**
(4)	**Current Liabilities**				
	(a)	Financial Liabilities			
	(i)	Current Borrowings	1,523,141,246	-	1,523,141,246
	(ii)	Trade Payables	289,378,438	-	289,378,438
	(iii)	Other Current Financial Liabilities	47,955,076	-	47,955,076
	(b)	Other Current Liabilities	258,414,671	736,000	257,678,671
	(c)	Current Provisions	31,392,288	18,255,617	13,136,670
	(d)	Current Tax Liability (Net)	25,217,277	-	25,217,277
			2,175,498,996	**18,991,617**	**2,156,507,379**
		TOTAL	**4,629,860,213**	**154,321,123**	**4,475,539,090**

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Reconciliation of Other Equity as at 1st April, 2016

Particulars	Reserves & Surplus					Items of Other Comprehensive Income	Total
	Securities Premium Reserve	Legal Reserve	Foreign Currency Translation Reserve	General Reserve	Reatined Earnings		
Balance as at 1 April, 2015 (Previous GAAP)	490,037,050	15,952,844	81,238,496	102,956,310	1,030,615,710	-	1,720,800,410
Add: Difference in Other Equity on Transition as at 1st April, 2015	-	-	-	-	(124,245,118)	-	(124,245,118)
Add: De-Recognition of Proposed Dividend	-	-	-	-	19,506,509	-	19,506,509
Add: De-Recognition of Dividend Distribution Tax	-	-	-	-	3,971,066	-	3,971,066
Less: Difference in Profit and Loss F Y 2015-16	-	-	-	-	52,292	-	52,292
Less: Dividend paid F Y 2014-15	-	-	-	-	(26,008,678)	-	(26,008,678)
Less: Dividend Distribution Tax paid F Y 2014-15	-	-	-	-	(5,325,191)	-	(5,325,191)
Less Re-measurements of the net defined benefit plans	-	-	-	-	-	(2,883,267)	(2,883,267)
Total Ind AS Adjustments	**-**	**-**	**-**	**-**	**(132,049,119)**	**(2,883,267)**	**(134,932,386)**
Balance as at 1st April, 2016 (Ind AS)	**490,037,050**	**15,952,844**	**81,238,496**	**102,956,310**	**898,566,591**	**(2,883,267)**	**1,585,868,023**

Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2016

	Particulars	As per Local GAAP Year Ended 31st March, 2016	Ind AS Adjustment	As per Ind AS Year Ended 31st March, 2016
I.	Revenue from Operations	**2,897,585,178**		**2,897,585,178**
	Add :- Excise Duty On Sales	**52,365,507**	**52,365,507**	**-**
	Less :- Discounts / Rebates	**-**	**(217,812,140)**	**217,812,140**
		2,845,219,671	**165,446,632**	**2,679,773,039**
II.	Other Income	**14,170,628**		**14,170,628**
III.	Total Revenue (I + II)	**2,859,390,299**	**165,446,632**	**2,693,943,667**
IV.	Expenses :			
	(a) Cost of Materials Consumed	**828,639,258**		**828,639,258**
	(b) Purchases of Stock-in-Trade	**435,399,707**		**435,399,707**
	(c) (Increase) / Decrease in Inventories of Finished Goods and Stock-in-Trade	**(3,826,972)**		**(3,826,972)**
	(d) Excise Duty on Sale of Goods	**-**	**(52,365,507)**	**52,365,507**
	(e) Employee Benefits Expense	**259,366,010**	**1,425,984**	**257,940,026**
	(f) Finance Costs	**245,483,917**	**(1,273,432)**	**246,757,349**
	(g) Depreciation and Amortization	**105,803,681**		**105,803,681**
	(h) Other Expenses	**866,927,433**	**217,812,140**	**649,115,293**
	Total Expenses	**2,737,793,034**	**165,599,184**	**2,572,193,850**

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Particulars		As per Local GAAP Year Ended 31st March, 2016	Ind AS Adjustment	As per Ind AS Year Ended 31st March, 2016
V.	**Profit Before Tax (PBT) - (III - IV)**	**121,597,265**	**(152,552)**	**121,749,817**
VI.	**Tax Expense**			
	(a) Current Tax	**36,500,000**	**-**	**36,500,000**
	(b) Adjustment of Tax relating to earlier periods	**-**	**(2,160,597)**	**2,160,597**
	(c) Deferred Tax	**1,310,416**	**(100,260)**	**1,410,676**
	Income Tax Expense	**37,810,416**	**(2,260,857)**	**40,071,273**
VII.	**Profit after Tax (PAT) - (V - VI)**	**83,786,849**	**2,108,305**	**81,678,544**
	Less :- Short Provision for Tax in Earlier Years	**2,160,597**	**2,160,597**	**-**
VIII.	**Profit / (Loss) for the period**	**81,626,252**	**(52,292)**	**81,678,544**
IX.	**Profit / (Loss) for the year attributable to :**			
	Owners of the Parent	**72,254,832**	**(52,292)**	**72,307,124**
	Non-Controlling Interest	**9,371,420**	**-**	**9,371,420**
		81,626,252	**(52,292)**	**81,678,544**
X.	**Other Comprehensive Income**			
	(A) Items that will not be reclassified to Profit or Loss			
	(i) Remeasurements of Defined Benefit Plans	**-**	**2,883,267**	**(2,883,267)**
		-	**2,883,267**	**(2,883,267)**
	(ii) Less :- Income Tax relating to Items that will not be reclassified to Profit or Loss	**-**	**-**	**-**
		-	**2,883,267**	**(2,883,267)**
XI.	**Total Comprehensive Income for the year (IX + X)**	**81,626,252**	**2,830,975**	**78,795,277**
XII.	**Other Comprehensive Income for the year attributable to :**			
	Owners of the Parent	**-**	**-**	**(2,883,267)**
		-	**-**	**(2,883,267)**
XIII.	**Total Comprehensive Income for the year attributable to :**			
	Owners of the Parent	**72,254,832**	**2,830,975**	**69,423,857**
	Non-Controlling Interest	**9,371,420**	**-**	**9,371,420**
		81,626,252	**2,830,975**	**78,795,277**

Summary of reconciliation of movement in Profit and Loss on transition to Ind AS for the year ended 31st March, 2016

Net Profit as per Indian GAAP	**72,254,832**
Add / (Less) :- Adjustments on account of transition to Ind AS	
Reclassification of actuarial gains and losses on defined benefit plans to Other Comprehensive Income	2,883,267
Decrease in Profit due to increase in provision of defined benefit plans	(2,730,715)
Deferred Tax on accounting effect of Ind AS adjustments	(100,260)
A Net Profit as per Ind AS	72,307,124
B Add :- Other Comprehensive Income	
Re-measurements of defined benefit plans	(2,883,267)
Total Comprehensive Income (A+B)	**69,423,857**

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

40. RELATED PARTY DISCLOSURES

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

Part - A

Details of Related Parties

Sr. No.	Nature of Relationship	Name of the Related Party	Remarks	
1	Key Management Personnel	a) Dr. Rahul Mirchandani	a) Chairman & Managing Director	
		b) Dr. Jimmy Mirchandani	b) Director	
		c) Mrs. Nitya Mirchndani	c) Director	
		d) Mr. S. Ramamurthy	d) Chief Financial Officer	
		e) Mr. Qaiser P. Ansari	e) Company Secretary	
2	Enterprises over which the Key Management Persons has significant Influence of Control	a) Aries Marketing Ltd.		
		b) Blossoms International Ltd.		
		c) Sreeni Agro Chemicals Ltd.		
		d) Aries East West Nutrients Pvt. Ltd.		
3	Relatives of Key Management Personnel	**Name of the Key Management Personnel**	**Name of the Relative**	**Relationship**
		a) Dr. Rahul Mirchandani	a) Mrs. Nitya Mirchandani	Spouse
			b) Master Armaan Mirchandani	Son
			c) Dr. Jimmy Mirchandani	Brother
		b) Dr. Jimmy Mirchandani	a) Mrs. Vivian Prokop Mirchandani	Spouse
			b) Mr. Akshay Mirchandani	Son
			c) Mr. Amol Mirchandani	Son
			d) Dr. Rahul Mirchandani	Brother
		c) Mrs. Nitya Mirchandani	a) Dr. Rahul Mirchandani	Spouse
			b) Master Armaan Mirchandani	Son

Part - B

Disclosure of Transactions between the Company and Related Parties

Sr. No.	Category	Nature of Service	Year Ended 31st March, 2017	Year Ended 31st March, 2016
1	Key Management Personnel	Loan repaid	**12,165,675**	35,280,201
		Loan taken	**1,850,000**	7,224,300
		Directors Remuneration paid	**20,649,920**	12,414,762
		Salary Paid	**6,692,110**	5,883,163
		Sitting Fees	**120,000**	130,000
2	Relatives of Key Management Personnel	Salary paid	**1,155,698**	604,189

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Part - C				
Balance Outstanding with Related Parties				
Category	**Nature of Outstanding**	**Name of the Related Party**	**As at 31st March, 2017**	As at 31st March, 2016
Key Management Personnel	Dues to Directors	Dr. Jimmy Mirchandani	**4,819,574**	10,890,094
		Dr. Rahul Mirchandani	**16,104,549**	16,956,699
		Mr. S. Ramamurthy	**148,668**	132,992
		Mr. Qaiser P. Ansari	**109,452**	104,590
Relatives of Key Management Personnel	Salary	Amol Mirchandani	**67,905**	39,649

41. Gratuity

UAE Operations

The Liability for Employees is fully provided for in the accounts.

42. Contingent Liability not provided for in the accounts:

a) Letters of credit / guarantees given / Bills discounting Rs.2,650.98 Lakhs.

b) Standby letter of credit for Overseas Subsidiary Golden Harvest Middle East FZC

- Axis Bank Rs. 3,522.98 Lakhs

  Rs. 3,522.98 Lakhs

  =============

c) Claims against company not acknowledged as debts Rs. 1201.34 Lakhs which includes tax dues disputed as Rs. 13.09 Lakhs towards sales Tax, Rs. 382.73 Lakhs towards Income Tax Rs. 792.01 Lakhs towards central excise & customs and includes Rs. 13.51 Lakhs pertaining to pending suits regarding quality issue.

d) 1. The Commissioner of Central Excise, Mumbai and Hyderabad had issued Show Cause-Cum-Demand Notices for levy of Excise Duty on clearances of Micronutrients by classifying the same as Plant Growth Regulators under Chapter Heading No. 38.08 of Central Excise Act. The Commissioner of Central Excise, Mumbai, vide his Order dated 27th November, 2006 and Commissioner of Central Excise, Hyderabad, vide his Order dated 30th November, 2005 had cancelled these demands in respect of clearance upto June, 2006. The Department has preferred appeals against the said orders. The Department has also issued periodical Show Cause Notices of about Rs. 108.20 Crores to the Company in respect of clearances thereafter and the Company has replied to all such notices. In view of the Orders referred to above on the pending appeals and submissions, no action has been taken.

2. Commissioner of Central Excise, Ahmedabad – II, has passed an order confirming demand of Rs.3.81 Crores on account of Central Excise duty, interest on the said amount and penalty of like amount i.e. Rs.3.81 Crores against which the Company has preferred an appeal before the Central Excise and Service Tax Appellate Tribunal, Ahmedabad.

   The Central Board of Excise and Customs vide their Circular No. 1022/10/2016/CX dated 06/04/2016 has clarified that Micronutrients are not classifiable as Plant Growth Regulators under Chapter Heading No. 38.08 of the Central Excise Act.

   Under the circumstances, and in view of legal pronouncements that the Excise Authorities cannot go beyond the Show Cause Notice, the Show Cause-Cum-Demand Notices are liable to be dropped in view of the Circular referred to above.

3. The Company has been classifying Sulphur Bentonite under Chapter Heading No. 25030090 as other forms of Sulphur. However, the Customs authorities classified Sulphur Bentonite imported under Chapter Heading No. 25030010 "as recovered byproduct in refining of crude oil". The Additional Commissioner of Customs, Nhava Sheva confirmed the classification under Chapter Heading No. 25030010 and demanded an amount of Rs. 29.91 Lakhs, in addition penalty of like amount i.e. Rs.29.91 Lakhs along with fine and penalty of Rs.7.00 Lakhs each on the Chairman & Managing Director and Purchase Manager of the Company.

   The Company preferred an appeal before the Commissioner, Appeals, who vide order dated 19/02/2016 while upholding the Department's contention of classifying the product under Chapter Heading No. 25030010 set aside the fine and penalty imposed upon the Company, the Chairman & Managing Director and the Purchase Manager. The Commissioner Appeals also directed to grant benefit vide Sr. No. 60 under Notification No. 21/2002/CUS. The Company has preferred an appeal against the said order to the Customs, Central Excise and Service Tax Tribunal, Mumbai on 19/05/2016 contesting the classification of Sulphur Bentotonite under Chapter Heading No. 25030010.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

43. Segmental Reporting as per Ind AS - 108

The Company has only One business Segment " Agro Inputs "as its primary segment and hence disclosure of segment-wise information is not required under Ind AS 108 'Operating Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

44. Events Occurring after Balance Sheet

a) Sale of Shareholding in Subsidiary

The Company Sold its Majority of shareholding in its subsidiary Aries Agro Produce Private Limited on 3rd April, 2017 i.e. after the date of Balance Sheet. Hence the Company Aries Agro Produce Private Limited has ceased to be a Subsidiary of the Company w.e.f. 3rd April, 2017. The Consolidatited Profit & Loss includes ₹27,300/- as loss of the said Subsidiary.

b) Dividend proposed to be distributed (Amount in Rupees unless stated otherwise)

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Dividend proposed for Equity Shareholders @ ₹2 per share	**2,60,08,678**	1,95,06,509
Total	**2,60,08,678**	195,06,509

45. The Company has acquired a vehicle in the name of the Director which is yet to be transferred in the name of the Company. The Company has all the ownership rights and Depreciation thereon has been charged at the rates prescribed in the Schedule II to the Companies Act, 2013.

46. Previous Years figures have been regrouped wherever necessary so as to make them comparable with the current year.

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date : 30th May, 2017

For and on behalf of the **Board of Directors** of **Aries Agro Limited**

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN 00239057

Prof. R. S. S. Mani
Director
DIN 00527270

Mr. S. Ramamurthy
Chief Financial Officer
Membership No. ACA-31200

Dr. Jimmy Mirchandani
Director
DIN 00239021

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Mrs. Nitya Mirchandani
Director
DIN 06882384

Mr. B.V. Dholakia
Director
DIN 01871816

INDEPENDENT AUDITOR'S REPORT

The Shareholders'
Golden Harvest Middle East FZC
Sharjah Airport International Free Zone
Sharjah – United Arab Emirates

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Golden Harvest Middle East FZC, Sharjah Airport International Free Zone, Sharjah** (the Company), which comprise the statement of financial position as at 31 March 2017, the statement of profit or loss and other comprehensive income, statement of changes in shareholders' funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2017 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board For Accountants Code of Ethics for Professional Accountants (IESBA code) together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS). The management is also responsible for such internal controls as it determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Management's responsibility for the financial statements

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Management is responsible for overseeing the Company's financial reporting process.

Auditors' responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Prasad Associates
Chartered Accountants

Date: 16 May 2017
Place: Sharjah

STATEMENT OF FINANCIAL POSITION AT 31ST MARCH 2017

	Notes	2017 AED	2016 AED
ASSETS			
Non-current assets			
Property, plant and equipment	5	**-**	4,327,219
Investment in subsidiaries/associates	6	**3,450,000**	3,450,000
		3,450,000	7,777,219
Current assets			
Inventories		**-**	1,550,664
Trade receivables	7	**9,417,126**	9,417,126
Prepayments and other receivables	8	**30,990**	145,044
Amounts due from related parties	9	**26,663,718**	26,951,098
Advance towards share application money	10	**27,849,627**	27,849,627
Cash and bank balances	11	**80,454**	4,167
Total current assets		**64,041,915**	65,917,726
TOTAL ASSETS		**67,491,915**	73,694,945
SHAREHOLDERS' FUNDS AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	12	**150,000**	150,000
Shareholders' current accounts	13	**19,308,140**	21,178,484
Retained earnings		**16,758,721**	21,340,313
Reserve fund	14	**75,000**	75,000
Total shareholders' funds		**36,291,861**	42,743,797
Non current liabilities			
Provision for employees' terminal benefits	15	**230,469**	251,957
Total non - current liabilities		**230,469**	251,957
Current liabilities			
Trade payables and accruals	16	**1,267,930**	1,958,872
Bank borrowings	17	**7,868,533**	22,428,525
Amounts due to related parties	9	**21,833,122**	6,311,794
Total current liabilities		**30,969,585**	30,699,191
Total liabilities		**31,200,054**	30,951,148
TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES		**67,491,915**	73,694,945

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making judgements underlying them.

For Golden Harvest Middle East FZC

Place: Sharjah

Date : 16 May 2017

Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 AED	2016 AED
INCOME			
Sales	18	**1,014,167**	9,579,902
Cost of sales	19	**(1,757,538)**	(6,932,006)
GROSS PROFIT		**(743,371)**	2,647,896
Other income		**2,810**	1,941
Total income		**(740,561)**	2,649,837
EXPENSES			
Administration, selling and general expenses	20	**1,123,692**	1,618,467
Finance charges	21	**837,094**	822,888
Loss on sale of property, plant and equipment (net)		**1,649,216**	-
Depreciation	5	**231,029**	792,220
Total expenses		**3,841,031**	3,233,575
Net (loss) for the year		**(4,581,592)**	(583,738)

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making judgements underlying them.

For Golden Harvest Middle East FZC

Place: Sharjah

Date: 16 May 2017

Director

STATEMENT OF CHANGES IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDED 31 MARCH 2017

Year to 31 March 2017	**Share capital AED**	**Shareholders' current accounts AED**	**Retained earnings AED**	**Reserve fund AED**	**Total AED**
Balance at 1 April 2016	150,000	21,178,484	21,340,313	75,000	42,743,797
Net (loss) for the year	-	-	(4,581,592)	-	(4,581,592)
Net movement in current accounts	-	(1,870,344)	-	-	(1,870,344)
Balance at 31 March 2017	**150,000**	**19,308,140**	**16,758,721**	**75,000**	**36,291,861**
Year to 31 March 2016	**Share capital AED**	**Shareholders' current accounts AED**	**Retained earnings AED**	**Reserve fund AED**	**Total AED**
Balance at 1 April 2015	150,000	20,537,700	21,924,051	75,000	42,686,751
Net (loss) for the year	-	-	(583,738)	-	(583,738)
Net movement in current accounts	-	640,784	-	-	640,784
Balance at 31 March 2016	**150,000**	**21,178,484**	**21,340,313**	**75,000**	**42,743,797**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2017

	2017 AED	2016 AED
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) for the year	**(4,581,592)**	(583,738)
Adjustment for:		
Depreciation	**231,029**	792,220
Provision for employees' terminal benefits	**(21,488)**	48,550
Loss on sale of property, plant and equipment	**1,649,216**	6,692
Operating (loss)/profit before working capital changes	**(2,722,835)**	263,724
Decrease in inventories	**1,550,664**	3,048,529
(Increase) in trade receivables	**-**	(758,477)
Decrease in prepayments and other receivables	**114,054**	2,479,950
Decrease/(Increase) in amounts due from related parties	**287,380**	(4,706,301)
(Decrease) in trade payables and accruals	**(690,942)**	(1,809,854)
(Decrease) in bank borrowings	**(2,951,025)**	-
Increase in amounts due to related parties	**3,912,361**	522,379
Net cash (used in) operating activities	**(500,343)**	(960,050)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	**2,446,974**	7,500
Net cash from investing activities	**2,446,974**	7,500
CASH FLOWS FROM FINANCING ACTIVITIES		
Net movement in current accounts	**(1,870,344)**	640,784
(Decrease) in term loans	**-**	(6,700)
Net cash (used in)/from financing activities	**(1,870,344)**	634,084
Net increase/(decrease) in cash and cash equivalents	**76,287**	(318,466)
Cash and cash equivalents at beginning of the year	**4,167**	322,633
Cash and cash equivalents at end of the year	**80,454**	4,167

For Golden Harvest Middle East FZC

Place: Sharjah

Date: 16 May 2017

Director

NOTES to the Financial Statements for the year ended 31st March 2017

1. LEGAL STATUS AND ACTIVITY

Legal status: Golden Harvest Middle East FZC (the "Company") is a Free Zone Company with limited liability incorporated and licensed at Sharjah Airport International Free (SAIF) Zone, Sharjah pursuant to Sharjah Emiri Decree No 2 of 1995.

The Company was incorporated on 31 October 2004 and operating under Industrial License No. 03146 issued by SAIF Zone Authorities.

Activity: The principal activity of the Company is manufacturing organic and chemical fertilizers. The principal place of the business of the Company is located at P3-04, Sharjah Airport International Free Zone, Sharjah, United Arab Emirates.

These separate financial statements relates to the operations of Golden Harvest Middle East (FZC) and do not include the results of operations of its subsidiary Company M/s Amarak Chemicals FZC, Fujairah, United Arab Emirates.

Management: The Company is managed by Mr. Chalakudi Subramani Shankaranarayan and Mr. Akshay Mirchandani, Indian nationals.

Accounting period: These financial statements relate to the period from 1 April 2016 till 31 March 2017.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

2.1. New and amended standards adopted by the Company

The following standards and amendments have been adopted by the Company for the first time for the financial year beginning on 1 January 2016:

- *Accounting for acquisitions of interests in joint operations – Amendments to IFRS 11*
- *Clarification of acceptable methods of depreciation and amortisation – Amendments to IAS 16 and IAS 38*
- *Annual improvements to IFRSs 2012 – 2014 cycle, and*
- *Disclosure Initiative: Amendments to IAS 1.*

The adoption of these amendments did not have any impact on the financial statements of the Company for the current period or any prior period and is not likely to affect future periods.

The Company also elected to adopt the following amendments early:

Disclosure Initiative: Amendments to IAS 7.

This amendment requires disclosure of changes in liabilities arising from financing activities

2.2. New standards and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2017, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

IAS 12, 'Income taxes' was amended to clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

(i) a temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period;

(ii) an entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit;

(iii) where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type; and,

(iv) tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profit that is used to evaluate the recoverability of those assets.

This amendment is effective for annual periods beginning on or after 1 January 2017.

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI with no recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in a company's own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually uses for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Company expects IFRS 9 to have an immaterial impact on the accounting for available-for-sale financial assets and derivatives.

IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18, 'Revenue' and IAS 11, 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and

NOTES to the Financial Statements for the year ended 31st March 2017

earlier application is permitted. The Company expects IFRS 15 to have an immaterial impact on the provision of services and management income that fall under the scope of IFRS 15.

IFRS 16, 'Leases' was issued in January 2016. For lessees, it will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases will be removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change. The standard is effective for annual periods beginning on or after 1 January 2019 and earlier application is permitted.

The Company expects IFRS 16 to have an immaterial impact on its current accounting practices.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Compliance with IFRS

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

3.2. Basis of preparation

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

- available-for-sale financial assets, financial assets and liabilities (including derivative instruments) certain classes of property, plant and equipment and investment property – measured at fair value;
- assets held for sale – measured at fair value less cost of disposal, and
- defined benefit pension plans – plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for assets or goods or services.

The principal significant accounting policies applied in these financial statements are set out below:

3.3. Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and identified impairment loss, if any. The cost comprise of purchase price, together with any incidental expense of acquisition or construction.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Major costs incurred in restoring property, plantand equipment to their normal working condition are charged to the statement of comprehensive income during the financial period in which they are incurred.

3.4. Depreciation

The cost of property, plant and equipment is depreciated by equal annual installments over the estimated useful lives of the assets. The estimated useful lives of the assets for the calculation of depreciation are as follows:

Building	20 years
Machineries	10 years
Equipment	5 years
Office furniture	5 years
Motor vehicle	4 years

The gain or loss on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of comprehensive income.

3.5. Financial instruments

Financial assets and financial liabilities are recognized on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

3.6. Financial assets

Financial assets are classified as financial assets at receivables, held-to-maturity financial assets and available-for-sale financial assets, as appropriate. The Company determines the classification of its financial assets at initial recognition.

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial asset expire or the Company transfers substantially all risks and rewards of ownership.

Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade receivables originated by the Company are measured at cost. An allowance for credit losses of trade receivable is established when there is objective evidence that the Company will not be able to collect the amounts due. Indicators that the trade receivable are impaired include consistent default in the payments when due, financial difficulties of the customer and other indicators.

When a trade receivable is considered uncollectible, it is written off against the allowance account for credit losses. Subsequent recoveries of amounts previously written off are credited in the statement of income. The carrying value of trade receivable approximate to their fair value due to the short term nature of those receivables.

Cash and cash equivalents

Cash and cash equivalents comprise short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

NOTES to the Financial Statements for the year ended 31st March 2017

Impairment of financial assets

The Company assesses at each financial position date whether there is objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence (such as significant financial difficulty of the obligor, breach of contract, or it becomes probable that the debtor will enter bankruptcy), the asset is tested for impairment. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (that is, the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognized in statement of income.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. Impaired debts are derecognized when they are assessed as uncollectible.

For debt securities, if any such evidence exists, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is removed from equity and recognized in profit or loss. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed through the statement of income.

For equity investments, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is removed from equity and recognized in profit or loss. Impairment losses recognized in the statement of income on equity instruments are not reversed through the statement of income.

If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date. Any subsequent reversal of an impairment loss is recognized in statement of income.

3.7. Financial Liabilities

Liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss or other liabilities, as appropriate.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

All loans and borrowings are classified as other liabilities. Initial recognition is at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method.

Financial liabilities included in trade and other payables are recognized initially at fair value and subsequently at amortized cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

3.8 Prepayments

Prepayments are carried at cost less any accumulated impairment losses.

3.9 Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets.

3.10 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

3.11 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied stated net of discounts, returns etc.

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

(i) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

(ii) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

(iii) the amount of revenue can be measured reliably;

(iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and

(v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3.12 Inventories

Raw materials, finished goods and work in progress are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average basis. Cost of inventories comprises of costs of purchase, and where applicable cost of conversion and other costs that has been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3.13 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan

NOTES to the Financial Statements for the year ended 31st March 2017

to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

3.14 Borrowing cost

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

3.15 Interest income and expense

Interest income and expense are recognized within `finance income' and `finance costs' in profit or loss using the effective interest rate method, except for borrowing costs relating to qualifying assets, which are capitalized as part of the cost of that asset. The Company has chosen to capitalize borrowing costs on all qualifying assets irrespective of whether they are measured at fair value or not.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, pre-payment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

3.16 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.17 Foreign currencies

Functional and presentation currency

The financial statements are presented in UAE Dirham (AED), which is the Company's functional and presentation currency.

Transaction and balances

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the statement of income.

3.18.Employees' terminal benefits

Termination benefits are paid to employees' when employment is terminated by the Company before the normal retirement date or whenever an employee accepts voluntary retirement in exchange for these benefits.

Provision is made for employees' terminal benefits on the basis prescribed under the U.A.E Labour Law based on employees' salaries and number of years of service. The terminal benefits are paid to employees on termination or completion of their term of employment.

3.19.Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from the past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

Contingent liabilities are not recognized but are disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognized as provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When an inflow is virtually certain, an asset is recognized.

NOTES to the Financial Statements for the year ended 31st March 2017

4. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affect both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Impairment of trade receivables and amount due from related parties

An estimate of the collectible amount of trade receivables and amount due from related parties are made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and an allowance applied according to the length of time past due, based on historical recovery rates. Any difference between the amounts actually collected in future periods and the amounts expected to be collected will be recognized in the statement of income.

Impairment of property, plant and equipment

A decline in the value of property, plant and equipment could have a significant effect on the amounts recognized in the financial statements. Management assesses the impairment of property, plant and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Factors that are considered important which could trigger an impairment review include the following:

- significant changes in the technology and regulatory environments
- evidence from internal reporting which indicates that the economic performance of the asset is, or will be, worse than expected.

Useful life of property, plant and equipment

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

5. PROPERTY, PLANT AND EQUIPMENT

Movement in property, plant and equipment are given on page number 151.

6. INVESTMENTS IN SUBSIDIARIES/ASSOCIATES

(Un-quoted at cost)

At the balance sheet date, the Company had investment in the associate company in accordance with the terms and conditions of the Memorandum and Articles of Associations of the associate company. The associate company is in the process of setting up a manufacturing facility and has not commenced commercial operations till date.

At the balance sheet date, the investment in associate amounting to AED 1,200,000 has not been reflected in the statutory records of the associate Company maintained by the Hamriyah Free Zone Authority.

At the balance sheet date, Company is also holding 75% shares in a subsidiary company M/s Amarak Chemicals FZC, registered in Fujairah Free Zone, Fujairah, United Arab Emirates amounting to AED 2,250,000.

7. TRADE RECEIVABLES

	2017 AED	2016 AED
Trade receivables	9,417,126	9,417,126
	9,417,126	9,417,126

(i) At 31 March 2017, 100% of the net trade receivables (2016 - 100%) are due from 3 customers (2016 - 3 customers).

(ii) The Management of the Company confirms that the above receivables are fully recoverable and hence no provision has been made in the accounts during the year.

(iii) The aging analysis of the accounts receivable are as follows:

	2017 AED	2016 AED
Due for less than 6 months	-	9,417,126
Due for more than 6 months	9,417,126	-
	9,417,126	9,417,126

(i) At 31 March 2017, 100% of the net trade receivables (2016 – 100%) are due from 3 customers (2016 – 3 customers).

(ii) The management of the Company confirms that the above receivables are fully recoverable and hence no provision has been made in the accounts during the year.

(iii) The aging analysis of the trade receivables are as follows:

8. PREPAYMENTS AND OTHER RECEIVABLES

	2017 AED	2016 AED
Prepayments	**25,890**	92,944
Deposits	**5,100**	37,900
Loans and advances	**-**	14,200
	30,990	145,044

9. RELATED PARTY TRANSACTIONS

The Company has in the ordinary course of business, entered into trading, financial and service transactions with concerns in which the shareholders' /directors'/manager of the Company or their relatives have an investing / controlling interest.

NOTES to the Financial Statements for the year ended 31st March 2017

The prices and terms of these transactions were approved by the management and considered comparable to those charged by third parties. The amounts outstanding from/to related parties are unsecured, which do not attract interest and are payable on demand. No expense has been recognized in the period for bad or doubtful debts in respect of the amounts owed by related parties.

At the end of the reporting period, amounts due from/to related parties were as follows:-

Amount due from related parties	**2017 AED**	2016 AED
MAPCO Fertilizers FZC, Hamriyah Free Zone, Sharjah	**982,243**	2,982,246
Amarak Chemicals FZC, Fujairah	**24,102,532**	22,384,397
Aries Agro Limited, Mumbai	**1,578,943**	1,584,455
	26,663,718	26,951,098

Amount due from MAPCO Fertilizer FZC, a related party amounting to AED 982,243 is subject to confirmation and reconciliation.

Amount due to related parties	**2017**	2016
	AED	AED
Aries Agro Limited	**10,224,155**	5,966,693
Mirabelle Holdings	**-**	103,301
Amarak Chemicals FZC, Fujairah	**11,608,967**	241,800
	21,833,122	6,311,794

During the year the Company entered into the following transactions with related parties:-

	2017	2016
	AED	AED
Sales	**997,679**	8,008,934
Purchases	**-**	350,471

Key management compensation (including Director's emoluments)		
	2017 AED	2016 AED
Directors' remuneration	**411,600**	526,800
	411,600	526,800

10. ADVANCE TOWARDS SHARE APPLICATION MONEY

This represents amount paid to the subsidiary Company, Amarak Chemicals FZC, Fujairah Free Zone towards advance for allotment of shares.

11. CASH AND BANK BALANCES

	2017	2016
	AED	AED
Cash in hand	**2,492**	960
Current account with banks	**77,962**	3,207
	80,454	4,167

12. SHARE CAPITAL

	2017 AED	2016 AED
Authorised, issued and paid-up capital	**150,000**	150,000
(1,500 shares of AED 100 each)		
	150,000	150,000

13. SHAREHOLDERS' CURRENT ACCOUNTS

Shareholders' current account balances do not attract interest and there are no defined repayment arrangements.

14. RESERVE FUND

This represents reserve created out of profit of the Company in accordance with the provisions of Memorandum and Articles of Association of the Company.

15. PROVISION FOR EMPLOYEES' TERMINAL BENEFITS

The provision for end of service benefits for employees is made in accordance with the requirements of the U.A.E. Labour Laws. This is an unfunded defined benefits retirement plan. Employees are entitled to benefits based on length of service and final remuneration. Accrued employees' terminal benefits are payable on termination of employment.

16. TRADE PAYABLES AND ACCRUALS

	2017	2016
	AED	AED
Trade payables	**145,140**	1,084,783
Accrued expenses	**1,122,790**	874,089
	1,267,930	1,958,872

17. BANK BORROWINGS

This represents short term loan taken from a financial institution which bears interest at commercial rates.

The above loan is secured against standby LC issued by Axis Bank, India of M/s Aries Agro Ltd, Mumbai, the shareholder of the Company.

18. SALES

	2017	2016
	AED	AED
Trading	**1,004,391**	4,548,122
Manufacturing	**9,776**	5,031,780
	1,014,167	9,579,902

19. COST OF SALES

	2017	2016
	AED	AED
Opening inventories	**1,550,664**	4,599,193
Purchases	**34,897**	3,430,598
Direct expenses	**171,977**	452,879
Less: Closing inventories	**-**	(1,550,664)
	1,757,538	6,932,006

NOTES to the Financial Statements for the year ended 31st March 2017

20. ADMINISTRATION, SELLING AND GENERAL EXPENSES

	2017	2016
	AED	AED
Salaries and benefits	**612,313**	801,215
Rent expenses	**182,810**	202,027
Legal and professional charges	**82,032**	52,602
Communication expenses	**27,275**	36,851
Insurance charges	**14,457**	22,705
Repairs and maintenance	**6,383**	3,700
Advertisement and business promotion expenses	**-**	10,184
Printing and stationery	**1,302**	3,194
Traveling, and conveyance	**8,526**	7,198
Other expenses	**188,594**	478,791
	1,123,692	1,618,467

21. FINANCE CHARGES

	2017	2016
	AED	AED
Bank charges	**37,296**	183,519
Interest charges	**799,798**	639,369
	837,094	822,888

22. FINANCIAL INSTRUMENTS

(i) **Significant accounting policies**

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed in note 3 to the financial statements.

(ii) **Fair value**

The following table analyses the fair value of financial assets and financial liabilities that are not measured at fair value on recurring basis.

	2017 AED	2016 AED	2017 AED	2016 AED
	Carrying amount		Fair value	
Financial assets				
Trade receivables	9,417,126	9,417,126	9,417,126	9,417,126
Deposits and advances	5,100	52,100	5,100	52,100
Amount due from related parties	26,663,718	26,951,098	26,663,718	26,951,098
Cash and bank balances	80,454	4,167	80,454	4,167
	36,166,398	**36,424,491**	**36,166,398**	**36,424,491**
Financial liabilities				
Trade payables and accruals	1,267,930	1,958,872	1,267,930	1,958,872
Bank borrowings	19,477,500	22,428,525	19,477,500	22,428,525
Amount due to related parties	10,224,155	6,311,794	10,224,155	6,311,794
	30,969,585	**30,699,191**	**30,969,585**	**30,699,191**

The financial instruments comprise of financial assets and financial liabilities.

The fair value of the financial assets and financial liabilities is included at the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties.

Financial assets of the Company include cash, bank balances, trade receivables, deposits, advances and amounts due from related parties. Financial liabilities include bank borrowings, amounts due to related parties, trade payables and accruals.

The management believes that the fair values of the financial assets and liabilities approximate to their carrying amounts.

23. FINANCIAL RISK MANAGEMENT

23.1 Financial risk factors

The risk management function within the Company is carried out in respect of financial risks. Financial risks are risks arising from financial instruments to which the Company is exposed during or at the end of the reporting period. Financial risk comprises market risk (including currency risk, interest rate risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

The identified key risks are as follows:

(i) **Currency risk**

The Company undertakes certain transactions denominated in foreign currencies and hence exposure to exchange rate fluctuations arises.

The majority of the Company's financial assets and financial liabilities are either denominated in local currency (AED) or currencies fixed to the AED. Hence the management believes that there would not be a material impact on the profitability if these foreign currencies weakens or strengthens against the AED with all other variables held constant.

(ii) **Interest rate risk**

The Company's exposure to interest rate risk relates primarily to the Company's borrowings with floating interest rates. The interest rates on bank borrowings are at commercial rates negotiated with banks and are largely subject to regular revision.

(iii) **Liquidity risk**

The Company manages its liquidity risk by ensuring it has sufficient liquid cash balances to meet its payment obligations as they fall due. The Company maintains good working relations with its banks and ensures compliance with the covenants as stipulated in facility arrangements.

The table below summarizes the maturity profile of the Company's financial instruments. The contractual maturities of the financial instruments have been determined on the basis of the remaining period at the end of the reporting period to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

	2017			2016		
	Less than 365 days	More than 365 days	Total	Less than 365 days	More than 365 days	Total
	AED	AED	AED	AED	AED	AED
Financial assets						
Non - interest bearing	26,749,272	9,417,126	**36,166,398**	36,424,491	-	**36,424,491**
Interest bearing	-	-	-	-	-	-
	26,749,272	**9,417,126**	**36,166,398**	**36,424,491**	**-**	**36,424,491**
Financial liabilities						
Non - interest bearing	11,492,085	-	**11,492,085**	8,270,666	-	**8,270,666**
Interest bearing	19,477,500	-	**19,477,500**	22,428,525	-	**22,428,525**
	30,969,585	**-**	**30,969,585**	**30,699,191**	**-**	**30,699,191**

(iv) **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's credit exposure is continuously monitored and regularly reviewed by the management.

The Company is potentially exposed to concentration of credit risk from its financial assets which comprise principally bank balances, accounts and other receivables and amount due from related parties.

The credit risk on liquid funds is limited because the Company's bank accounts are placed with high credit quality financial institutions.

The credit risk on trade receivables and related parties is subject to credit evaluations and an allowance has been made for doubtful debts. The amounts presented in the statement of financial position are net of allowances for doubtful debts.

24. CAPITAL COMMITMENTS

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known capital commitment on Company's financial statements as of reporting date.

25. CONTINGENT LIABILITIES

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability on Company's financial statements as of reporting date.

26. COMPARATIVE FIGURES

Previous year's figures have been regrouped or reclassified wherever necessary to make them comparable to those of the current year.

However such reclassification does not have impact on the previously reported loss or equity.

27. LEVEL OF PRECISION

All figures are rounded off to nearest Dirhams (AED).

28. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the shareholders and authorized for issue on 16 May 2017.

For Golden Harvest Middle East FZC

Director

5 PROPERTY, PLANT AND EQUIPMENT AT 31 MARCH 2017

	Building AED	Machineries AED	Equipments AED	Office furniture AED	Motor vehicles AED	Total AED
Cost:						
at 1 April 2016	2,695,473	6,424,520	75,134	54,752	33,500	9,283,379
disposal during the year	(2,695,473)	(6,424,520)	(75,134)	(54,752)	-	(9,249,879)
at 31 March 2017	-	-	-	-	33,500	33,500
Depreciation:						
at 1 April 2016	994,873	3,800,929	75,134	54,752	30,472	4,956,160
charge for the year	67,387	160,614	-	-	3,028	231,029
on disposals	(1,062,260)	(3,961,543)	(75,134)	(54,752)	-	(5,153,689)
at 31 March 2017	-	-	-	-	33,500	33,500
Net book values:						
at 31 March 2017	**-**	**-**	**-**	-	**-**	**-**
at 31 March 2016	**1,700,600**	**2,623,591**	**-**	-	**3,028**	**4,327,219**

INDEPENDENT AUDITOR'S REPORT

The Shareholders'
Amarak Chemicals FZC
Fujairah Free Zone
Fujairah – United Arab Emirates

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Amarak Chemicals FZC, Fujairah Free Zone, Fujairah** (the Company), which comprise the statement of financial position as at 31 March 2017, the statement of profit or loss and other comprehensive income, statement of changes in shareholders' funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2017 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board For Accountants Code of Ethics for Professional Accountants (IESBA code) together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS). The management is also responsible for such internal controls as it determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Management's responsibility for the financial statements

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Management is responsible for overseeing the Company's financial reporting process.

Auditors' responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Prasad Associates
Chartered Accountants

Date: 16 May 2017
Place: Sharjah

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2017

	Notes	2017 AED	2016 AED
ASSETS			
Non-current assets			
Property, plant and equipment	5	**26,152,406**	28,733,358
Capital work-in-progress	6	**4,079,250**	4,079,250
Total non-current assets		**30,231,656**	32,812,608
Current assets			
Inventories	7	**15,064,920**	22,340,074
Trade receivables	8	**29,624,254**	12,403,831
Amounts due from related parties	9	**11,608,967**	241,800
Deposits, advances and prepayments	10	**14,992,817**	13,867,822
Cash and bank balances	11	**211,888**	13,403
Total current assets		**71,502,846**	48,866,930
TOTAL ASSETS		**101,734,502**	81,679,538
SHAREHOLDERS' FUNDS AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	12	**3,000,000**	3,000,000
Shareholders' current accounts	13	**10,785,972**	9,976,804
Legal reserve	14	**905,776**	809,304
Retained earnings		**6,915,519**	6,047,276
Total shareholders' equity		**21,607,267**	19,833,384
Share application money	15	**27,849,627**	27,849,627
Total shareholders' funds		**49,456,894**	47,683,011
Non Current liabilities			
Provision for employees' terminal benefits	16	**245,689**	251,608
Term loans - non current portion		**-**	54,962
Total non -current liabilities		**245,689**	306,570
Current liabilities			
Trade payables and accruals	17	**25,684,121**	10,117,450
Amounts due to related parties	9	**26,347,798**	23,453,061
Term loans - current portion		**-**	119,446
Total current liabilities		**52,031,919**	33,689,957
Total liabilities		**52,277,608**	33,996,527
TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES		**101,734,502**	81,679,538

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making judgements underlying them.

For Amarak Chemicals FZC

Place: Fujairah

Date: 16 May 2017

Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 AED	2016 AED
INCOME			
Sales		**20,163,503**	27,308,357
Cost of sales	18	**(14,154,262)**	(16,068,133)
GROSS PROFIT		**6,009,241**	11,240,224
Other income	19	**684,877**	1,575
Total income		**6,694,118**	11,241,799
EXPENSES			
Administration and general expenses	20	**2,868,764**	3,999,953
Finance charges	21	**382,242**	1,440,345
Depreciation	5	**2,478,397**	4,242,556
Total expenses		**5,729,403**	9,682,854
Net profit for the year		**964,715**	1,558,945

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making judgements underlying them.

For Amarak Chemicals FZC

Place: Fujairah
Date: 16 May 2017

Director

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2017

Year to 31 March 2017	Share capital	Shareholders' current accounts	Retained earnings	Legal reserve	Total
	AED	AED	AED	AED	AED
Balance at 1 April 2016	3,000,000	9,976,804	6,047,276	809,304	19,833,384
Net profit for the year	-	-	964,715	-	964,715
Transfer to legal reserve	-	-	(96,472)	96,472	-
Net movements in current accounts	-	809,168	-	-	809,168
Balance at 31 March 2017	**3,000,000**	**10,785,972**	**6,915,519**	**905,776**	**21,607,267**

Year to 31 March 2016	Share capital	Shareholders' current accounts	Retained earnings	Legal reserve	Total
	AED	AED	AED	AED	AED
Balance at 1 April 2015	3,000,000	8,522,464	4,644,226	653,409	16,820,099
Net profit for the year	-	-	1,558,945	-	1,558,945
Transfer to legal reserve	-	-	(155,895)	155,895	-
Net movements in current accounts	-	1,454,340	-	-	1,454,340
Balance at 31 March 2016	**3,000,000**	**9,976,804**	**6,047,276**	**809,304**	**19,833,384**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2017

	2017 AED	2016 AED
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the year	**964,715**	1,558,945
Adjustment for:		
Depreciation	**2,478,397**	4,242,556
Profit on disposal of property, plant and equipment	**(111,765)**	-
Provision for employees' terminal benefits	**(5,919)**	48,151
Operating profit before working capital changes	**3,325,428**	5,849,652
(Increase) in capital work-in-progress	**-**	(4,079,250)
Decrease/(increase) in inventories	**7,275,154**	(466,017)
(Increase) in trade receivables	**(17,220,423)**	(247,574)
Decrease/(increase) in amounts due from related parties	**241,800**	(96,720)
(Increase) in deposits, advances and prepayments	**(1,124,995)**	(5,349,332)
Increase/(decrease) in trade payable and accruals	**3,957,704**	(170,474)
Increase in amounts due to related parties	**2,894,737**	3,387,803
Net cash (used in) operating activities	**(650,595)**	(1,171,912)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(102,580)**	(65,365)
Proceeds from sale of property, plant and equipment	**316,900**	-
Net cash from/(used in) investing activities	**214,320**	(65,365)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net movement in current accounts	**809,168**	1,454,340
(Decrease) in term loans	**(174,408)**	(240,993)
Net cash from financing activities	**634,760**	1,213,347
Net increase/(decrease) in cash and cash equivalents	**198,485**	(23,930)
Cash and cash equivalents at beginning of the year	**13,403**	37,333
Cash and cash equivalents at end of the year	**211,888**	13,403

Notes To The Financial Statements For The Year Ended 31 March 2017

1. LEGAL STATUS AND ACTIVITY

Legal status: Amarak Chemicals FZC ("the Company") is a Free Zone Company registered in Fujairah Free Zone in the Emirate of Fujairah with limited liability pursuant to and the Implementing Regulations issued there under by the Fujairah Free Zone Authority.

The Company is operating under license No 2084 issued on 9 September 2007 by Fujairah Free Zone Authority, Fujairah, United Arab Emirates.

Activity: The principal activity of the Company is manufacturing of chemicals and fertilizers. The principal place of business of the Company is located at Fujairah Free Zone, Fujairah, United Arab Emirates.

Management: As per license issued by Fujairah Free Zone Authority, Mr. Subramani Shankaranarayan Chalakudi and Mr. Akshay Mirchandani, Indian Nationals are appointed as Directors of the Company.

Accounting period: These financial statements relate to the period from 1 April 2016 till 31 March 2017.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

2.1. New and amended standards adopted by the Company

The following standards and amendments have been adopted by the Company for the first time for the financial year beginning on 1 January 2016:

- *Accounting for acquisitions of interests in joint operations – Amendments to IFRS 11*
- *Clarification of acceptable methods of depreciation and amortisation – Amendments to IAS 16 and IAS 38*
- *Annual improvements to IFRSs 2012 – 2014 cycle, and*
- *Disclosure Initiative: Amendments to IAS 1.*

The adoption of these amendments did not have any impact on the financial statements of the Company for the current period or any prior period and is not likely to affect future periods.

The Company also elected to adopt the following amendments early:

Disclosure Initiative: Amendments to IAS 7.

This amendment requires disclosure of changes in liabilities arising from financing activities

2.2. New standards and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2017, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

IAS 12, 'Income taxes' was amended to clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

(i) a temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period;

(ii) an entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit;

(iii) where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type; and,

(iv) tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profit that is used to evaluate the recoverability of those assets.

This amendment is effective for annual periods beginning on or after 1 January 2017.

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI with no recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in a company's own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually uses for risk management

Notes To The Financial Statements For The Year Ended 31 March 2017

purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Company expects IFRS 9 to have an immaterial impact on the accounting for available-for-sale financial assets and derivatives.

IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18, 'Revenue' and IAS 11, 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted. The Company expects IFRS 15 to have an immaterial impact on the provision of services and management income that fall under the scope of IFRS 15.

IFRS 16, 'Leases' was issued in January 2016. For lessees, it will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases will be removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change. The standard is effective for annual periods beginning on or after 1 January 2019 and earlier application is permitted.

The Company expects IFRS 16 to have an immaterial impact on its current accounting practices.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Compliance with IFRS

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

3.2. Basis of preparation

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

- available-for-sale financial assets, financial assets and liabilities (including derivative instruments) certain classes of property, plant and equipment and investment property – measured at fair value;
- assets held for sale – measured at fair value less cost of disposal, and
- defined benefit pension plans – plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for assets or goods or services.

The principal significant accounting policies applied in these financial statements are set out below:

3.3. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and identified impairment loss, if any. The cost comprise of purchase price, together with any incidental expense of acquisition or construction.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Major costs incurred in restoring property, plant and equipment to their normal working condition are charged to the statement of comprehensive income during the financial period in which they are incurred.

3.4. Depreciation

The cost of property, plant and equipment is depreciated by equal annual installments over the estimated useful lives of the assets. The estimated useful lives of the assets for the calculation of depreciation are as follows:

Building	20 years
Machineries	10 years
Furniture, fixtures and office equipment	5 years
Motor vehicle	4 years

The gain or loss on the disposal or retirement of an item of Property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of comprehensive income.

Notes To The Financial Statements For The Year Ended 31 March 2017

3.5. Financial instruments

Financial assets and financial liabilities are recognized on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument**.**

3.6. Financial assets

Financial assets are classified as financial assets at receivables, held-to-maturity financial assets and available-for-sale financial assets, as appropriate. The Company determines the classification of its financial assets at initial recognition.

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial asset expire or the Company transfers substantially all risks and rewards of ownership.

Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade receivables originated by the Company are measured at cost. An allowance for credit losses of trade receivable is established when there is objective evidence that the Company will not be able to collect the amounts due. Indicators that the trade receivable are impaired include consistent default in the payments when due, financial difficulties of the customer and other indicators.

When a trade receivable is considered uncollectible, it is written off against the allowance account for credit losses. Subsequent recoveries of amounts previously written off are credited in the statement of income. The carrying value of trade receivables approximate to their fair value due to the short term nature of those receivables.

Cash and cash equivalents

Cash and cash equivalents comprise short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Impairment of financial assets

The Company assesses at each financial position date whether there is objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence (such as significant financial difficulty of the obligor, breach of contract, or it becomes probable that the debtor will enter bankruptcy), the asset is tested for impairment. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (that is, the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognized in statement of income.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. Impaired debts are derecognized when they are assessed as uncollectible.

For debt securities, if any such evidence exists, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is removed from equity and recognized in profit or loss. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed through the statement of income.

For equity investments, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is removed from equity and recognized in profit or loss. Impairment losses recognized in the income statement on equity instruments are not reversed through the statement of income.

If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date. Any subsequent reversal of an impairment loss is recognized in statement of income.

Notes To The Financial Statements For The Year Ended 31 March 2017

3.7. Financial Liabilities

Liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss or other liabilities, as appropriate.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

All loans and borrowings are classified as other liabilities. Initial recognition is at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method.

Financial liabilities included in trade and other payables are recognized initially at fair value and subsequently at amortized cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

3.8. Prepayments

Prepayments are carried at cost less any accumulated impairment losses.

3.9. Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets.

3.10. Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

3.11. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied stated net of discounts, returns etc.

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

(i) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

(ii) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

(iii) the amount of revenue can be measured reliably;

(iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and

(v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3.12. Inventories

Raw materials, finished goods and work in progress are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average basis. Cost of inventories comprises of costs of purchase, and where applicable cost of conversion and other costs that has been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3.13.Interest income and expense

Interest income and expense are recognized within `finance income' and `finance costs' in profit or loss using the effective interest rate method, except for borrowing costs relating to qualifying assets, which are capitalized as part of the cost of that asset. The Company has chosen to capitalize borrowing costs on all qualifying assets irrespective of whether they are measured at fair value or not.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, pre-payment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

3.14.Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Notes To The Financial Statements For The Year Ended 31 March 2017

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.15. Employees' terminal benefits

Termination benefits are paid to employees' when employment is terminated by the Company before the normal retirement date or whenever an employee accepts voluntary retirement in exchange for these benefits.

Provision is made for employees' terminal benefits on the basis prescribed under the U.A.E Labour Law based on employees' salaries and number of years of service. The terminal benefits are paid to employees on termination or completion of their term of employment.

3.16. Foreign currencies

Functional and presentation currency

The financial statements are presented in UAE Dirham (AED), which is the Company's functional and presentation currency.

Transaction and balances

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the income statement.

3.17. Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from the past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

Contingent liabilities are not recognized but are disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognized as provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When an inflow is virtually certain, an asset is recognized.

4. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affect both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Impairment of trade receivables and amount due from related parties

An estimate of the collectible amount of trade receivables and amount due from related parties are made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and an allowance applied according to the length of time past due, based on historical recovery rates. Any difference between the amounts actually collected in future periods and the amounts expected to be collected will be recognized in the income statement.

Impairment of property, plant and equipment

A decline in the value of property, plant and equipment could have a significant effect on the amounts recognized in the financial statements. Management assesses the impairment of Property, plant and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Factors that are considered important which could trigger an impairment review include the following:

Notes To The Financial Statements For The Year Ended 31 March 2017

- significant changes in the technology and regulatory environments
- evidence from internal reporting which indicates that the economic performance of the asset is, or will be, worse than expected.

Useful life of property, plant and equipment

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

5. PROPERTY, PLANT AND EQUIPMENT

Movement in property, plant and equipment are given on page number 166.

6. CAPITAL WORK-IN-PROGRESS

	2017 AED	2016 AED
Opening balance	**4,079,250**	-
Expenditure incurred during the year	**-**	4,079,250
Ending balance	**4,079,250**	4,079,250

Capital work in progress represents expenditure incurred in connection with the erection of machinery. Upon completion of the installation process, the capital work in progress will be allocated to the relevant asset.

7. **INVENTORIES**

	2017 AED	2016 AED
Raw materials	**8,868,538**	21,948,984
Finished goods	**6,057,322**	202,130
Packing materials	**121,890**	177,080
Consumables	**17,170**	11,880
	15,064,920	22,340,074

Inventories represent goods lying in the warehouse premises at Fujairah Free Zone which are valued and certified by the technical personnel of the Company.

8. TRADE RECEIVABLES

	2017 AED	2016 AED
Trade receivables	**29,624,254**	12,403,831
	29,624,254	12,403,831

(i) In the opinion of the management, the receivables are considered good and fully recoverable.

(ii) The aging analysis of the trade receivables are as follows:

	2017 AED	2016 AED
Due for less than 6 months	**17,003,584**	12,403,831
Due for more than 6 months	**12,620,670**	-
	29,624,254	12,403,831

9. RELATED PARTY TRANSACTIONS

The Company has in the ordinary course of business, entered into trading, financial and service transactions with concerns in which the shareholders' /directors'/manager of the Company or their relatives have an investing / controlling interest.

Notes To The Financial Statements For The Year Ended 31 March 2017

The prices and terms of these transactions were approved by the management and considered comparable to those charged by third parties. The amounts outstanding to related parties are unsecured, which do not attract interest and are payable on demand. No expense has been recognized in the period for bad or doubtful debts in respect of the amounts owed by related parties.

At the end of the reporting period, amounts due from/to related parties were as follows:-

Amounts due from related parties

	2017 AED	2016 AED
Golden Harvest Middle East FZC	**11,608,967**	241,800
	11,608,967	241,800

Amounts due to related parties

	2017 AED	2016 AED
Golden Harvest Middle East FZC (net)	**24,102,532**	22,384,397
Aries Agro Ltd, Mumbai, India (net)	**2,245,266**	1,068,664
	26,347,798	23,453,061

The volumes of related party transactions during the year were as follows:-

	2017 AED	2016 AED
Sales	**165,375**	96,720
Purchases	**-**	1,068,664
Directors remuneration	**358,500**	491,000

10. DEPOSITS, ADVANCES AND PREPAYMENTS

	2017 AED	2016 AED
Prepayments	**310,969**	407,968
Deposits	**139,333**	129,733
Advance to suppliers	**14,540,496**	13,327,121
Other receivables	**2,019**	3,000
	14,992,817	13,867,822

11. CASH AND BANK BALANCES

	2017 AED	2016 AED
Cash in hand	**4,257**	8,411
Current account with banks	**207,631**	4,992
	211,888	13,403

12. SHARE CAPITAL

	2017 AED	2016 AED
Authorised, issued and paid-up capital	**3,000,000**	3,000,000
(20,000 shares of AED 150 each)		
	3,000,000	3,000,000

Notes To The Financial Statements For The Year Ended 31 March 2017

13. SHAREHOLDERS' CURRENT ACCOUNTS

Shareholders' current account balances do not attract interest and there are no defined repayment arrangements.

14. LEGAL RESERVE

This represents reserve created out of profit of the Company in accordance with the provisions of Memorandum and Articles of Association of the Company.

15. SHARE APPLICATION MONEY

Share application money represents amount received from Golden Harvest Middle East FZC, Sharjah Airport International Free Zone, United Arab Emirates, a shareholder of the Company towards advance for allotment of shares of the Company.

16. PROVISION FOR EMPLOYEES' TERMINAL BENEFITS

The provision for end of service benefits for employees is made in accordance with the requirements of the U.A.E. Labour Laws. This is an unfunded defined benefits retirement plan. Employees are entitled to benefits based on length of service and final remuneration. Accrued employees' terminal benefits are payable on termination of employment.

17. TRADE PAYABLES AND ACCRUALS

	2017	2016
	AED	AED
Trade payables	**6,426,460**	2,162,448
Accrued expenses	**604,178**	1,340,002
Other payables	**6,615,000**	6,615,000
Advance received from customers	**12,038,483**	-
	25,684,121	10,117,450

18. COST OF SALES

	2017	2016
	AED	AED
Opening inventories	**22,340,074**	21,874,057
Purchases	**5,966,157**	14,442,748
Direct expenses	**912,951**	2,091,402
Less: Closing inventories	**(15,064,920)**	(22,340,074)
	14,154,262	16,068,133

19. OTHER INCOME

	2017	2016
	AED	AED
Miscellaneous income	**720**	1,575
Profit on sale of motor vehicle	**111,765**	-
Excess provision written back	**572,392**	-
	684,877	1,575

Notes To The Financial Statements For The Year Ended 31 March 2017

20. ADMINISTRATION AND GENERAL EXPENSES

	2017 AED	2016 AED
Salaries and benefits	**860,161**	1,265,916
Clearing and forwarding charges	**641,378**	842,189
Rent expenses	**610,774**	919,508
Office expenses	**175,862**	195,068
Legal and professional charges	**152,564**	281,819
Communication expenses	**145,448**	191,136
Insurance charges	**83,549**	114,802
Vehicle running expenses	**69,472**	63,692
Water and electricity charges	**48,174**	36,138
Commission expenses	**39,874**	30,833
Repairs and maintenance	**26,295**	4,906
Travelling expenses	**10,194**	9,096
Printing and stationery	**5,019**	13,061
Advertisement and business promotion expenses	**-**	31,789
	2,868,764	3,999,953

21. FINANCE CHARGES

	2017 AED	2016 AED
Bank charges	**29,021**	52,569
Interest charges	**353,221**	1,387,776
	382,242	1,440,345

22. FINANCIAL INSTRUMENTS

(i) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed in note 3 to the financial statements.

(ii) Fair value

The following table analyses the fair value of financial assets and financial liabilities that are not measured at fair value on recurring basis.

	2017 AED		2016 AED	
	Carrying value	**Fair Value**	**Carrying value**	**Fair Value**
Financial Assets				
Trade receivables	29,624,254	29,624,254	12,403,831	12,403,831
Deposits and advances	141,352	141,352	132,733	132,733
Cash and bank balances	211,888	211,888	13,403	13,403
Amount due from related parties	-	-	241,800	241,800
	29,977,494	**29,977,494**	**12,791,767**	**12,791,767**
Financial Liabilities				
Trade payables and accruals	13,645,638	13,645,638	10,117,450	10,117,450
Amount due to related parties	26,347,798	26,347,798	23,453,061	23,453,061
Term loan	-	-	174,408	174,408
	39,993,436	**39,993,436**	**33,744,919**	**33,744,919**

The financial instruments comprise of financial assets and financial liabilities.

The fair value of the financial assets and financial liabilities is included at the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties.

Financial assets of the Company include cash, bank balances, trade receivables, deposits, advance and amounts due from related parties. Financial liabilities include amounts due to related parties, trade payables and accruals.

The management believes that the fair values of the financial assets and liabilities approximate to their carrying amounts.

23. FINANCIAL RISK MANAGEMENT

23.1. Financial risk factors

The risk management function within the Company is carried out in respect of financial risks. Financial risks are risks arising from financial instruments to which the Company is exposed during or at the end of the reporting period. Financial risk comprises market risk (including currency risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

The identified key risks are as follows:

(i) **Currency risk**

The Company undertakes certain transactions denominated in foreign currencies and hence exposure to exchange rate fluctuations arises.

The majority of the Company's financial assets and financial liabilities are either denominated in local currency (AED) or currencies fixed to the AED. Hence the management believes that there would not be a material impact on the profitability if these foreign currencies weakens or strengthens against the AED with all other variables held constant.

(ii) **Liquidity risk**

The Company manages its liquidity risk by ensuring it has sufficient liquid cash balances to meet its payment obligations as they fall due.

The table below summarizes the maturity profile of the Company's financial instruments. The contractual maturities of the financial instruments have been determined on the basis of the remaining period at the end of the reporting period to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

	2017			2016		
	Less than 365 days	More than 365 days	Total	Less than 365 days	More than 365 days	Total
	AED	AED	AED	AED	AED	AED
Financial assets						
Non - interest bearing	17,356,824	12,620,670	**29,977,494**	12,791,767	-	**12,791,767**
Interest bearing	-	-	-	-	-	**-**
	17,356,824	**12,620,670**	**29,977,494**	**12,791,767**	-	**12,791,767**
Financial liabilities						
Non - interest bearing	39,993,436	-	**39,993,436**	33,570,511	-	**33,570,511**
Interest bearing	-	-	-	119,446	54,962	**174,408**
	39,993,436	-	**39,993,436**	**33,689,957**	**54,962**	**33,744,919**

(iii) **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's credit exposure is continuously monitored and regularly reviewed by the management.

The Company is potentially exposed to concentration of credit risk from its financial assets which comprise principally bank balances, trade and other receivables and amount due from related parties.

The credit risk on liquid funds is limited because the Company's bank accounts are placed with high credit quality financial institutions.

The credit risk on trade receivables and related parties is subject to credit evaluations and an allowance has been made for doubtful debts. The amounts presented in the statement of financial position are net of allowances for doubtful debts.

24. CAPITAL COMMITMENTS

Operating lease commitments

Commitments as a lessee under operating leases on land leased from Fujairah Free Zone Authority for an initial period of 10 years.

		2017	2016
		AED	AED
(i)	Not later than one year from balance sheet date	80,000	192,000
(ii)	1-5 years post balance sheet date	-	80,000
		80,000	**272,000**

Except for the above and ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known capital commitment on Company's financial statements as of reporting date.

25. CONTINGENT LIABILITIES

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability on Company's financial statements as of reporting date.

26. COMPARATIVE FIGUERS

Previous year's figures have been regrouped or reclassified wherever necessary to make them comparable to those of the current year.

However such reclassification does not have impact on the previously reported profit or equity.

27. LEVEL OF PRECISION

All figures are rounded off to nearest Dirhams (AED).

28. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the shareholders and authorized for issue on 16 May 2017.

5 PROPERTY, PLANT AND EQUIPMENT AT 31 MARCH 2017

	Building	Machineries	Furniture, fixtures and office equipments	Motor vehicles	Total
	AED	AED	AED	AED	AED
Cost:					
at 1 April 2016	14,776,069	32,512,582	167,985	884,950	48,341,586
additions during the year	-	17,080	-	85,500	102,580
disposals during the year	-	-	-	(884,950)	(884,950)
at 31 March 2017	14,776,069	32,529,662	167,985	85,500	47,559,216
Depreciation:					
at 1 April 2016	3,730,585	15,132,589	153,648	591,406	19,608,228
charge for the year	738,804	1,625,632	14,337	99,624	2,478,397
on disposal	-	-	-	(679,815)	(679,815)
at 31 March 2017	4,469,389	16,758,221	167,985	11,215	21,406,810
Net book values:					
at 31 March 2017	**10,306,680**	**15,771,441**	-	**74,285**	**26,152,406**
at 31 March 2016	**11,045,484**	**17,379,993**	**14,337**	**293,544**	**28,733,358**

NOTICE OF 11th ANNUAL GENERAL MEETING

Notice is hereby given that the Eleventh Annual General Meeting of the Members of ARIES AGRO CARE PRIVATE LIMITED will be held on Wednesday, 27th September, 2017 at 10.30 AM at the Registered office of the Company at Aries House, Plot No. 24, Deonar, Govandi (East), Mumbai -400 043 to transact the following Ordinary Business:-

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

2. To appoint Director in place of Dr. Jimmy Mirchandani(DIN 00239021) who retires by rotation and being eligible offers himself for re-appointment.

3. Appointment of Auditors

   To consider and if thought fit to 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 and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai,(Membership No. 32371), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Twelfth Annual General Meeting(AGM) of the Company to be held in the year 2018, at such Remuneration plus Service Tax, Out-of-Pocket, Travelling Expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

By Order of the Board
For Aries Agro Care Private Limited

Dr. Rahul Mirchandani
Director
DIN: 00239057

Place: Mumbai
Date: 25th May, 2017

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

BOARD'S REPORT

To,

The Members of

Aries Agro Care Private Limited.

Your Directors present their Eleventh Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31st March, 2017.

1. FINANCIAL RESULTS :

Pursuant to the notification dated 16th February, 2015 issued by the Ministry of Corporate Affairs, the Company has voluntarily adopted the Indian Accounting Standards(Ind AS) notified under the Companies(Indian Accounting Standards) Rules, 2015 with effect from 1st April, 2016. Financial Statements for the year ended and as at 31st March, 2016 have been restated to conform to Ind AS. Note No. 2 to the Financial Statement provides further explanation on the transition to Ind AS.

During the year under review the Company did not do any business and did not have any Income. But the Company has incurred a loss of Rs. 32,645/- as compared to the Loss of Rs. 36,728/- in the Previous Year.

2. CURRENT STATUS

In view of the extremely volatile nature of the seeds business, the business of the Company stood suspended during the year.

3. DIVIDEND AND TRANSFER TO RESERVE :

Since the Company has incurred losses the question of Dividend and Transfer to Reserve does not arise.

4. DEPOSITS :

The Company has not accepted any Deposits from the Public.

5. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The Company did not have any Managing Directors or Executive/Whole Time Directors or any Employees who were in receipt of remuneration in excess of the provisions under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

The Company has not given any Loans or given Guarantees or made Investments in terms of provisions of Section 186 of the Companies Act, 2013

7. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

As there was no business activity in the Company during the Financial Year 2016-17, there were no Contracts or Arrangements with Related Parties except the advance given by the holding company to meet with the operational expenses.

8. RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION

Since there is no business activity in the Company and there is no risk which may affect the Company and as the Company is an Un-listed Company no Risk Management Policy has been framed.

9. CORPORATE SOCIAL RESPONSIBILITY

The Company is not covered within provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder.

10. MATERIAL ORDERS PASSED

No material Orders have been passed by any Authorities in respect of any matters with regards to the business of the Company.

11. INTERNAL FINANCIAL CONTROL

The Company has in place adequate Internal Financial Controls commensurate with the size of the Company with reference to Financial Statements.

12. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREGIN EXCHANGE EARNINGS AND OUTGO :

Since the Company did not have any business activity and there were no Foreign Exchange earning, expenditure or outflow, the Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014..

13. DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the Companies Act, 2013 and the Articles of Association of the Company, Dr. Jimmy Mirchandai(DIN 00239021) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Accordingly his re-appointment forms part of the notice of ensuing AGM.

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Key Managerial Personnel..

14. MEETINGS OF BOARD

Four Meetings of the Board of Directors were held during the year on 30.05.2016, 31.08.2016, 15.12.2016 and 30.03.2017.

15. AUDITORS :

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai,(Membership No. 32371), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the 8th Annual General Meeting of the Company held on 22nd September, 2014.

As per the provision of Section 139(1) of the Companies Act, 2013, their appointment for the above tenure is subject to ratification by Members at every AGM. Accordingly, ratification of the Members is being sought for proposal contained in the Resolution set out at item No. 3 of the Notice.

16. AUDITORS' REPORT

The Statutory Auditors' Report does not contain any qualification, reservation or adverse remark.

17. DIRECTORS' RESPONSIBILITY STATEMENTS

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that:

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures
2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the

   Affairs of the Company at the end of the financial year and of the Loss of the Company for that year;
3. they have taken proper and sufficient care for the 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;
4. they have prepared the Annual Accounts on a 'going concern' basis.
5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. EXTRACTS OF ANNUAL RETURN

As provided under Section 92(3) of the Companies Act, 2013 the Extract of the Annual Return is given in **Annexure-I** in prescribed Format MGT-9, which forms part of this Report.

19. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL

POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE FINANCIAL YEAR END OF THE COMPANY TO WHICH FINANCIAL RESULTS

RELATE

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

20. ACKNOWLEDGEMENT :

Your Directors would like to express their grateful appreciation for the co-operation and assistance received from the Holding Company i.e. M/S Aries Agro Limited and other related agencies.

By Order of the Board
For **Aries Agro Care Private Limited**

Dr. Jimmy Mirchandani	**Dr. Rahul Mirchandani**
Director	**Director**
DIN: 00239021	**DIN: 00239057**

Place : Mumbai
Date : 25th May, 2017

Annexure - I

FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended 31.03.2017

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

I. REGISTRATION AND OTHER DETAILS

CIN	U01122MH2007PTC166761
Registration Date	5th January, 2007
Name of the Company	ARIES AGRO CARE PRIVATE LIMITED
Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES /INDIAN NON-GOVERNMENT COMPANY
Address of the Registered Office and contact details	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043 Phone No. 022 2556 4052/53 Fax No. 022 2556 4054/2557 1711
Whether listed Company	NO
Name, address and contact details of Registrar and Transfer Agent, if any	**Not Applicable**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No	Name and Description of main products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Seeds	1209	0.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	%tage of Shares held	Applicable Section
1.	Aries Agro Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	L99999MH1969PLC014465	Holding	100	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.PROMOTERS									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	10000	10000	100	0	10000	10000	100	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other….	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	**0**	**10000**	**10000**	**100**	**0**	**10000**	**10000**	**100**	0
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other….	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**0**	**10000**	**10000**	**100**	**0**	**10000**	**10000**	**100**	0
B. PUBLIC SHAREHOLDING									-
1. Institutions									-
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ` 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual Shareholders holding nominal share capital in excess of `1 lakh	0	0	0	0	0	0	0	0	0
c) Others Directors and Relatives	0	0	0	0	0	0	0	0	0
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0	0	0	0	0	0
ii) Other Foreign Nationals	0	0	0	0	0	0	0	0	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI / OCBs	0	0	0	0	0	0	0	0	0
v) Clearing Members / Clearing House	0	0	0	0	0	0	0	0	0
vi) Trusts	0	0	0	0	0	0	0	0	0
vii) Limited Liability Partnership	0	0	0	0	0	0	0	0	0
viii) Foreign Portfolio Investor (Corporate)	0	0	0	0	0	0	0	0	0
ix) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**0**	**10000**	**10000**	**100.00**	**0**	**10000**	**10000**	**100.00**	-

(II) SHAREHOLDING OF PROMOTERS

Shareholder's Name	No. of Shares held at the beginning of the year 01.04.2016			No. of Shares held at the end of the year 31.03.2017			% Change 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	
Aries Agro Limited	10000	100	0	10000	100	0	0
Total	**10000**	**100**	**0**	**10000**	**100**	**0**	**0**

(iii) Change in Promoters' Shareholding

There is no change in Promoter's Shareholding between 01.04.2016 to 31.03.2017.

(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	Shareholder's Name *	Shareholding at the beginning of the year 01.04.2016		Shareholding at the end of the year 31.03.2017	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Aries Agro Limited	10000	100	10000	100
	Total				

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year		Date of change in shareholding	Reason for change
	Directors	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1	**NIL**						

V. INDEBTEDNESS

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
1. Principal Amount	NIL	58,17,349	NIL	58,17,349
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	58,17,349	NIL	58,17,349
Change in Indebtedness during the Financial Year				
1. Addition	NIL	1,03,700	NIL	1,03,700
2. Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	1,03,700	NIL	1,03,700
Indebtedness at the end of the Financial Year				
1. Principal Amount	NIL	59,21,049	NIL	59,21,049
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	59,21,049	NIL	59,21,049

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director / Whole Time Director and/or Manager:

The Company does not have any Managing Director/Executive Director/Whole Time Director and hence question of payment of Remuneration does not arise.

B. Remuneration to other Directors:

No Remuneration has been paid to Non-Executive Directors.

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

The Company does not have any Key Managerial Personnel other than Managing Director/ Executive Director/Whole Time Director hence no Remuneration has been paid

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act) :

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2017

For and on behalf of the Board,

	Dr. Jimmy Mirchandani	**Dr. Rahul Mirchandani**
Place: Mumbai	**Director**	**Director**
Date: 25Th May, 2017	**DIN: 00239021**	**DIN: 00239057**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

ARIES AGRO CARE PRIVATE LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **ARIES AGRO CARE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), and the Statement of cash flows and statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgement, 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 aforesaid 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 including the Ind AS:

(a) in the case of the Balance Sheet, of financial position of the Company as at 31st March, 2017;

(b) in the case of the Statement of Profit and Loss, of the financial performance including other comprehensive income of the Company for the year ended on that date;

(c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date; and

(d) in the case of the statement of changes in equity, of 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 A, 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 purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us];

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

(d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement, and the statement of changes in equity comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rule issued there under;

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

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

(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 as referred to in the notes to accounts of these standalone Ind AS financial statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

iv. The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company as referred to in the notes to accounts of these standalone Ind AS financial statements.

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No. 032371

Place: Mumbai
Date : 25th May, 2017

ANNEXURE "A"TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March, 2017, we report that:

i. The Company does not have any Fixed Assets hence clause (i) of the said order is not applicable to the company.

ii. There were no inventories during the year and hence clause (ii) of the said order is not applicable to the company.

iii. According to the information and explanation given to us, the Company has not granted any loan, secured and unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, clause (iii) of the said order is not applicable to the company.

iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees, and securities.

v. According to the information and explanations provided by the company, The Company has not accepted deposits from the public. Hence, the question of compliance with the directives issued by Reserve Bank of India and provision of sections 73, 74, 75 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 does not arise. No order has been passed by the National Company Law Tribunal or Company Law Board or RBI in this regard.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any services rendered by the company.

vii. (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing statutory dues including Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues except occasional/ minor delays. As per the information given by the management and apparent from the records; The undisputed liabilities as on 31st March, 2017 is for a period exceeding six months from the date of it becoming payable is NIL.

(b) There is no disputed liability in respect of tax dues on account of Income Tax, Sales Tax, Service Tax, Customs Duty, Cess, etc.

viii. The company has not defaulted in repayment of loans or borrowing to a financial institution, banks, or Government. The Company has not obtained any borrowings by way of issue of debentures.

ix. According to the information and explanation provided to us, the company did not raise any money by way of initial public offering or further public offer (including debt instruments). The company has not taken any term loans during the year under audit.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has not paid/provided for managerial remuneration and hence clause (xi) of the said order is not applicable to the company.

xii. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, clause (xii) of the said Order is not applicable to the company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the said Order is not applicable to the company.

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

For Kirti D Shah & Associates
Chartered Accountants
FirmRegistration No. 115133W

Kirti D. Shah
Proprietor
Membership No. 032371

Place: Mumbai
Date: 25th May, 2017

ANNEXURE - B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Aries Agro Care Private Limited** ("the Company") as of 31st March, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D Shah
Proprietor
Membership No. 032371

Date: 25th May, 2017
Place: Mumbai

Balance Sheet as on 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Particulars	Note Nos.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I. ASSETS				
(1) **Current Assets**				
(a) Financial Assets				
(i) Cash & Cash Equivalents	3	**26,279**	57,066	58,094
(ii) Other Financial Assets	4	**-**	-	1,126
(b) Other Current Assets	5	**3,321,085**	3,321,085	3,328,859
TOTAL		**3,347,364**	**3,378,151**	**3,388,079**
II. EQUITY AND LIABILITIES				
(1) **Equity**				
(a) Equity Share Capital	6	**100,000**	100,000	100,000
(b) Other Equity	7	**(2,766,465)**	(2,733,820)	(2,697,092)
Total		**(2,666,465)**	**(2,633,820)**	**(2,597,092)**
(2) **Current Liabilities**				
(a) Financial Liabilities				
(i) Current Borrowings	8	5,921,049	5,817,349	5,813,649
(ii) Trade Payables	9	92,780	194,622	171,522
Total		6,013,829	6,011,971	5,985,171
TOTAL		**3,347,364**	**3,378,151**	**3,388,079**
Summary of Significant Accounting Policies	2.1			

The Notes referred to above form an integral part of these Standalone Financial Statements

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai.
Date : 25th May, 2017.

For and on behalf of the **Board of Directors** of
Aries Agro Care Private Limited

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

Statement of Profit and Loss for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

	Particulars	**Note Nos.**	**Year Ended 31st March, 2017**	Year Ended 31st March, 2016
I.	Other Income		-	-
	Total Revenue (I + II)		-	-
II.	Expenses :			
	(f) Finance Costs	10	345	154
	(i) Other Expenses	11	32,300	36,574
	Total Expenses		32,645	36,728
III.	**Profit Before Tax (PBT) - (I - II)**		**(32,645)**	**(36,728)**
IV.	**Tax Expense**			
	(a) Current Tax		-	-
	(b) Adjustment of Tax relating to earlier periods		-	-
	(c) Deferred Tax		-	-
	Income Tax Expense		-	-
V.	**Profit after Tax (PAT) - (III - IV)**		(32,645)	(36,728)
	Less :- Short Provision for Tax in Earlier Years		-	-
VI.	**Profit / (Loss) for the period**		(32,645)	(36,728)
VII.	**Other Comprehensive Income**			
	(A) Items that will not be reclassified to Profit or Loss			
	(i) Changes in Revaluation Surplus		-	-
	(ii) Remeasurements of Defined Benefit Plans		-	-
	(iii) Equity Instruments through OCI		-	-
			-	**-**
	(iv) Less :- Income Tax relating to Items that will not be reclassified to Profit or Loss			
			-	**-**
	(B) Items that will be reclassified to Profit or Loss			
	(i) Exchange Differences in translating the Financial Statements of Foreign Operation			
	(ii) Debt Instruments through OCI			
	(iii) The effective portion of gains and loss on hedging instruments in a cash flow hedge			
			-	-
	(ii) Less :- Income Tax relating to Items that will be reclassified to Profit or Loss			
			-	-
VIII.	**Total Comprehensive Income for the period (VI + VII)**		**(32,645)**	**(36,728)**
IX.	**Earnings per Equity Share**	12		
	(1) Basic & Diluted		**(3.26)**	**(3.67)**
	Summary of Significant Accounting Policies	2.1		

The Notes referred to above form an integral part of these Standalone Financial Statements

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai.
Date : 25th May, 2017.

For and on behalf of the **Board of Directors** of
Aries Agro Care Private Limited

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

Statement of Cash Flows for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Sr. No.	Particulars	Year Ended 31 March, 2017	Year Ended 31 March, 2016
A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax as per Statement of Profit and Loss	**(32,645)**	(36,728)
	Adjusted for :		
	Finance Costs	345	154
	Operating Profit before Working Capital Changes	**(32,300)**	(36,574)
	Adjusted for :		
	Increase / (Decrease) in Trade Payables	(101,842)	23,100
	Cash Generated from Operations	**(134,142)**	(13,474)
	Net Cash Flow from Operating Activities (A)	**(134,142)**	**(13,474)**
B)	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Movement in Short Term Loans and Advances & Other Assets	**-**	8,900
	Net Cash Flow from / (used in) Investing Activities (B)	**-**	8,900
C)	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Short Term Borrowings (Net)	**103,700**	3,700
	Finance Costs	**(345)**	(154)
	Net Cash (used in) / from financing activities (C)	**103,355**	3,546
	Net Increase in Cash and Cash Equivalents	**(30,787)**	(1,028)
	Opening Balance of Cash and Cash Equivalents	**57,066**	58,094
	Closing Balance of Cash and Cash Equivalents	**26,279**	57,066

Note: The above statement has been prepared under the indirect method set out in Ind AS-7 “Statement of Cash Flow”

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai.
Date : 25th May, 2017.

For and on behalf of the **Board of Directors** of
Aries Agro Care Private Limited

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

NOTES to the Financial Statements as on 31st March, 2017

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

1. Company Overview

Aries Agro Care Private Limited was incorporated in January, 2007 as a Wholly Owned Subsidiary of Aries Agro Limited for carrying business in the Branches of agro protection, agro and seeds etc.

2. Basis of Preparation of Financial Statements

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) (amendment) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS for the year ended 31st March, 2018. However, the company has voluntarily adopted Ind AS as from the year 1st April, 2016 with 1st April, 2015 being the date of transition. The comparative figures in the Balance Sheet as at 31st March, 2017 and 1st April 2015 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended 31st March, 2017 has to be restated accordingly.

The Company has adopted all the Ind AS standards and the adoption was carried out in-accordance with IndAS 101 First time adoption of Indian Accounting Standards.

a. Statement of Compliance

The Comparative Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31st March, 2017 have been prepared in accordance with the Ind AS as notified above.

For all periods up to and including the year ended 31st March, 2015, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

b. Basis of Measurement - Historic Cost Convention

These Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Assets held for sale – measured at fair value less cost to sale;
- Defined benefit plans – plan assets measured at fair value

  All assets and liabilities has been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

c. Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company.

The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

d. Use of Estimates:

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

Estimates and assumptions are required in particular for:

(i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

(ii) **Recognition and measurement of defined benefit obligations:**

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

(iii) **Recognition of deferred tax assets:**

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

(iv) **Recognition and measurement of other provisions:**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

(v) **Discounting of long-term financial liabilities**

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

(vi) **Determining whether an arrangement contains a lease:**

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements based on their relative fair values. If the Company concludes for a finance lease that, it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

e. Standards Issued but not yet effective Ind - AS 115 "Revenue from Contract with Customers :The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February, 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount

NOTES to the Financial Statements as on 31st March, 2017

that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

f. Current Versus Non Current Classification:

(i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalents 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.

(ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated 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 realization in cash and cash equivalents.

2.1 Significant Accounting Policies

A. Plant, Property & Equipment:

All the property, plant and equipments have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are changed to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

B. Depreciation & Amortization:

a. Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight line basis over their remaining useful life of such assets.

b. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

C. Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized on straight line basis over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

D. Borrowing Costs :

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

NOTES to the Financial Statements as on 31st March, 2017

All other borrowing costs are charged to the Statement of Profit and Loss.

E. Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

F. Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a. Raw materials and packing materials :

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

b. Work-in-progress and finished goods :

Lower of cost and net realizable value. Cost includes direct materials and labour and aproportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

c. Traded goods :

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d. Waste and scrap are not separately valued being insignificant in value.

e. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

G. Foreign Currency Transactions and Balances:

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to profit and loss account.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

H. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

a. Sale of products:

As stated in Ind AS 18, Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. The Company collects sales tax and value added tax (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

b. Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

c. Dividend income:

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

I. Expenditure on new projects and substantial expansion:

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental there to. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is deducted from the total of the indirect expenditure. All direct capital expenditure on expansion is capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they

NOTES to the Financial Statements as on 31st March, 2017

increase the value of the asset beyond its original standard of performance.

J. Employee benefits:

a. Short Term Employee Benefits:

Accumulated leave, which is expected to be utilised within the next 12 months, 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.

Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Post-Employment Benefits:

(i) Defined Contribution Plans:

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

(ii) Defined Benefit Plans:

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

c. Other Long Term Employee Benefits:

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long –term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

K. Taxes :

a. Current Income Tax:

(i) Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit & loss. 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.

b. Deferred taxes:

(i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

(ii) 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 liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

c. Sales/ value added taxes

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as

NOTES to the Financial Statements as on 31st March, 2017

part of receivables or payables in the balance sheet.

d. Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

L. Segment reporting

Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

M. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

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

N. Impairment of Non Financial Assets

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use.

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 risk specific to the asset.

In determining fair value less cost disposal, recent market transaction are taken in to account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

O. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

i. the Company has a present obligation as a result of past event,

ii. a probable outflow of resources is expected to settle the obligation; and

iii. the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

b. Contingent liabilities are disclosed in case of:

i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,

ii. a present obligation arising from past events, when no reliable estimate is possible,

iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.

c. Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

P. Non-current assets held for sale :

Non Current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

NOTES to the Financial Statements as on 31st March, 2017

- The appropriate level of management is committed to a plan to sell the asset,
- An active programmer to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

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.

a. Financial Assets:

(i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

(ii) Initial recognition and measurement

All financial assets is recognized 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.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

(iii) Subsequent Recognition

a. Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

The Company while applying the above criteria has classified the following at Amortized Cost:

a) Investment in Debt Instruments

b. Financial Assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

c. Financial Assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

d. Investment in Subsidiary and Associates

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

e. Investment in Debt Instruments

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified 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.

(vi) De-recognition of Financial Assets:

A financial asset is primarily derecognized 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.

b. Financial Liabilities:

(i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, 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, security deposits and other deposits.

(ii) Subsequent measurement:

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 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 is 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.

(iii) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through 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. This category generally applies to borrowings

(iv) Derecognition of Financial Liabilities:

A financial liability is derecognized 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 recognized in the Statement of Profit and Loss.

NOTES to the Financial Statements as on 31st March, 2017

R. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

S. Investments:

Investments that are readily realizable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

NOTES to the Financial Statements as on 31st March, 2017

(Amounts in Rupees unless stated otherwise)

3	CASH AND CASH EQUIVALENTS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Balance with Banks in Current Accounts	10,963	41,750	35,311
	With Scheduled Banks in Deposit Accounts	15,316	15,316	22,783
	Total	**26,279**	57,066	58,094

4	OTHER CURRENT FINANCIAL ASSETS (Unsecured and Considered Good)	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Interest Accrued but not due	-	-	1,126
	Total	**-**	-	1,126

5	OTHER CURRENT ASSETS (Unsecured and Considered Good)	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Advances other than Capital Advances			
	Security Deposits	7,000	7,000	7,000
	Other Advances	3,314,085	3,314,085	3,321,859
	Total	**3,321,085**	3,321,085	3,328,859

5.1	Other Advances includes : Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	(a) Advance to Suppliers	3,314,085	3,314,085	3,314,085
	Total	**3,314,085**	3,314,085	3,314,085

6	SHARE CAPITAL	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Authorised Share Capital			
	10,000 Equity Shares of Rs. 10/- each	100,000	100,000	100,000
	Total	**100,000**	100,000	100,000
	Issued, Subscribed and Fully Paidup			
	10,000 Equity Shares of Rs.10/- each.	100,000	100,000	100,000
	Total	**100,000**	100,000	100,000

6.1 Reconcoliation of Equity Shares outstanding at the beginning and at the end of the year :

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Equity Shares at the beginning of the year	10,000	10,000	10,000
Add : - Issued during the year	-	-	-
Less :- Shares cancelled during the year	-	-	-
Equity Shares at the end of the year	10,000	10,000	10,000

NOTES to the Financial Statements as on 31st March, 2017

(Amounts in Rupees unless stated otherwise)

6.2 List of Shareholder's holding more than 5 percent of Shares in the Company

	Name of the Share Holder	No of Shares	As at 31st March, 2017 % Held	No of Shares	As at 31st March, 2016 % Held	No of Shares	As at 1st April, 2015
(i)	Aries Agro Limited	**10,000**	**100.00%**	**10,000**	100.00%	10,000	100.00%

7 OTHER EQUITY

	Reserves & Surplus			Total
	Securities Premium Reserve	General Reserve	Retained Earnings	
Balance as at 1st April, 2015	-	-	(2,697,092)	(2,697,092)
Add: Dividend and Dividend Distribution Tax paid after reporting period (Ind AS 10)	-	-	-	-
Less: Impairment Loss on Non-Current Assets	-	-	-	-
Restated Balance at the beginning of the reporting period	-	-	(2,697,092)	(2,697,092)
Add : Profit / (Loss) for the year	-	-	(36,728)	(36,728)
Transfer from Retained Earnings	-	-	-	-
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the year	-	-	(36,728)	(36,728)
Less : Dividends	-	-	-	-
Dividend Distribution Tax	-	-	-	-
Transfer to General Reserve	-	-	-	-
Balance as at 1st April, 2016	-	-	(2,733,820)	(2,733,820)
Less : Dividend and Dividend Distribution Tax paid for F Y 2015-16	-	-	-	-
Add: Dividend and Dividend Distribution Tax paid after reporting period (Ind AS 10)	-	-	-	-
Restated Balance at the beginning of the reporting period	-	-	(2,733,820)	(2,733,820)
Add : Profit / (Loss) for the year	-	-	(32,645)	(32,645)
Transfer from Retained Earnings	-	-	-	-
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the year	-	-	(32,645)	(32,645)
Less : Dividends	-	-	-	-
Dividend Distribution Tax	-	-	-	-
Transfer to General Reserve	-	-	-	-
Balance as at 31st March, 2017	-	-	(2,766,465)	(2,766,465)

8 CURRENT BORROWINGS

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Un-Secured Borrowings			
Loan from Holding Company	**5,918,635**	5,814,935	5,812,435
From Related Parties	**2,414**	2,414	1,214
Total	**5,921,049**	**5,817,349**	**5,813,649**

NOTES to the Financial Statements as on 31st March, 2017

(Amounts in Rupees unless stated otherwise)

9	TRADE PAYABLES	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Due to Others	92,780	194,622	171,522
	Total	92,780	194,622	171,522

9.1 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

10	FINANCE COSTS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Other Borrowing Costs	345	154
	Total	345	154

11	OTHER EXPENSES	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Other Administration Expenses		
	Audit Fees	17,325	17,175
	Legal & Professional Fees	11,275	15,699
	Rent, Rates & Taxes	3,700	3,700
	Total	32,300	36,574

11.1 Payment to Auditors as :

Sr. No.	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
(a)	Statutory Audit Fees	17,325	17,175
(b)	Tax Audit Fees	5,750	5,725
	Total	23,075	22,900

12	EARNINGS PER SHARE (EPS)		Year Ended 31st March, 2017	Year Ended 31st March, 2016
	(i)	Net Profit After Tax (PAT) as per Statement of Profit and Loss attributable to Equity Shareholders	(32,645)	(36,728)
	(ii)	Weighted Average number of Equity Shares used as denominator for calculating EPS	10,000	10,000
	(iii)	Basic & Diluted Earnings per Share (Rs.)	(3.26)	(3.67)
	(iv)	Face Value per Equity Share (Rs.)	10	10

NOTES to the Financial Statements as on 31st March, 2017

(Amounts in Rupees unless stated otherwise)

13 RELATED PARTY DISCLOSURES

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

Part - A

Details of Related Parties

Sr. No.	Nature of Relationship		Name of the Related Party		Remarks	
1	Holding Company	a)	Aries Agro Limited	a)	Date of becoming Subsidiary of Aries Agro Limited is 5th January, 2007 (Incorporation Date)	
2	Key Management Personnel	a)	Dr. Jimmy Mirchandani	a)	Director	
		b)	Dr. Rahul Mirchandani	b)	Director	
		c)	Prof. R. S. S. Mani	c)	Director	
3	Relatives of Key Management Personnel		**Name of the Key Management Personnel**		**Name of the Relative**	**Relationship**
		a)	Dr. Jimmy Mirchandani	a)	Mrs. Vivian Prokop Mirchandani	Spouse
				b)	Mr. Akshay Mirchandani	Son
				c)	Mr. Amol Mirchandani	Son
				d)	Dr. Rahul Mirchandani	Brother
		b)	Dr. Rahul Mirchandani	a)	Mrs. Nitya Mirchandani	Spouse
				b)	Mastar Armaan Mirchandani	Son
				c)	Dr. Jimmy Mirchandani	Brother
4	Fellow Subsidiaries	a)	Aries Agro Equipments Pvt Ltd	a)	A wholly owned Subsidiary of Aries Agro Limited	
		b)	Aries Agro Produce Pvt Ltd	b)	A Subsidiary of Aries Agro Limited	
		c)	Golden Harvest Middle East	c)	A Subsidiary of Aries Agro Limited	
		d)	Amarak Chemicals	d)	A Step Down Subsidiary of Aries Agro Limited	
5	Enterprises over which the Key Management Personnel have significant influence or control	a)	Aries East West Nutrients Pvt Ltd			
		b)	Aries Marketing Ltd			
		c)	Blossoms International Ltd			
		d)	Sreeni Agro Chemicals Ltd			

Part - B

Details of Transactions with Related Parties

Sr. No.	Category	Nature of Service	Year Ended 31 March 2017	Year Ended 31 March 2016
1	Holding Company	Loans taken	**103,700**	25,000
2	Key Management Personnel	Loans taken	**-**	1,200

Part - C

Balance Outstanding with Related Parties

Category	Nature of outstanding	Name of the Replated Party	As at 31 March 2017	As at 31 March 2016
Holding Company	Unsecured Loans	Aries Agro Limited	**5,918,635**	5,814,935
Key Management Personnel	Unsecured Loans	Dr. Jimmy Mirchandani	**2,414**	2,414

14. <u>Current Assets, Loan & Advances and Provisions</u>

a) The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.

b) The provision for all known liabilities is not in excess of the amounts considered reasonably necessary.

c) The balances of sundry creditors, sundry debtors and loans and advances are subject to confirmation.

d) The loans and advances includes Rs. 33,14,085/- advanced to M/s Pradham Biotech limited for supply of seeds. The said supplier failed to supply the goods in time. The Company has filed suit for winding up the Company. The Company in view of such suit is hopeful of recovery of all dues. Hence no provision is made in the accounts in respect of such dues.

NOTES to the Financial Statements as on 31st March, 2017

15. **Contingent Liability**

a) Claims against company not acknowledged as debts Rs. 103.64 Lacs which pertains to pending suits regarding alleged dues.[The Company M/s Pradham Biotech Private Limited has filed counter claim in respect of cancellation of order for seeds – See note no. 14(d)]

16. Foreign Exchange Earnings & Outflow:

During the year there were no Foreign Exchange earnings, expenditure or outflow.

17. Micro and Small Scale Business Entities

There are no micro and small Enterprises to whom company owes dues, which are outstanding for more than 45 days as at 31st March, 2016. This Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

18. Segment Reporting

The Company has only one business segment "Agricultural Equipments" as its primary segment and hence disclosure of segment-wise information is not required under Indian Accounting Standard (Ind AS) 108 – Operating Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

19. In absence of virtual certainty that sufficient future taxable income will be available for setoff of losses incurred by the company, the company has not taken credit for Deferred tax assets.

20. The Previous year's figures are re-arranged and re-grouped wherever is necessary.

The Notes referred to above form an integral part of these Standalone Financial Statements

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai.
Date : 25th May, 2017.

For and on behalf of the **Board of Directors** of
Aries Agro Care Private Limited

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

NOTICE OF 11TH ANNUAL GENERAL MEETING

Notice is hereby given that the Eleventh Annual General Meeting of the Members of **ARIES AGRO EQUIPMENTS PRIVATE LIMITED** will be held on Wednesday, 27th September, 2017 at 11.00 a.m. at the Registered office of the Company at Aries House, Plot No. 24, Deonar, Govandi (East), Mumbai-400 043 to transact the following Ordinary Business:-

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2017, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Dr. Jimmy Mirchandani(DIN 00239021) who retires by rotation and being eligible offers himself for re-appointment.
3. Appointment of Auditors

   To consider and if thought fit to 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 and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai,(Membership No. 32371), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Twelfth Annual General Meeting(AGM) of the Company to be held in the year 2017, at such Remuneration plus Service Tax, Out-of-Pocket, Travelling Expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

By Order of the Board
For Aries Agro Equipments Private Limited

Dr. Rahul Mirchandani
Director
DIN: 00239057

Place: Mumbai
Date: 25th May, 2017

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

BOARD'S REPORT

To,
The Members of
Aries Agro Equipments Private Limited.

Your Directors present their Eleventh Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31st March, 2017.

1. FINANCIAL RESULTS :

Pursuant to the notification dated 16th February, 2015 issued by the Ministry of Corporate Affairs, the Company has voluntarily adopted the Indian Accounting Standards(Ind AS) notified under the Companies(Indian Accounting Standards) Rules, 2015 with effect from 1st April, 2016. Financial Statements for the year ended and as at 31st March, 2016 have been restated to conform to Ind AS. Note No. 2 to the Financial Statement provides further explanation on the transition to Ind AS.

The Company did not have any Income during the year as against the expenses of Rs. 29,698/- . The Company incurred a loss of Rs. 29,698/- as compared to Loss of Rs. 28,915/- in the previous year.

2. CURRENT STATUS :

Due to inadequacy of Distribution Network specifically for Farm Equipments, the business of the Company stood suspended during the year.

3. DIVIDEND AND TRANSFER TO RESERVE :

Since the Company has incurred losses the question of Dividend and Transfer to Reserve does not arise.

4. DEPOSITS :

The Company has not accepted any Fixed Deposits from the Public.

5. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Employees who were in receipt of remuneration in excess of the provisions under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

The Company has not given any Loans or given Guarantees or made Investments in terms of provisions of Section 186 of the Companies Act, 2013

7. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

As there was no business activity in the Company during the Financial Year 2016-17, there were no Contracts or Arrangements with Related Parties.

8. RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION

Since there is no business activity in the Company and there is no risk which may affect the Company and as the Company is an Un-listed Company no Risk Management Policy has been framed.

9. CORPORATE SOCIAL RESPONSIBILITY

The Company is not covered within provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder.

10. MATERIAL ORDERS PASSED

No material Orders have been passed by any Authorities in respect of any matters with regards to the business of the Company.

11. INTERNAL FINANCIAL CONTROL

The Company has in place adequate Internal Financial Controls commensurate with the size of the Company with reference to Financial Statements.

12. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREGIN EXCHANGE EARNINGS AND OUTGO :

Since the Company does not have any business activity and there were no Foreign Exchange earning, expenditure or outflow, the Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014, are not applicable.

13. DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the Companies Act, 2013 and the Articles of Association of the Company, Dr. Jimmy Mirchandani(00239021) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Accordingly his re-appointment forms part of the notice of ensuing AGM.

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Employees hence question of any Key Managerial Personnel does not arise.

14. MEETINGS OF BOARD

Four Meetings of the Board of Directors were held during the year on 30.05.2016, 31.08.2016, 15.12.2016 and 30.03.2017.

15. AUDITORS & AUDITORS REPORTS

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai,(Membership No. 32371), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the 8th Annual General Meeting of the Company held on 22nd September, 2014.

As per the provision of Section 139(1) of the Companies Act, 2013, their appointment for the above tenure is subject to ratification by Members at every AGM. Accordingly, ratification of the Members is being sought for proposal contained in the Resolution set out at item No. 3 of the Notice.

The Statutory Auditors' Report does not contain any qualification, reservation or adverse remark.

16. DIRECTORS' RESPONSIBILITY STATEMENTS

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that:

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures
2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the Loss of the Company for that year;
3. they have taken proper and sufficient care for the 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;
4. they have prepared the Annual Accounts on a 'going concern' basis.
5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. EXTRACTS OF ANNUAL RETURN

As provided under Section 92(3) of the Companies Act, 2013 the Extract of the Annual Return is given in **Annexure-I** in prescribed Format MGT-9, which forms part of this Report.

18. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE FINANCIAL YEAR END OF THE COMPANY TO WHICH FINANCIAL RESULTS RELATE

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

19. ACKNOWLEDGEMENT :

Your Directors would like to express their grateful appreciation for the co-operation and assistance received from the the Holding Company i.e. M/S Aries Agro Limited and other related agencies.

By Order of the Board
For **Aries Agro Equipments Pvt. Ltd.**

Dr. Jimmy Mirchandani	**Dr. Rahul Mirchandani**
Director	Director
DIN: 00239021	DIN: 00239057

Place : Mumbai
Date: 25th May, 2017

Annexure-I

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2017

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

I. REGISTRATION AND OTHER DETAILS

CIN	U01403MH2007PTC166972
Registration Date	12th January, 2007
Name of the Company	ARIES AGRO EQUIPMENTS PRIVATE LIMITED
Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES /INDIAN NON-GOVERNMENT COMPANY
Address of the Registered Office and contact details	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043 Phone No. 022 2556 4052/53 Fax No. 022 2556 4054/2557 1711
Whether listed Company	NO
Name, address and contact details of Registrar and Transfer Agent, if any	**Not Applicable**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Farm Equipments	8424	0.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%tage of Shares held	Applicable Section
1.	Aries Agro Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	L99999MH1969PLC014465	Holding	100	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.PROMOTERS									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	10000	10000	100	0	10000	10000	100	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other….	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	**0**	**10000**	**10000**	**100**	**0**	**10000**	**10000**	**100**	0
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Any Other….	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**0**	**10000**	**10000**	**100**	**0**	**10000**	**10000**	**100**	0
B. PUBLIC SHAREHOLDING									-
1. Institutions									-
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual Shareholders holding nominal share capital in excess of Rs.1 lakh	0	0	0	0	0	0	0	0	0
c) Others Directors and Relatives	0	0	0	0	0	0	0	0	0
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0	0	0	0	0	0
ii) Other Foreign Nationals	0	0	0	0	0	0	0	0	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI / OCBs	0	0	0	0	0	0	0	0	0
v) Clearing Members / Clearing House	0	0	0	0	0	0	0	0	0
vi) Trusts	0	0	0	0	0	0	0	0	0
vii) Limited Liability Partnership	0	0	0	0	0	0	0	0	0
viii) Foreign Portfolio Investor (Corporate)	0	0	0	0	0	0	0	0	0
ix) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**0**	**10000**	**10000**	**100.00**	**0**	**10000**	**10000**	**100.00**	-

(ii) Shareholding of Promoters

Shareholder's Name	No. of Shares held at the beginning of the year 01.04.2016			No. of Shares held at the end of the year 31.03.2017			% Change 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	
Aries Agro Limited	10000	100	0	10000	100	0	0
Total	**10000**	**100**	**0**	**10000**	**100**	**0**	**0**

(iii) Change in Promoters' Shareholding

There is no change in Promoter's Shareholding between 01.04.2016 to 31.03.2017.

(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Shareholder's Name *	Shareholding at the beginning of the year 01.04.2016		Shareholding at the end of the year 31.03.2017	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Aries Agro Limited	10000	100	10000	100

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year		Date of change in shareholding	Reason for change
	Directors	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1	**NIL**						

V. INDEBTEDNESS

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
1. Principal Amount	NIL	35,75,172	NIL	35,75,172
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	35,75,172	NIL	35,75,172
Change in Indebtedness during the Financial Year				
1. Addition	NIL	1,84,053	NIL	1,84,053
2. Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	1,84,053	NIL	1,84,053
Indebtedness at the end of the Financial Year				
1. Principal Amount	NIL	37,59,225	NIL	37,59,225
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	37,59,225	NIL	37,59,225

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director / Whole Time Director and/or Manager:

The Company does not have any Managing Director/Executive Director/Whole Time Director and hence question of payment of Remuneration does not arise

B. Remuneration to other Directors:

No Remuneration has been paid to Non-Executive Directors.

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

The Company does not have any Key Managerial Personnel other than Managing Director/ Executive Director/Whole Time Director hence no Remuneration has been paid

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act) :

There were no penalties, punishment or compounding of offences during the year ended

For and on behalf of the Board
For **Aries Agro Equipments Pvt. Ltd.**

Dr. Jimmy Mirchandani
Director
DIN: 00239021

Dr. Rahul Mirchandani
Director
DIN: 00239057

Place : Mumbai
Date: 25th May, 2017

INDEPENDENT AUDITORS' REPORT OF ARIES AGRO EQUIPMENTS PVT. LTD.

TO THE MEMBERS OF

ARIES AGRO EQUIPMENTS PRIVATE LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **ARIES AGRO EQUIPMENTS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), and the Statement of cash flows and statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgement, 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 aforesaid 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 including the Ind AS:

(a) in the case of the Balance Sheet, of financial position of the Company as at 31st March, 2017;

(b) in the case of the Statement of Profit and Loss, of the financial performance including other comprehensive income of the Company for the year ended on that date;

(c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date; and

(d) in the case of the statement of changes in equity, of 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 A, 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 purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us];
   (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement, and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement, and the statement of changes in equity comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rule issued there under;
   (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act;
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
   (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 as referred to in the notes to accounts of these standalone Ind AS financial statements;
   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
   iv. The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company as referred to in the notes to accounts of these standalone Ind AS financial statements.

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No. 032371

Place : Mumbai
Date : 25th May, 2017

ANNEXURE "A" to the Independent Auditor's Report

(This is the Annexure referred to in our Report of even date)

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March, 2017, we report that:

i. The Company does not have any Fixed Assets hence clause (i) of the said order is not applicable to the company.

ii. There were no inventories during the year and hence clause (ii) of the said order is not applicable to the company.

iii. According to the information and explanation given to us, the Company has not granted any loan, secured and unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, clause (iii) of the said order is not applicable to the company.

iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees, and securities.

v. According to the information and explanations provided by the company, The Company has not accepted deposits from the public. Hence, the question of compliance with the directives issued by Reserve Bank of India and provision of sections 73, 74, 75 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 does not arise. No order has been passed by the National Company Law Tribunal or Company Law Board or RBI in this regard.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any services rendered by the company.

vii. (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing statutory dues including Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues except occasional/ minor delays. As per the information given by the management and apparent from the records; The undisputed liabilities as on 31st March 2017 is for a period exceeding six months from the date of it becoming payable is NIL.

(b) There is no disputed liability in respect of tax dues on account of Income Tax, Sales Tax, Service Tax, Customs Duty, Cess, etc.

viii. The company has not defaulted in repayment of loans or borrowing to a financial institution, banks, or Government. The Company has not obtained any borrowings by way of issue of debentures.

ix. According to the information and explanation provided to us, the company did not raise any money by way of initial public offering or further public offer (including debt instruments). The company has not taken any term loans during the year under audit.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has not paid/provided for managerial remuneration and hence clause (xi) of the said order is not applicable to the company.

xii. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, clause (xii) of the said Order is not applicable to the company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the said Order is not applicable to the company.

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

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No. 032371

Place : Mumbai
Date : 25th May, 2017

ANNEXURE "B" to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of **Aries Agro Equipments Private Limited** ("the Company") as of 31st March, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Place : Mumbai

Date : 25th May, 2017

Kirti D. Shah
Proprietor
Membership No. 032371

Balance Sheet as at 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Particulars	Note Nos.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I. ASSETS				
(1) Current Assets				
(a) Financial Assets				
(i) Trade Receivables	3	**11,806,960**	11,806,960	11,806,960
(ii) Cash & Cash Equivalents	4	**4,957**	44,509	42,180
(b) Other Current Assets	5	**93,505**	93,505	97,949
		11,905,422	11,944,974	11,947,089
TOTAL		**11,905,422**	11,944,974	11,947,089
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share Capital	6	**100,000**	100,000	100,000
(b) Other Equity	7	**7,683,973**	7,713,671	7,742,586
		7,783,973	7,813,671	7,842,586
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Current Borrowings	8	**3,759,225**	3,575,172	3,571,472
(ii) Trade Payables	9	**362,224**	556,131	533,031
		4,121,449	4,131,303	4,104,503
TOTAL		**11,905,422**	11,944,974	11,947,089
Summary of Significant Accounting Policies	2.1			

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 032371

Place : Mumbai
Date : 25th May, 2017

For and on behalf of the **Board of Directors** of
Aries Agro Equipments Private Limited

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

Statement of Profit and Loss for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Particulars			Note Nos.	Year Ended 31st March, 2017	Year Ended 31st March, 2016
I.	Expenses :				
	(a)	Finance Costs	10	**345**	115
	(b)	Other Expenses	11	**29,353**	28,800
		Total Expenses		**29,698**	28,915
II.	**Profit Before Tax (PBT)**			**(29,698)**	(28,915)
III.	**Tax Expense**				
	(a)	Current Tax		**-**	-
	(b)	Adjustment of Tax relating to earlier periods		**-**	-
	(c)	Deferred Tax		**-**	-
		Income Tax Expense		**-**	-
IV.	**Profit after Tax (PAT) - (II - III)**			**(29,698)**	(28,915)
	Less :- Short Provision for Tax in Earlier Years			**-**	-
V.	**Profit / (Loss) for the period**			**(29,698)**	(28,915)
VI.	**Other Comprehensive Income**				
	(A)	Items that will not be reclassified to Profit or Loss			
		(i) Changes in Revaluation Surplus		**-**	-
		(ii) Remeasurements of Defined Benefit Plans		**-**	-
		(iii) Equity Instruments through OCI			-
				-	-
		(iv) Less :- Income Tax relating to Items that will not be reclassified to Profit or Loss			
	(B)	Items that will be reclassified to Profit or Loss			
		(i) Exchange Differences in translating the Financial Statements of Foreign Operation			
		(ii) Debt Instruments through OCI			
		(iii) The effective portion of gains and loss on hedging instruments in a cash flow hedge			
				-	-
		(ii) Less :- Income Tax relating to Items that will be reclassified to Profit or Loss			
				-	-
VII.	**Total Comprehensive Income for the period (V+VI)**			**(29,698)**	(28,915)
VIII.	**Earnings per Equity Share**		12		
	(1)	Basic & Diluted		**(2.97)**	(2.89)
	Summary of Significant Accounting Policies		2.1		

The Notes referred to above form an integral part of these Standalone Financial Statements

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 032371

Place : Mumbai
Date : 25th May, 2017

For and on behalf of the **Board of Directors** of
Aries Agro Equipments Private Limited

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

Statement of Cash Flows for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Sr. No.	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax as per Statement of Profit and Loss	**(29,698)**	**(28,915)**
	Operating Profit before Working Capital Changes	**(29,698)**	(28,915)
	Adjusted for :		
	Increase / (Decrease) in Trade Payables	**(193,907)**	23,100
	Cash Generated from Operations,	**(223,605)**	(5,815)
	Net Cash Flow from Operating Activities (A)	**(223,605)**	(5,815)
B)	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Movement in Short Term Loans and Advances	**-**	4,444
	Net Cash Flow from / (used in) Investing Activities (B)	**-**	4,444
C)	**CASH FLOW FROM FINANCIAL ACTIVITIES:**		
	Short Term Borrowings (Net)	**184,053**	3,700
	Net Cash (used in) / from financing activities (C)	**184,053**	3,700
	Net Increase in Cash and Cash Equivalents	**(39,552)**	2,329
	Opening Balance of Cash and Cash Equivalents	**44,509**	42,180
	Closing Balance of Cash and Cash Equivalents	**4,957**	44,509

Note: The above statement has been prepared under the indirect method set out in Ind AS-7 “Statement of Cash Flow”

This Cash Flow Statement forms an integral part of these Standalone Financial Statements

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 032371

Place : Mumbai
Date : 25th May, 2017

For and on behalf of the **Board of Directors** of
Aries Agro Equipments Private Limited

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

NOTES to the Financial Statements for the year ended 31st March, 2017

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

1. Company Overview

Aries Agro Equipments Private Limited was incorporated in January, 2007 as a Wholly Owned Subsidiary of Aries Agro Limited for carrying business in all type of farm equipments, machinery.

2. Basis of Preparation of Financial Statements

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) (amendment) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS for the year ended 31st March, 2018. However the company has voluntarily adopted Ind AS as from the year 1st April, 2016 with 1st April, 2015 being the date of transition. The comparative figures in the Balance Sheet as at 31st March, 2017 and 1st April 2015 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended 31st March, 2017 has to be restated accordingly.

The Company has adopted all the Ind AS standards and the adoption was carried out in-accordance with IndAS 101 First time adoption of Indian Accounting Standards.

a. Statement of Compliance

The Comparative Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31st March, 2017 have been prepared in accordance with the Ind AS as notified above.

For all periods up to and including the year ended 31st March 2015, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

b. Basis of Measurement - Historic Cost Convention

These Financial statements have been prepared on a historical cost basis, except for the following:

certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);

Assets held for sale – measured at fair value less cost to sale;

Defined benefit plans – plan assets measured at fair value

All assets and liabilities has been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

c. Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company.

The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

d. Use of Estimates:

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

Estimates and assumptions are required in particular for:

(i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

(ii) **Recognition and measurement of defined benefit obligations:**

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

(iii) **Recognition of deferred tax assets:**

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

NOTES to the Financial Statements for the year ended 31st March, 2017

(iv) **Recognition and measurement of other provisions:**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

(v) **Discounting of long-term financial liabilities**

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

(vi) Determining whether an arrangement contains a lease:

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements based on their relative fair values. If the Company concludes for a finance lease that, it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

e. Standards Issued but not yet effective

Ind - AS 115 "Revenue from Contract with Customers :The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February, 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

f. Current Versus Non Current Classification:

(i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalents 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.

(ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated 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 realization in cash and cash equivalents.

2.1 Significant Accounting Policies

A. Plant, Property & Equipment:

All the property, plant and equipments have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are changed to the statement of profit and loss for the period during which such expenses are incurred.

NOTES to the Financial Statements for the year ended 31st March, 2017

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

B. Depreciation & Amortization:

a. Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight line basis over their remaining useful life of such assets.

b. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

C. Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized on straight line basis over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

D. Borrowing Costs :

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

E. Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

F. Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a. Raw materials and packing materials :

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

NOTES to the Financial Statements for the year ended 31st March, 2017

b. **Work-in-progress and finished goods :**

Lower of cost and net realizable value. Cost includes direct materials and labour and aproportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

c. **Traded goods :**

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d. Waste and scrap are not separately valued being insignificant in value.

e. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

G. Foreign Currency Transactions and Balances::

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to profit and loss account.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

H. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

a. **Sale of products:**

As stated in Ind AS 18, Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. The Company collects sales tax and value added tax (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

b. **Interest Income**

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

c. **Dividend income:**

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

I. Expenditure on new projects and substantial expansion:

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental there to. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is deducted from the total of the indirect expenditure. All direct capital expenditure on expansion is capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

NOTES to the Financial Statements for the year ended 31st March, 2017

J. Employee benefits:

a. Short Term Employee Benefits:

Accumulated leave, which is expected to be utilised within the next 12 months, 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.

Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Post-Employment Benefits:

(i) Defined Contribution Plans:

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

(ii) Defined Benefit Plans:

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

c. Other Long Term Employee Benefits:

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long –term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

K. Taxes :

a. Current Income Tax:

(i) Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit & loss. 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.

b. Deferred taxes:

(i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

(ii) 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 liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

NOTES to the Financial Statements for the year ended 31st March, 2017

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

c. Sales/ value added taxes

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

d. Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on “Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961”, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

L. Segment reporting

Identification of segments

The Company’s operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

M. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

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

N. Impairment of Non Financial Assets

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit’s fair value less cost to sell and the value in use.

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 risk specific to the asset.

In determining fair value less cost disposal, recent market transaction are taken in to account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

O. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

i. the Company has a present obligation as a result of past event,

ii. a probable outflow of resources is expected to settle the obligation; and

iii. the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

NOTES to the Financial Statements for the year ended 31st March, 2017

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

b. Contingent liabilities are disclosed in case of:

i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,

ii. a present obligation arising from past events, when no reliable estimate is possible,

iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.

c. Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

P. Non-current assets held for sale :

Non Current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programmer to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

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.

a. Financial Assets:

(i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

(ii) Initial recognition and measurement

All financial assets is recognized 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.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

(iii) Subsequent Recognition

a. Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

The Company while applying the above criteria has classified the following at Amortized Cost:

a) Investment in Debt Instruments

b. Financial Assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

NOTES to the Financial Statements for the year ended 31st March, 2017

c. Financial Assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

d. Investment in Subsidiary and Associates

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

e. Investment in Debt Instruments

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified 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.

(vi) De-recognition of Financial Assets:

A financial asset is primarily derecognized 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.

b. Financial Liabilities:

(i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, 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, security deposits and other deposits.

(ii) Subsequent measurement:

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 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 is 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.

(iii) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through 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. This category generally applies to borrowings

(iv) Derecognition of Financial Liabilities:

A financial liability is derecognized 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 recognized in the Statement of Profit and Loss.

R. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

S. Investments:

Investments that are readily realizable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

3	TRADE RECEIVABLES (Unsecured)	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Considered Good	**11,806,960**	11,806,960	11,806,960
	Total	**11,806,960**	11,806,960	11,806,960

3.1 Trade Receivables includes Amount due from Related Parties

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
1 Aries Agro Limited	11,806,960	11,806,960	11,806,960
Total	**11,806,960**	11,806,960	11,806,960

3.2 Trade Receivables are non-interest bearing and receivable in normal operating cycle

4	CASH AND CASH EQUIVALENTS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Balance with Banks in Current Accounts	**4,957**	44,509	42,180
	Total	**4,957**	44,509	42,180

5	OTHER CURRENT ASSETS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	(Unsecured and Considered Good)			
	Advances other than Capital Advances			
	Security Deposits	**88,000**	88,000	88,000
	Other Advances	**5,505**	5,505	9,949
	Total	**93,505**	93,505	97,949

6	SHARE CAPITAL	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Authorised Share Capital			
	10,000 Equity Shares of Rs. 10/- each	**100,000**	100,000	100,000
	Total	**100,000**	100,000	100,000
	Issued, Subscribed and Fully Paid up			
	10,000 Equity Shares of Rs.10/- each.	**100,000**	100,000	100,000
	Total	**100,000**	100,000	100,000

6.1 Reconcoliation of Equity Shares outstanding at the beginning and at the end of the year :

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Equity Shares at the beginning of the year	**10,000**	10,000	10,000
Add : - Issued during the year	**-**	-	-
Less :- Shares cancelled during the year	**-**	-	-
Equity Shares at the end of the year	**10,000**	10,000	10,000

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

6.2 List of Shareholder's holding more than 5 percent of Shares in the Company

Name of the Share Holder	No of Shares	As at 31st March, 2017 % Held	No of Shares	As at 31st March, 2016 % Held	No of Shares	As at 1st April, 2015 % Held
(i) Aries Agro Limited	**10,000**	**100.00%**	**10,000**	**100.00%**	10,000	100.00%

7 OTHER EQUITY

	Reserves & Surplus			Total
	Securities Premium Reserve	**General Reserve**	**Retained Earnings**	
Balance as at 1st April, 2015	-	-	**7,742,586**	**7,742,586**
Add: Dividend and Dividend Distribution Tax paid after reporting period (Ind AS 10)	-	-	-	-
Less: Impairment Loss on Non-Current Assets	-	-	-	-
Restated Balance at the beginning of the reporting period	-	-	**7,742,586**	**7,742,586**
Add : Profit / (Loss) for the year	-	-	**(28,915)**	**(28,915)**
Transfer from Retained Earnings	-	-	-	-
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the year	-	-	**(28,915)**	**(28,915)**
Less : Dividends	-	-	-	-
Dividend Distribution Tax	-	-	-	-
Transfer to General Reserve	-	-	-	-
Balance as at 1st April, 2016	-	-	**7,713,671**	**7,713,671**
Less : Dividend and Dividend Distribution Tax paid for F Y 2015-16	-	-	-	-
Add: Dividend and Dividend Distribution Tax paid after reporting period (Ind AS 10)	-	-	-	-
Restated Balance at the beginning of the reporting period	-	-	**7,713,671**	**7,713,671**
Add : Profit / (Loss) for the year	-	-	**(29,698)**	**(29,698)**
Transfer from Retained Earnings	-	-	-	-
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the year	-	-	**(29,698)**	**(29,698)**
Less : Dividends	-	-	-	-
Dividend Distribution Tax	-	-	-	-
Transfer to General Reserve	-	-	-	-
Balance as at 31st March, 2017	-	-	**7,683,973**	**7,683,973**

8 CURRENT BORROWINGS

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Un-Secured Borrowings			
Loan from Holding Company	**3,736,812**	3,552,759	3,550,259
From Related Parties	**2,413**	2,413	1,214
Security Deposits	**20,000**	20,000	20,000
Total	**3,759,225**	3,575,172	3,571,472

9 TRADE PAYABLES

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Due to Others	**362,224**	556,131	533,031
Total	**362,224**	556,131	533,031

Notes to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

9.1 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

10	FINANCE COSTS	**Year Ended 31st March, 2017**	Year Ended 31st March, 2016
	Other Borrowing Costs	**345**	115
	Total	**345**	115

11	OTHER EXPENSES	**Year Ended 31st March, 2017**	Year Ended 31st March, 2016
	Other Administration Expenses		
	Audit Fees	**17,325**	17,175
	Legal & Professional Fees	**7,975**	7,925
	Rent, Rates & Taxes	**4,053**	3,700
	Total	**29,353**	28,800

11.1 Payment to Auditors as :

Sr. No.	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
(a)	Statutory Audit Fees	**17,325**	17,175
(b)	Tax Audit Fees	**5,750**	5,725
	Total	**23,075**	22,900

12	EARNINGS PER SHARE (EPS)	**Year Ended 31st March, 2017**	Year Ended 31st March, 2016
(i)	Net Profit After Tax (PAT) as per Statement of Profit and Loss attributable to Equity Shareholders	**(29,698)**	(28,915)
(ii)	Weighted Average number of Equity Shares used as denominator for calculating EPS	**10,000**	10,000
(iii)	Basic & Diluted Earnings per Share (Rs.)	**(2.97)**	(2.89)
(iv)	Face Value per Equity Share (Rs.)	**10**	10

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

13 RELATED PARTY DISCLOSURES

Related Party Disclosures as per Accounting Standard - 18 issued by the Institute of Chartered Accountants of India

Part - A						
Details of Related Parties						
Sr. No.	**Nature of Relationship**	**Name of the Related Party**		**Remarks**		
1	Holding Company	a)	Aries Agro Limited	a)	Date of becoming Subsidiary of Aries Agro Limited is 12th January, 2007 (Incorporation Date)	
2	Key Management Personnel	a)	Dr. Jimmy Mirchandani	a)	Director	
		b)	Dr. Rahul Mirchandani	b)	Director	
		c)	Prof. R. S. S. Mani	c)	Director	
3	Relatives of Key Management Personnel	**Name of the Key Management Personnel**		**Name of the Relative**		**Relationship**
		a)	Dr. Jimmy Mirchandani	a)	Mrs. Vivian Prokop Mirchandani	Spouse
				b)	Mr. Akshay Mirchandani	Son
				c)	Mr. Amol Mirchandani	Son
				d)	Dr. Rahul Mirchandani	Brother
		b)	Dr. Rahul Mirchandani	a)	Mrs. Nitya Mirchandani	Spouse
				b)	Master Armaan Mirchandani	Son
				c)	Dr. Jimmy Mirchandani	Brother
4	Fellow Subsidiaries	a)	Aries Agro Care Pvt Ltd	a)	A wholly owned Subsidiary of Aries Agro Limited	
		b)	Aries Agro Produce Pvt Ltd	b)	A Subsidiary of Aries Agro Limited	
		c)	Golden Harvest Middle East FZC	c)	A Subsidiary of Aries Agro Limited	
		d)	Amarak Chemicals FZC	d)	A Step Down Subsidiary of Aries Agro Limited	
5	Enterprises over which the Key Management Personnel have significant influence or control	a)	Aries East West Nutrients Pvt Ltd			
		b)	Aries Marketing Ltd			
		c)	Blossoms International Ltd			
		d)	Sreeni Agro Chemicals Ltd			

Part - B				
Details of Transactions with Related Parties				
Sr. No.	**Category**	**Nature of Service**	**Year Ended 31 March 2017**	Year Ended 31 March 2016
1	Holding Company	Loan taken	**184,053**	2,500
2.	Key Management Personnel	Loan taken	**-**	1,200

Part - C				
Balance Outstanding with Related Parties				
Category	**Nature of Outstanding**	**Name of the Related Party**	**As at 31 March 2017**	As at 31 March 2016
Holding Company	Unsecured Loans	Aries Agro Limited	**3,736,812**	3,552,759
	Trade Receivables	Aries Agro Limited	**11,806,960**	11,806,960
Key Management Personnel	Unsecured Loans	Dr. Jimmy Mirchandani	**2,413**	2,413

Notes to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

14. Current Assets, Loan & Advances and Provisions

a) The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.

b) The provision for all known liabilities is not in excess of the amounts considered reasonably necessary.

c) The balances of Sundry Creditors, Sundry Debtors and Loans and Advances are subject to confirmation.

15. Goods has been returned to various branches of the company and were beyond repairs. Cost of bringing the goods to the head office was higher than net realization value. Hence the defective goods has been treated as scrap.

16. Foreign Exchange Earnings & Outflow:

During the year there was no foreign exchange earning, expenditure or outflow.

17. Micro And Small Scale Business Entities

There are no micro and small Enterprises to whom company owes dues, which are outstanding for more than 45 days as at 31st March, 2017. This Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

18. Segment Reporting

The Company has only one business segment "Agricultural Equipments" as its primary segment and hence disclosure of segment-wise information is not required under Indian Accounting Standard (Ind AS) 108 – Operating Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

19. In absence of virtual certainty that sufficient future taxable income will be available for setoff of losses incurred by the Company, the Company has not taken credit for Deferred Tax Assets.

20. The Previous years figures are re-arranged or re-grouped wherever is necessary.

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 032371

Place : Mumbai
Date : 25th May, 2017

For and on behalf of the **Board of Directors** of
Aries Agro Equipments Private Limited

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

NOTICE OF 9TH ANNUAL GENERAL MEETING

Notice is hereby given that the Ninth Annual General Meeting of the Members of **ARIES AGRO PRODUCE PRIVATE LIMITED** will be held on the Wednesday, 27th September, 2017 at 11.30 a.m. at the Registered office of the Company at Aries House, Plot No. 24, Deonar, Govandi (East), Mumbai-400 043 to transact the following business:-

ORDINARY BUSINESS

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

2. Appointment of Auditors

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

"RESOLVED THAT pursuant to the provisions of Section 139, 140, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby appoints of M/s. K Narayanan & Associates, Chartered Accountants, Mumbai,(Membership No. 37721), as Auditors of the Company in place of M/s. Kirti D. Shah & Associates, Chartered Accountants, who has shown their unwillingness to continue in the office of Auditor and that M/s K. Narayanan & Associates, Chartered Accountants, shall hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Fourteenth Annual General Meeting(AGM) of the Company to be held in the year 2022 subject to ratification at every Annual General Meeting, at such Remuneration plus Service Tax, Out-of-Pocket, Travelling Expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

3. Appointment of Mr. Amol Mirchandani as a Director of the Company

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

"**RESOLVED THAT** Mr. Amol Mirchandani(DIN: 06747762), who was appointed by the Board of Directors as an Additional Director with effect from 4th April, 2017 and who holds Office upto the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation."

4. Appointment of Mrs. Karishma Mirchandani as a Director of the Company

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

"**RESOLVED THAT** Mrs. Karishma Mirchandani(DIN: 07760905), who was appointed by the Board of Directors as an Additional Director with effect from 4th April, 2017 and who holds Office upto the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation."

By Order of the Board
For Aries Agro Produce Private Limited

Place: Mumbai
Date: 27th June, 2017

Mr. Amol Mirchandani
Director
DIN: 06747762

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 2

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai,(Membership No. 32371), who were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the 6th Annual General Meeting of the Company held on 22nd September, 2014 resigned from their position and requested to be relieved from the conclusion of this Annual General Meeting.

The Board of Directors in their Meeting held on 27th June, 2017 have proposed M/s. K Narayanan & Associates, Chartered Accountants, Mumbai,(Membership No. 37721) for appointment as the Statutory Auditors of the Company for a term of 5(five) Years pursuant to Section 139 of the Companies Act, 2013, subject to ratification by Members at every AGM.

As per the provision of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by Members at every AGM.

Accordingly, appointment M/s. K Narayanan & Associates, Chartered Accountants, Mumbai is being

being sought for proposal contained in the Resolution set out at item No. 4 of the Notice.

The Board commends the resolution at Item No. 4 for approval by the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

Item No. 3 & 4

At the meeting of the Board of Directors held on 4th April, 2017, Mr. Amol Mirchandani(DIN: 06747762) and Mrs. Karishma Mirchandani(DIN: 07760905) were appointed as Additional Directors with effect from 4th April, 2017, to hold office till the date of the next Annual General Meeting of the Company. The Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013, together with the requisite deposit, proposing their candidature for the office of Directors.

The Board of Directors are confident that they will be of great value to the Company and hence recommend the resolution for your approval as set out under item No. 3 & 4 of the Notice.

Both Mr. Amol Mirchandani and Mrs. Karishma Mirchandani are concerned or interested in the said resolution.

By Order of the Board
For Aries Agro Produce Private Limited

Place: Mumbai
Date: 27th June, 2017

Mr. Amol Mirchandani
Director
DIN: 06747762

BOARD'S REPORT

To,
The Members of
Aries Agro Produce Private Limited.

Your Directors present the their Ninth Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31st March, 2017.

1. FINANCIAL RESULTS :

Pursuant to the notification dated 16th February, 2015 issued by the Ministry of Corporate Affairs, the Company has voluntarily adopted the Indian Accounting Standards(Ind AS) notified under the Companies(Indian Accounting Standards) Rules, 2015 with effect from 1st April, 2016. Financial Statements for the year ended and as at 31st March, 2016 have been restated to conform to Ind AS. Note No. 2 to the Financial Statement provides further explanation on the transition to Ind AS.

During year under review the Company did not do any business and did not have any Income. The Company has incurred a loss of Rs. 27,300/- as compared to the Loss of Rs. 27,100/- in the Previous Year.

2. DIVIDEND AND TRANSFER TO RESERVE :

Since the Company has incurred losses the question of Dividend and Transfer to Reserve does not arise.

3. DEPOSITS :

The Company has not accepted any Deposits from the Public or its members except from Directors.

4. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The Company did not have any Managing Directors or Executive/Whole Time Directors or any Employees who were in receipt of remuneration in excess of the provisions under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

5. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

The Company has not given any Loans or given Guarantees or made Investments in terms of provisions of Section 186 of the Companies Act, 2013

6. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

As there was no business activity in the Company during the Financial Year 2016-17, there were no Contracts or Arrangements with Related Parties except the advance given by holding company to meet operational expenses.

7. RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION

Since there is no business activity in the Company and there is no risk which may affect the Company and as the Company is an Un-listed Company no Risk Management Policy has been framed.

8. CORPORATE SOCIAL RESPONSIBILITY

The Company is not covered within provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder.

9. MATERIAL ORDERS PASSED

No material Orders have been passed by any Authorities in respect of any matters with regards to the business of the Company.

10. INTERNAL FINANCIAL CONTROL

The Company has in place adequate Internal Financial Controls commensurate with the size of the Company with reference to Financial Statements.

11. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREGIN EXCHANGE EARNINGS AND OUTGO :

Since the Company did not have any business activity and there were no Foreign Exchange earning, expenditure or outflow, the Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014, are not applicable.

12. DIRECTORS & KEY MANAGERIAL PERSONNEL:

Mr. Amol Mirchandani (DIN: 06747762) and Mrs. Karishma Mirchandani(DIN: 07760905) were appointed as Additional Directors at the meeting of the Board of Directors held on 4th April, 2017, with effect from 4th April, 2017, to hold office till the date of the next Annual General Meeting of the Company. The Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013, together with the requisite deposit, proposing their candidature for the office of Directors. Accordingly their appointments are proposed for the office of Directors at the forthcoming Annual General Meeting.

Dr. Jimmy Mirchandani and Dr. Rahul Mirchandani resigned from the Directorship of the Company and their resignation have been accepted by the Board at its meeting held on 25th May, 2017. The Board places on record its appreciation to the contribution made by Dr. Jimmy Mirchandani and Dr. Rahul Mirchandani during their tenure with the Company.

Since both Dr. Jimmy Mirchandani and Dr. Rahul Mirchandani have resigned from the Directorship of the Company with effect from 25th May, 2017 and the remaining Directors i.e. Mr. Amol Mirchandani and Mrs. Karishma Mirchandani were appointed as Additional Directors with effect from 4th April, 2017 whose appointment has to be confirmed in the ensuing Annual General Meeting, h*ence no Director is to retire by rotation at the ensuing Annual General Meeting.*

The Company did not have any Managing Directors or Executive/Whole Time Directors or any Key Managerial Personnel during the year under review.

13. MEETINGS OF BOARD

Four Meetings of the Board of Directors were held during the year on 30.05.2016, 31.08.2016, 15.12.2016 and 30.03.2017.

14. AUDITORS :

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai,(Membership No. 32371), who were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the 6th Annual General Meeting of the Company held on 22nd September, 2014 resigned from their position and requested to be relieved from the conclusion of this Annual General Meeting.

The Board of Directors at their Meeting held on 27th June, 2017 have proposed M/s. K Narayanan & Associates, Chartered Accountants, Mumbai for appointment as the Statutory Auditors of the Company for a term of 5 (five) Years pursuant to Section 139 of the Companies Act, 2013, subject to ratification by Members at every AGM.

Accordingly, appointment M/s. K Narayanan & Associates, Chartered Accountants, Mumbai is being proposed in the Resolution set out at item No. 2 of the Notice.

15. AUDITORS' REPORT:

The Statutory Auditors' Report does not contain any qualification, reservation or adverse remark.

16. DIRECTORS' RESPONSIBILITY STATEMENTS

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that:

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures

2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the Loss of the Company for that year;

3. they have taken proper and sufficient care for the 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;

4. they have prepared the Annual Accounts on a 'going concern' basis.

5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;

6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. EXTRACTS OF ANNUAL RETURN

As provided under Section 92(3) of the Companies Act, 2013 the Extract of the Annual Return is given in Annexure-I in prescribed Format MGT-9, which forms part of this Report.

18. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE FINANCIAL YEAR END OF THE COMPANY TO WHICH FINANCIAL RESULTS RELATE

Mr. Amol Mirchandani has acquired 85% Shares of the Company on 4th April, 2017 and as a result the Company ceased to be a Subsidiary of Aries Agro Limited from 4th April, 2017. The Company will not be an associate company of Aries Agro Limited.

No other material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

19. ACKNOWLEDGEMENT :

Your Directors would like to express their grateful appreciation for the co-operation and assistance received from from the Holding Company i.e. M/S Aries Agro Limited and other related agencies..

By Order of the Board
For **Aries Agro Produce Pvt. Ltd.,**

Amol Mirchandani
Additional Director
DIN: 06747762
Place : Mumbai
Date : 27th June, 2017

Karishma Mirchandani
Additional Director
DIN: 07760905

Annexure-I

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2017

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

I. REGISTRATION AND OTHER DETAILS

CIN	U01403MH2008PTC183789
Registration Date	20th June, 2008
Name of the Company	ARIES AGRO PRODUCE PRIVATE LIMITED
Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES /INDIAN NON-GOVERNMENT COMPANY
Address of the Registered Office and contact details	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043 Phone No. 022 2556 4052/53 Fax No. 022 2556 4054/2557 1711
Whether listed Company	NO
Name, address and contact details of Registrar and Transfer Agent, if any	**Not Applicable**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Farming	0710	0.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%tage of Shares held	Applicable Section
1.	Aries Agro Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	L99999MH1969PLC014465	Holding	75	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.PROMOTERS									
(1) Indian									
a) Individual/HUF	0	2500	2500	25	0	2500	2500	25	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	7500	7500	75	0	7500	7500	75	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other….	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	**0**	**10000**	**10000**	**100**	**0**	**10000**	**10000**	**100**	0
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other….	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**0**	**10000**	**10000**	**100**	**0**	**10000**	**10000**	**100**	0
B. PUBLIC SHAREHOLDING									-
1. Institutions									-
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ` 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual Shareholders holding nominal share capital in excess of `1 lakh	0	0	0	0	0	0	0	0	0
c) Others Directors and Relatives	0	0	0	0	0	0	0	0	0
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0	0	0	0	0	0
ii) Other Foreign Nationals	0	0	0	0	0	0	0	0	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI / OCBs	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
v) Clearing Members / Clearing House	0	0	0	0	0	0	0	0	0
vi) Trusts	0	0	0	0	0	0	0	0	0
vii) Limited Liability Partnership	0	0	0	0	0	0	0	0	0
viii) Foreign Portfolio Investor (Corporate)	0	0	0	0	0	0	0	0	0
ix) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**0**	**10000**	**10000**	**100.00**	**0**	**10000**	**10000**	**100.00**	-

(ii) **Shareholding of Promoters**

Shareholder's Name	No. of Shares held at the beginning of the year 01.04.2016			No. of Shares held at the end of the year 31.03.2017			% Change 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	
Aries Agro Limited	7500	75	0	7500	75	0	0
Dr. Jimmy Mirchandani	1200	12	0	1200	12	0	0
Dr. Rahul Mirchandani	1200	12	0	1200	12	0	0
Mr. Amol Mirchandani	100	1	0	100	1	0	0
Total	**10000**	**100**	**0**	**10000**	**100**	**0**	**0**

(iii) **Change in Promoters' Shareholding**

There is no change in Promoter's Shareholding between 01.04.2016 to 31.03.2017.

*(*iv) **Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Shareholder's Name *	Shareholding at the beginning of the year 01.04.2016		Shareholding at the end of the year 31.03.2017	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Aries Agro Limited	7500	75	7500	75
2	Dr. Jimmy Mirchandani	1200	12	1200	12
3	Dr. Rahul Mirchandani	1200	12	1200	12
4	Mr. Amol Mirchandani	100	1	100	1
	Total	**10000**	**100**	**10000**	**100**

(v) **Shareholding of Directors and Key Managerial Personnel:**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year		Date of change in shareholding	Reason for change
	Directors	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1.	Dr. Jimmy Mirchandani	1200	12	1200	12	**0**	**N.A.**
2.	Dr. Rahul Mirchandani	1200	12	1200	12	**0**	**N.A.**

V. INDEBTEDNESS

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
1. Principal Amount	NIL	71,514	NIL	71,514
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	71,514	NIL	71,514
Change in Indebtedness during the Financial Year				
1. Addition	NIL	1,25,406	NIL	1,25,406
2. Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	1,25,406	NIL	1,25,406
Indebtedness at the end of the Financial Year				
1. Principal Amount	NIL	1,96,920	NIL	1,96,920
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	1,96,920	NIL	1,96,920

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director / Whole Time Director and/or Manager:

The Company does not have any Managing Director/Executive Director/Whole Time Director and hence question of payment of Remuneration does not arise.

B. Remuneration to other Directors:

No Remuneration has been paid to Non-Executive Directors.

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

The Company does not have any Key Managerial Personnel other than Managing Director/ Executive Director/Whole Time Director hence no Remuneration has been paid.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act) :

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2017.

For and on behalf of the Board,

Amol Mirchandani
Additional Director
DIN: 06747762

Karishma Mirchandani
Additional Director
DIN: 07760905

Place: Mumbai
Date: 27th June, 2017

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

ARIES AGRO PRODUCE PRIVATE LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **ARIES AGRO PRODUCE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), and the Statement of cash flows and statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgement, 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 aforesaid 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 including the Ind AS:

(a) in the case of the Balance Sheet, of financial position of the Company as at 31st March, 2017;

(b) in the case of the Statement of Profit and Loss, of the financial performance including other comprehensive income of the Company for the year ended on that date;

(c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date; and

(d) in the case of the statement of changes in equity, of 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 A, 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 purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us];

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

(d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement, and the statement of changes in equity comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rule issued there under;

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

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

(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 as referred to in the notes to accounts of these standalone Ind AS financial statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

iv. The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company as referred to in the notes to accounts of these standalone Ind AS financial statements.

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Place : Mumbai
Proprietor
Membership No. 032371

Date :25th May, 2017

ANNEXURE - A TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March, 2017, we report that:

i. The Company does not have any Fixed Assets hence clause (i) of the said order is not applicable to the company.

ii. There were no inventories during the year and hence clause (ii) of the said order is not applicable to the company.

iii. According to the information and explanation given to us, the Company has not granted any loan, secured and unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, clause (iii) of the said order is not applicable to the company.

iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees, and securities.

v. According to the information and explanations provided by the company, The Company has not accepted deposits from the public.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any services rendered by the company.

vii. (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing statutory dues including Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues except occasional/ minor delays. As per the information given by the management and apparent from the records; The undisputed liabilities as on 31st March, 2017 is for a period exceeding six months from the date of it becoming payable is NIL.

(b) There is no disputed liability in respect of tax dues on account of Income Tax, Sales Tax, Service Tax, Customs Duty, Cess, etc.

viii. The company has not defaulted in repayment of loans or borrowing to a financial institution, banks, or Government. The Company has not obtained any borrowings by way of issue of debentures.

ix. According to the information and explanation provided to us, the company did not raise any money by way of initial public offering or further public offer (including debt instruments). The company has not taken any term loans during the year under audit.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has not paid/provided for managerial remuneration and hence clause (xi) of the said order is not applicable to the company.

xii. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, clause (xii) of the said Order is not applicable to the company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the said Order is not applicable to the company.

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

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Place : Mumbai
Proprietor
Membership No. 032371

Date :25th May, 2017

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Aries Agro Produce Private Limited** ("the Company") as of 31st March, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Place : Mumbai
Proprietor
Membership No. 032371

Date : 25th May, 2017

Balance Sheet as on 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Particulars	Note Nos.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I. ASSETS				
(1) **Current Assets**				
(a) Financial Assets				
(i) Cash & Cash Equivalents		**-**	-	-
TOTAL		**-**	**-**	**-**
II. EQUITY AND LIABILITIES				
(1) **Equity**				
(a) Equity Share Capital	3	**100,000**	**100,000**	**100,000**
(b) Other Equity	4	**(327,178)**	(299,878)	(272,778)
		(227,178)	(199,878)	(172,778)
(2) **Current Liabilities**				
(a) Financial Liabilities				
(i) Current Borrowings	5	**196,920**	**71,514**	**69,514**
(ii) Trade Payables	6	**30,258**	**128,364**	**103,264**
		227,178	199,878	172,778
TOTAL		**-**	**-**	**-**
Summary of Significant Accounting Policies	2.1			

The Notes referred to above form an integral part of these Financial Statements

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date:- 25th May, 2017

For and on behalf of the **Board of Directors** of
Aries Agro Produce Private Limited

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

Statement of Profit and Loss for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Particulars	Note Nos.	Year Ended 31st March, 2017	Year Ended 31st March, 2016
I. Expenses :			
(i) Other Expenses	7	27,300	27,100
Total Expenses		27,300	27,100
II. Profit Before Tax (PBT)		(27,300)	(27,100)
III. Tax Expense			
(a) Current Tax		-	-
(b) Adjustment of Tax relating to earlier periods		-	-
(c) Deferred Tax		-	-
Income Tax Expense		-	-
IV. Profit after Tax (PAT) - (II-III)		(27,300)	(27,100)
Less :- Short Provision for Tax in Earlier Years		-	-
V. Profit / (Loss) for the period		(27,300)	(27,100)
VI. Other Comprehensive Income			
A) Items that will not be reclassified to Profit or Loss			
(i) Changes in Revaluation Surplus		-	-
(ii) Remeasurements of Defined Benefit Plans		-	-
(iii) Equity Instruments through OCI			-
		-	-
(iv) Less :- Income Tax relating to Items that will not be reclassified to Profit or Loss			
		-	-
B) Items that will be reclassified to Profit or Loss			
(i) Exchange Differences in translating the Financial Statements of Foreign Operation			
(ii) Debt Instruments through OCI			
(iii) The effective portion of gains and loss on hedging instruments in a cash flow hedge			
		-	-
(ii) Less :- Income Tax relating to Items that will be reclassified to Profit or Loss			
		-	-
		-	-
VII. Total Comprehensive Income for the period (V + VI)		(27,300)	(27,100)
VIII. Earnings per Equity Share	8		
(1) Basic & Diluted		**(2.73)**	**(2.71)**
Summary of Significant Accounting Policies	2.1		

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date:- 25th May, 2017

For and on behalf of the **Board of Directors** of
Aries Agro Produce Private Limited

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

Statement of Cash Flows for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

Sr. No.	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax as per Statement of Profit and Loss	**(27,300)**	(27,100)
	Operating Profit before Working Capital Changes	**(27,300)**	(27,100)
	Adjusted for :		
	Increase / (Decrease) in Trade Payables	**(98,106)**	25,100
	Increase / (Decrease) in Provisions & Other Current Liabilities	**125,406**	2,000
	Cash Generated from Operations,	**27,300**	**27,100**
	Net Cash Flow from Operating Activities (A)	**-**	**-**
B)	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Net Cash Flow from / (used in) Investing Activities (B)	**-**	-
C)	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Short Term Borrowings (Net)	**-**	-
	Net Cash (used in) / from financing activities (C)	**-**	-
	Net Increase in Cash and Cash Equivalents	**-**	-
	Opening Balance of Cash and Cash Equivalents	**-**	-
	Closing Balance of Cash and Cash Equivalents	**-**	-

Note: The above statement has been prepared under the indirect method set out in Ind AS-7 "Statement of Cash Flow"

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date:- 25th May, 2017

For and on behalf of the **Board of Directors** of
Aries Agro Produce Private Limited

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

NOTES to the Financial Statements for the year ended 31st March 2017

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

1. Company Overview

Aries Agro Produce Private Limited was incorporated in June, 2008 as a Subsidiary of Aries Agro Limited for carrying business in all kinds of farming.

2. Basis of Preparation of Financial Statements

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) (amendment) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS for the year ended 31st March, 2018. However the company has voluntarily adopted Ind AS as from the year 1st April, 2016 with 1st April, 2015 being the date of transition. The comparative figures in the Balance Sheet as at 31st March, 2017 and 1st April 2015 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended 31st March, 2017 has to be restated accordingly.

The Company has adopted all the Ind AS standards and the adoption was carried out in-accordance with IndAS 101 First time adoption of Indian Accounting Standards.

a. Statement of Compliance

The Comparative Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31st March 2017 have been prepared in accordance with the Ind AS as notified above.

For all periods up to and including the year ended 31st March, 2015, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

b. Basis of Measurement - Historic Cost Convention

These Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Assets held for sale – measured at fair value less cost to sale;
- Defined benefit plans – plan assets measured at fair value

All assets and liabilities has been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

c. Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company.

The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

d. Use of Estimates:

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

Estimates and assumptions are required in particular for:

(i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

(ii) Recognition and measurement of defined benefit obligations:

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

(iii) Recognition of deferred tax assets:

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

(iv) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

(v) Discounting of long-term financial liabilities

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

NOTES to the Financial Statements for the year ended 31st March 2017

(vi) Determining whether an arrangement contains a lease:

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements based on their relative fair values. If the Company concludes for a finance lease that, it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

e. Standards Issued but not yet effective

Ind - AS 115 "Revenue from Contract with Customers :The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February, 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

f. Current Versus Non Current Classification:

(i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalents 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.

(ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated 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 realization in cash and cash equivalents.

2.1 Significant Accounting Policies

A. Plant, Property & Equipment:

All the property, plant and equipments have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are changed to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

B. Depreciation & Amortization:

a. Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight line basis over their remaining useful life of such assets.

b. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

NOTES to the Financial Statements for the year ended 31st March 2017

C. Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized on straight line basis over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

D. Borrowing Costs :

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

E. Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

F. Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a. Raw materials and packing materials :

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

b. Work-in-progress and finished goods :

Lower of cost and net realizable value. Cost includes direct materials and labour and aproportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

c. Traded goods :

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d. Waste and scrap are not separately valued being insignificant in value.

e. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

G. Foreign Currency Transactions and Balances:

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to profit and loss account.

NOTES to the Financial Statements for the year ended 31st March, 2017

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

H. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

a. Sale of products:

As stated in Ind AS 18, Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. The Company collects sales tax and value added tax (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

b. Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

c. Dividend income:

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

I. Expenditure on new projects and substantial expansion:

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental there to. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is deducted from the total of the indirect expenditure. All direct capital expenditure on expansion is capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

J. Employee benefits:

a. Short Term Employee Benefits:

Accumulated leave, which is expected to be utilised within the next 12 months, 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.

Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Post-Employment Benefits:

(i) Defined Contribution Plans:

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

(ii) Defined Benefit Plans:

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

c. Other Long Term Employee Benefits:

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long –term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

K. Taxes :

a. Current Income Tax:

(i) Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It

NOTES to the Financial Statements for the year ended 31st March, 2017

is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit & loss. 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.

b. Deferred taxes:

(i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

(ii) 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 liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

c. Sales/ value added taxes

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

d. Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on “Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961”, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

L. Segment reporting

Identification of segments

The Company’s operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

M. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

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

N. Impairment of Non Financial Assets

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit’s fair value less cost to sell and the value in use.

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 risk specific to the asset.

In determining fair value less cost disposal, recent market transaction are taken in to account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

NOTES to the Financial Statements for the year ended 31st March, 2017

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

O. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

i. the Company has a present obligation as a result of past event,

ii. a probable outflow of resources is expected to settle the obligation; and

iii. the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profi t and loss net of any reimbursement.

b. Contingent liabilities are disclosed in case of:

i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,

ii. a present obligation arising from past events, when no reliable estimate is possible,

iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.

c. Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

P. Non-current assets held for sale :

Non Current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programmer to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

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.

a. Financial Assets:

(i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

(ii) Initial recognition and measurement

All financial assets is recognized 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.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

(iii) Subsequent Recognition

a. Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

NOTES to the Financial Statements for the year ended 31st March, 2017

The Company while applying the above criteria has classified the following at Amortized Cost:

a) Investment in Debt Instruments

b. Financial Assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

c. Financial Assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

d. Investment in Subsidiary and Associates

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

e. Investment in Debt Instruments

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified 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.

(vi) De-recognition of Financial Assets:

A financial asset is primarily derecognized 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.

b. Financial Liabilities:

(i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, 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, security deposits and other deposits.

(ii) Subsequent measurement:

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 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 is 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.

(iii) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through 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. This category generally applies to borrowings

(iv) Derecognition of Financial Liabilities:

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 and Loss.

R. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

S. Investments:

Investments that are readily realizable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(Amounts in Rupees unless stated otherwise)

3	SHARE CAPITAL	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
	Authorised Share Capital			
	5,00,000 Equity Shares of Rs. 10/- each	**5,000,000**	5,000,000	5,000,000
	Total	**5,000,000**	5,000,000	5,000,000
	Issued, Subscribed and Fully Paidup			
	10,000 Equity Shares of Rs.10/- each.	**100,000**	100,000	100,000
	Total	**100,000**	100,000	100,000

3.1 Reconcoliation of Equity Shares outstanding at the beginning and at the end of the year :

Particulars	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Equity Shares at the beginning of the year	**10,000**	10,000	10,000
Add : - Issued during the year	**-**	-	-
Less :- Shares cancelled during the year	**-**	-	-
Equity Shares at the end of the year	**10,000**	10,000	10,000

3.2 List of Shareholder's holding more than 5 percent of Shares in the Company

Name of the Share Holder	**No of Shares**	**As at 31st March, 2017**	No of Shares	As at 31st March, 2016	No of Shares	As at 1st April, 2015
		% Held		% Held		% Held
(i) Dr. Jimmy Mirchandani	**1,200**	**12.00%**	1,200	12.00%	1,200	12.00%
(ii) Dr. Rahul Mirchandai	**1,200**	**12.00%**	1,200	12.00%	1,200	12.00%
(iii) Aries Agro Ltd	**7,500**	**75.00%**	7,500	75.00%	7,500	75.00%

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

4	OTHER EQUITY	Reserve & Surplus			Total
		Securities Premium Reserve	General Reserve	Reatined Earnings	
	Balance as at 1 April, 2015	-	-	(272,778)	(272,778)
	Add: Dividend and Dividend Distribution Tax paid after reporting period (Ind AS 10)	-	-	-	-
	Less: Impairment Loss on Non-Current Assets	-	-	-	-
	Restated Balance at the beginning of the reporting period	-	-	(272,778)	(272,778)
	Add : Profit / (Loss) for the year	-	-	(27,100)	(27,100)
	Transfer from Retained Earnings	-	-	-	-
	Other Comprehensive Income	-	-	-	-
	Total Comprehensive Income for the year	-	-	(27,100)	(27,100)
	Less : Dividends	-	-	-	-
	Dividend Distribution Tax	-	-	-	-
	Transfer to General Reserve	-	-	-	-
	Balance as at 1 April, 2016	-	-	(299,878)	(299,878)
	Less : Dividend and Dividend Distribution Tax paid for F Y 2015-16	-	-	-	-
	Add: Dividend and Dividend Distribution Tax paid after reporting period (Ind AS 10)	-	-	-	-
	Restated Balance at the beginning of the reporting period	-	-	(299,878)	(299,878)
	Add : Profit / (Loss) for the year	-	-	(27,300)	(27,300)
	Transfer from Retained Earnings	-	-	-	-
	Other Comprehensive Income	-	-	-	-
	Total Comprehensive Income for the year	-	-	(27,300)	(27,300)
	Less : Dividends	-	-	-	-
	Dividend Distribution Tax	-	-	-	-
	Transfer to General Reserve	-	-	-	-
	Balance as at 31 March, 2017	-	-	(327,178)	(327,178)

5	CURRENT BORROWINGS	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
	Un-Secured Borrowings			
	Loan from Holding Company	**190,866**	65,460	65,460
	From Related Parties	**6,054**	6,054	4,054
	Total	**196,920**	71,514	69,514

6	TRADE PAYABLES	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
	Due to Others	**30,258**	128,364	103,264
	Total	**30,258**	128,364	103,264

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

6.1 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

7	OTHER EXPENSES	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Other Administration Expenses		
	Audit Fees	**17,325**	17,175
	Legal & Professional Fees	**7,975**	7,925
	Rent, Rates & Taxes	**2,000**	2,000
	Total	**27,300**	27,100

7.1 Payment to Auditors as :

Sr. No.	Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
(a)	Statutory Audit Fees	**17,325**	17,175
(b)	Tax Audit Fees	**5,750**	5,725
	Total	**23,075**	22,900

8	EARNINGS PER SHARE (EPS)		Year Ended 31st March, 2017	Year Ended 31st March, 2016
	(i)	Net Profit After Tax (PAT) as per Statement of Profit and Loss attributable to Equity Shareholders	**(27,300)**	(27,100)
	(ii)	Weighted Average number of Equity Shares used as denominator for calculating EPS	**10,000**	10,000
	(iii)	Basic & Diluted Earnings per Share (Rs.)	**(2.73)**	(2.71)
	(iv)	Face Value per Equity Share (Rs.)	**10**	10

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

9 RELATED PARTY DISCLOSURES

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

Part - A						
Details of Related Parties						
Sr. No.	**Nature of Relationship**	**Name of the Related Party**		**Remarks**		
1	Holding Company	a)	Aries Agro Limited	a)	Date of becoming Subsidiary of Aries Agro Limited is 20th June, 2008 (Incorporation Date)	
2	Key Management Personnel	a)	Dr. Jimmy Mirchandani	a)	Director	
		b)	Dr. Rahul Mirchandani	b)	Director	
3	Relatives of Key Management Personnel	**Name of the Key Management Personnel**		**Name of the Relative**		**Relationship**
		a)	Dr. Jimmy Mirchandani	a)	Mrs. Vivian Prokop Mirchandani	Spouse
				b)	Mr. Akshay Mirchandani	Son
				c)	Mr. Amol Mirchandani	Son
				d)	Dr. Rahul Mirchandani	Brother
		b)	Dr. Rahul Mirchandani	a)	Mrs. Nitya Mirchandani	Spouse
				b)	Mastar Armaan Mirchandani	Son
				c)	Dr. Jimmy Mirchandani	Brother
4	Fellow Subsidiaries	a)	Aries Agro Care Pvt Ltd	a)	A wholly owned Subsidiary of Aries Agro Limited	
		b)	Aries Agro Equipments Pvt Ltd	b)	A wholly owned Subsidiary of Aries Agro Limited	
		c)	Golden Harvest Middle East FZC	c)	A Subsidiary of Aries Agro Limited	
		d)	Amarak Chemicals FZC	d)	A Step Down Subsidiary of Aries Agro Limited	
5	Enterprises over which the Key Management Personnel have significant influence or control	a)	Aries East West Nutrients Pvt Ltd			
		b)	Aries Marketing Ltd			
		c)	Blossoms International Ltd			
		d)	Sreeni Agro Chemicals Ltd			

Part - B				
Details of Transactions with Related Parties				
Sr. No.	**Category**	**Nature of Service**	**Year Ended 31 March 2017**	Year Ended 31 March 2016
1	Holding Company	Loan taken	**125,406**	-
2	Key Management Personnel	Loan taken	**-**	1,534

Part - C				
Balance Outstanding with Related Parties				
Category	**Nature of Outstanding**	**Name of the Party**	**As at 31 March 2017**	As at 31 March 2016
Holding Company	Unsecured Loans	Aries Agro Limited	**190,866**	65,460
Key Management Personnel	Unsecured Loans	Dr. Jimmy Mirchandani	**6,054**	6,054

10. Current Assets, Loan & Advances and Provisions

a) The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.

b) The provision for all known liabilities is not in excess of the amounts considered reasonably necessary.

c) The balances of Sundry Creditors and Loans and Advances are subject to confirmation.

11. Events Occurring After Balance Sheet Date

NOTES to the Financial Statements for the year ended 31st March, 2017

(Amounts in Rupees unless stated otherwise)

The company is a subsidiary company of Aries Agro Limited. The said Company has pledged its full support for the activities of the company. However, the said Company has transferred its majority holding on 3-4-2017. Hence with effect from that date the company has ceased to be the subsidiary of Aries Agro Limited. In view thereof the financial viability of the Company will depend on support from the new promoter.

12. Contingent liability is generally not provided in the accounts but is disclosed by way of notes to accounts.

13. Foreign Exchange Earnings & Outflow:

During the year there were no Foreign Exchange earnings, expenditure or outflow.

14. Micro And Small Scale Business Entities

There are no micro and small Enterprises to whom company owes dues, which are outstanding for more than 45 days as at 31st March, 2017. This Information as required to be disclosed under the micro, small and medium enterprises development Act , 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

14. In absence of virtual certainty that sufficient future taxable income will be available for Setoff of losses incurred by the company, the company has not taken credit for Deferred tax assets.

15. Previous year's figures have been regrouped wherever necessary so as to make them comparable with the current year.

The Notes referred to above form integral part of these Standalone Financial Statements.

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date:- 25th May, 2017

For and on behalf of the **Board of Directors** of
Aries Agro Produce Private Limited

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

aries agro limited

NOTES

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47th ANNUAL GENERAL MEETING

Registered Office: Aries House, Plot No. 24, Deonar, Govandi, (East), Mumbai-400 043.

ATTENDANCE SLIP

Please complete this attendance slip and hand over at the entrance of the Meeting Hall

L.F. No(s) / DP ID & Client ID____________________

NAME OF THE SHAREHOLDER____________________

PROXY____________________

No. of Shares held : ____________________

I / We hereby record our presence at the **Forty Seventh Annual General Meeting** held on **Thursday, the 28th September, 2017** at The Chembur Gymkhana, 16th Road, Chembur, Mumbai – 400 071

SIGNATURE OF THE SHAREHOLDER / PROXY*____________________

*Strike out whichever is not applicable

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47th ANNUAL GENERAL MEETING

Registered Office: Aries House, Plot No. 24, Deonar, Govandi, (East), Mumbai-400 043.

PROXY FORM

I / We ____________________

of ____________________ being the Member / Members of ARIES AGRO LIMITED, MUMBAI, hereby appoint

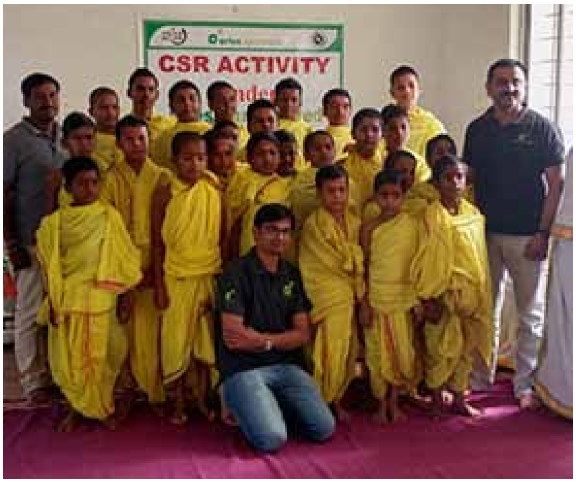
Mr.____________________

of ____________________ or failing him Mr.____________________

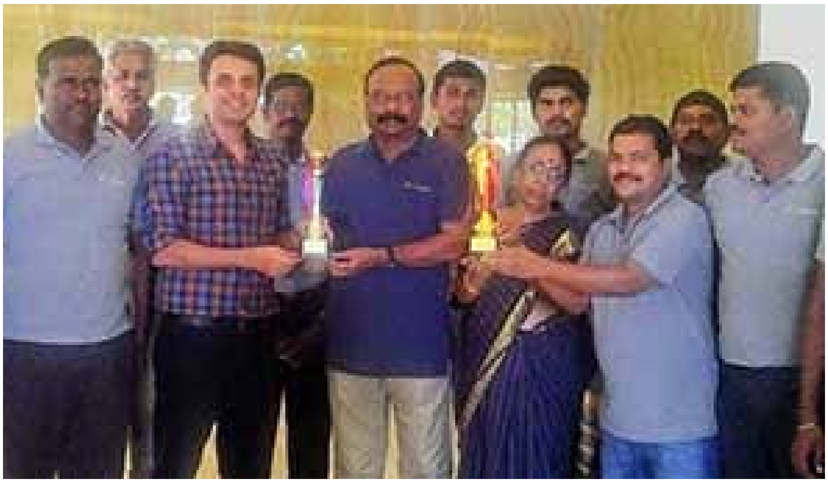
of ____________________ as my / our proxy to vote for me / us on my / our behalf, at the **Forty Seventh Annual General Meeting** of the Company to be held on **Thursday, the 28th September, 2017** and at any adjournment thereof.

Affix
Re.1/-
Revenue
Stamp

Signed this ____________________day of ____________________, 2017



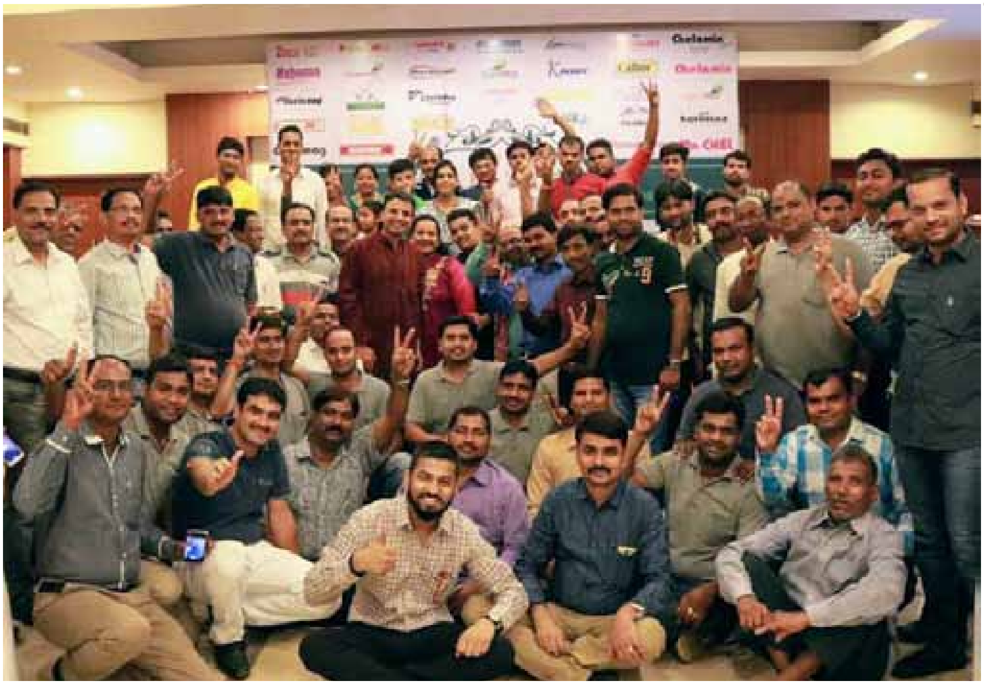
Distribution of Food grains for the students of Gurukul Vidyapeeth at Vyakti Vikas Kendra, India - Dahegaon



Felicitation of Sales Staff for their Half Yearly Achievement on 22nd Nov 2016

aries Customer Convention

Puri Dealers Meet with Chattisgarh Bihar Jharkhand & East MP dealers



Gujarat, Madhya Pradesh & Rajasthan team alongwith Dealers at Amritsar Dealers Meet

aries Family Grows

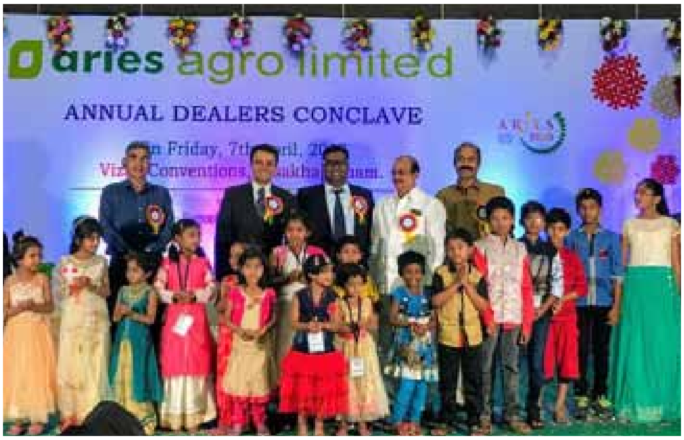
Aries team visited Rashtrapati Bhavan as part of the Half Yearly Conference

New Pune Depot Inauguration Ceremony in the presence of Dr. Rahul Mirchandani & Maharashtra Team on 16th Nov 2016

Planning Meeting with Gujarat, Rajasthan, Haryana & Madhya Pradesh team at Lucknow

Planning Meeting with West Bengal & North Eastern Region at Kolkata

Planning Meeting with Jammu & Kashmir, Himachal Pradesh, Uttar Pradesh, Punjab & Bihar Teams at Delhi



Aries Flash Sale & Customer Convention for Andhra Pradesh Dealers

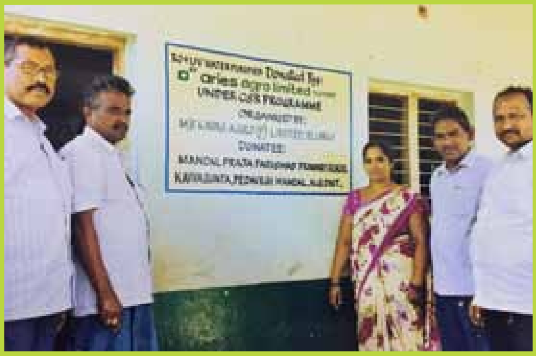

Maharashtra & Nipani team alongwith dealers at Goa Delears Meet


Aries Team Visiting Customers in Hyderabad Region


Aries Team Meets Himachal Pradesh Distributors at Shimla, HP


Customer Convention of Madhya Pradesh Team at Jabalpur, MP

aries
Corporate Social Responsibility



Construction Of Washroom for Women in Andhra Pradesh


Construction Of Washroom for Women in Andhra Pradesh


Distribution Of Braille Slates, Ironsafe, Trunkboxes, Toiletries & Ricebags By Aries Team, Telangana

Distribution Of Hearing Aid & Ceiling Fan By Aries Team At Kurnool, Andhra Pradesh

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