



Sharda Cropchem Limited

**HELPING
FARMERS
PROSPER
AROUND THE WORLD**

ANNUAL REPORT 2015-16

Contents

Poised for Growth	01
At a Glance	02
Our Business Model.....	03
Corporate Information.....	04
Our Financial Scorecard.....	05
Message by the Chairman and Managing Director	06
Our Key Enablers for Growth	
Gaining Market Strength through an Asset Light Business Model	08
Our Diversified Presence improves Sales Volume in Key Markets, Enables Supply Chain Efficiency	10
Increase in Registrations is seen Driving Future Business Growth	12
Favourable Product Mix Catering to Diversified Markets	14
Debt-free Balance Sheet commands Better Valuations.....	16
Management Discussion and Analysis.....	19
Notice	27
Directors' Report	32
Corporate Governance Report	66
Financial Statements	
Standalone Financials	78
Consolidated Financials	111

Poised for Growth

We are a fast-growing global agrochemicals company with a peer position in the generic crop protection chemicals industry. Our vast and growing library of dossiers and Intellectual Property Rights (IPRs) give us solid foundations for growth in the marketplace, especially in Advanced Markets such as Europe, North America and Latin America. They give us the ability to operate in a diversified range of formulations and generic active ingredients globally.

We have the ability to pick out interesting and hard-to-enter molecules and make a generic entry. Once carefully identified, we have the ability to invest and go through the arduous journey towards obtaining registrations in advanced, regulated markets with critical entry barriers. Being amongst the few, in these "hard to compete" areas, places us in an advantageous position to earn better margins. Once filed and launched in the key target market, we then focus on widening our geographic access for each of our molecules. Our presence in multiple geographies has helped us diversify our revenue sources and possess critical regional knowledge to compete and cater to the local demand. A key strength of our Company has been our rich and deep network of distributors and an experienced direct sales-force across multiple markets.

During FY2016, we grew our business handsomely; increased our profitability astutely; expanded our Intellectual Property (IP) portfolio as planned and advanced key strategic initiatives and priorities. We were able to grow our business and leverage our leading market position. This growth was on the back of our unique asset-light business model; core competency in seeking registrations; a diversified product portfolio and a solid global distribution network. Making deeper inroads into the highly developed and high-entry barrier markets of Europe and US - our main focus geographies, enabled us improve our competitiveness and create value for shareholders.

LED BY OUR LONG-TERM VISION, VALUES AND AN INSPIRED TEAM, WE CONTINUE TO FOLLOW OUR ONE-OF-A-KIND MODEL AND FURTHER SOLIDIFY OUR FOUNDATIONS FOR THE FUTURE.

At a Glance

We are engaged in the marketing and distribution of a wide range of formulations and generic active ingredients globally. We are an Intellectual Property (IP) driven company, with core competencies in identifying opportunities in generic molecules and corresponding formulations and generic active ingredients, preparing dossiers and seeking registrations in the relevant jurisdictions.

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

We continue to apply for licences in new geographies. Our volumes of sales in the European Union have increased.

1,765

Total Registrations

818

Registrations in Pipeline

356

Jump in Registrations in FY2016

14.9%

Revenue Increase in FY2016

60.4%

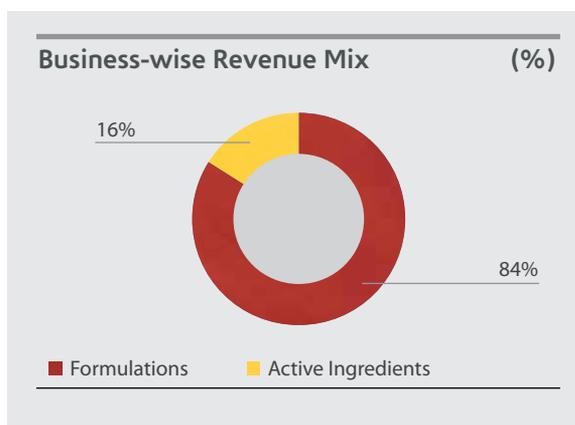
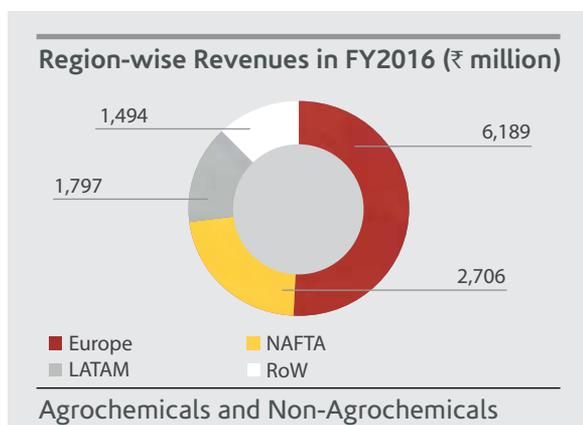
Revenue Contribution from Top 10 Molecules in FY2016

18.9%

YoY Growth in Agro Chemicals Business in FY2016

24.0%

YoY Growth in Volume in FY2016



Our Business Model



We focus on identifying worthwhile generic molecules to prepare dossiers for and seek their registrations across multiple markets. We carry out marketing through third party distributors and directly through our own sales team.

We outsource all our manufacturing of Active Ingredients and Formulations, allowing us to enjoy a highly flexible operating model resulting in overall cost competitiveness. Through this approach, we are able to focus more on deepening our product portfolio and widening our geographic access.

As a result, we are well protected from the cyclical fluctuations of a single product market or crop.

Corporate Information

Board of Directors:

Ramprakash V. Bubna
Chairman & Managing Director

Sharda R. Bubna
Whole-time Director

Ashish R. Bubna
Whole-time Director

Manish R. Bubna
Whole-time Director

M. S. Sundara Rajan
Independent Director

Urvashi Saxena
Independent Director

Shitin Desai
Independent Director

Shobhan Thakore
Independent Director

P. R. Srinivasan
Independent Director

Key Managerial Personnel:

Conrad Fernandes
Chief Financial Officer

Jetkin N. Gudhka
Company Secretary & Compliance Officer

Corporate Identity Number (CIN):

L51909MH2004PLC145007

Registered Office:

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

Auditors:

S R B C & CO LLP
Chartered Accountants

Share Registrars and Transfer Agents:

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

Bankers:

Union Bank of India

Our Financial Scorecard

We have recorded creditable growth during the year under review. We posted a volume growth of 24.0% translating into a revenue growth of 14.9% at ₹ 1,220.61 crores. EBITDA (excluding Other Income) improved by 54.6% year on year to ₹ 266.91 crores, compared to ₹ 172.65 crores. EBITDA margin (excluding forex impact) was 21.9%. Our balance sheet remains debt free with net cash of ₹ 144.85 crores. This gives us an additional advantage to grow inorganically without straining the balance sheet.

Revenues

18.7%

5-Year CAGR

EBITDA

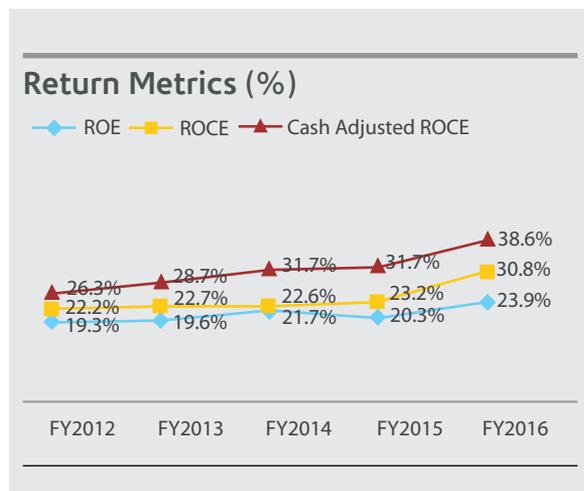
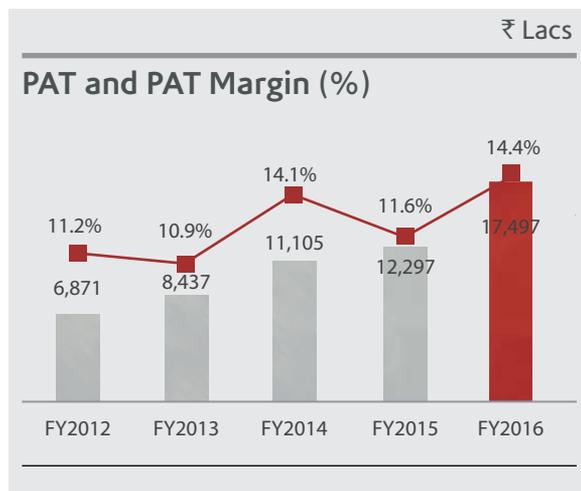
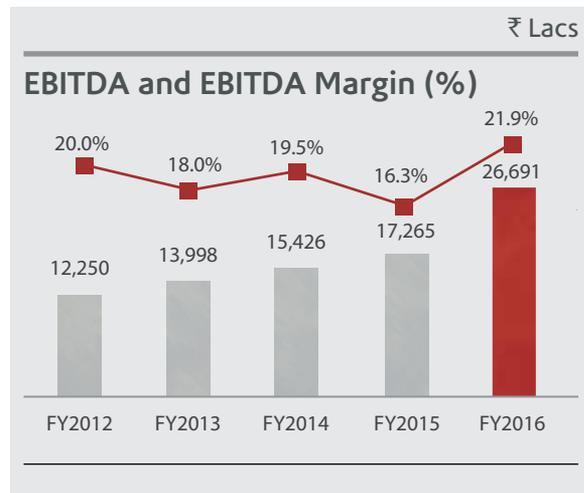
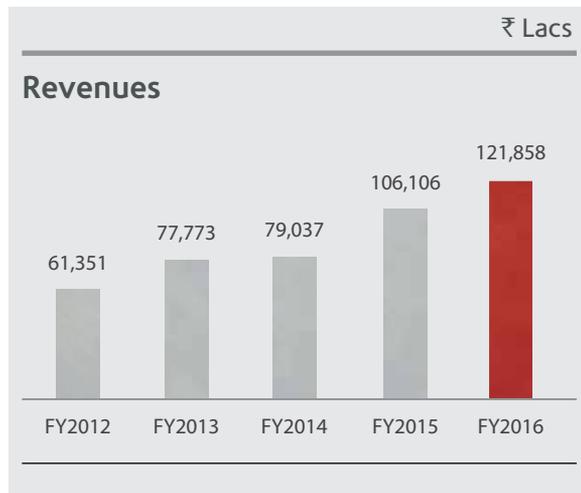
21.3%

5-Year CAGR

PAT

26.3%

5-Year CAGR



Message by the Chairman and Managing Director



R. V. Bubna
Chairman & Managing Director

DEAR SHAREHOLDERS,

FY2016 ended on a great note for Sharda Cropchem as we successfully delivered on our far-reaching strategy of improving sales in key markets and expanding our product offerings. It was a year of rewarding moments and challenges.

Improved sales volume in key markets and a stable exchange rate in a favourable demand environment aided growth during the year under review. There was strong volume growth across regions due to expansion in our product offerings and deeper market penetration. Growth in volumes was largely driven by product registrations added in new geographies over the last few years. A key driver of growth has been our strong organic growth in existing markets across all products.

FY2016 in Perspective

We are a crop protection chemical company engaged in the marketing and distribution of a wide range of formulations and generic active ingredients globally. During the year, we grew our number of registrations by 356, reaching a total of 1,765 registrations as of March 31, 2016. We have another 818 registrations in the pipeline across geographies. Total revenue contribution of the top 10 molecules was 60.4% in FY2016, as compared to 58.7% in FY2015, with the composition of top 10 molecules remaining unchanged. Our deep pipeline is a great positive for the Company. Our core competency in seeking registrations enables us to enter new markets efficiently and overcome critical entry barriers. Further, with our own sales force on the ground, we are able to get first hand insights into local farming needs and competitive scenarios. This positions us well to launch relevant and needed products in a time-bound manner.

WE ARE UNHINDERED IN CHARTING OUT OUR WAY FORWARD TO BUILD A PEER POSITION IN THE SECTOR. WE ARE ONLY LIMITED BY THE BOUNDARIES OF OUR IMAGINATION AND OUR CAUTIOUS BUSINESS SENSE THAT GUIDES US TO MAKE JUDICIOUS CHOICES.

Our Financial Performance

FY2016 saw a volume growth of 24.0% which translated into a revenue growth of 14.9% at ₹ 1,220.61 crores. EBITDA (excluding Other Income) improved by 54.6% year on year to ₹ 266.91 crores, compared to ₹ 172.65 crores. EBITDA margin (excluding forex impact) was 21.9%. Our profit after tax improved by 42.3% to ₹ 174.97 crores. Gross margins improved to 35.2% (up 200 bp yoy) mainly on account of increased efficiencies in procurement. Formulation sales accounted for 84% of the 84% of agrochemicals sales. As at March 31, 2016, the Company has zero debt. Our balance sheet remains debt free with net cash of ₹ 144.85 crores. This gives Sharda Cropchem an additional advantage to grow inorganically without straining the balance sheet.

Delivering Profitable Growth

Our growing Intellectual Property pipeline will continue to deliver solid growth in the future. Our key initiatives, investments and increased penetration over the last few years are now bearing fruit. Over the years, we have invested in preparing dossiers and seeking registrations. We intend to leverage our existing dossiers to develop new formulations. Our success is underpinned by our strong presence in multiple geographies. We will continue to identify generic molecules going off-patent and focus on seeking registrations to increase our portfolio across Europe, NAFTA, Latin America and Rest of the World.

Our investment in product registrations and our proven ability to secure raw materials bodes well for our future growth. Since the benefits of these are now accruing, the performance should look up over the next 2-3 years, barring any external challenges such as exchange rate volatility, adverse weather conditions and / or global economic downturn.

Moving Ahead

We will continue to invest in registrations of agrochemical products globally. As we progress, we would always be looking to further leverage our portfolio and presence, to deliver growth and improve EBITDA. This will entail a number of initiatives to obtain greater operating leverage across our commercial and global operations, which will be central to the delivery of greater shareholder returns in the coming years. We will also pursue opportunities for expanding our portfolio in the future. Further, our asset light model, with a focus on building product registrations, zero investment in manufacturing assets and a debt-free balance sheet will help us command better valuations.

I am confident that this approach will further enable us deliver profitable growth in the future and make us more agile and resilient to the inevitable challenges and volatilities within our markets.

Once again, I would like to express my special thanks and deep appreciation to all our customers, business partners and employees for their whole-hearted contribution and dedication in working towards the Company's goals.

I would also like to express my deep appreciation to our shareholders for all their support without which none of what we have been able to do would have been achieved.

R. V. Bubna
Chairman & Managing Director

RAW MATERIAL OUTSOURCING

RESEARCH OUTSOURCING

CONTRACT MANUFACTURING

THIRD PARTY DISTRIBUTORS

**GAINING MARKET STRENGTH
THROUGH AN ASSET LIGHT
BUSINESS MODEL**

**AN ASSET-LIGHT BUSINESS MODEL,
WITH AN EXTENSIVE LIBRARY OF
DOSSIERS AND REGISTRATIONS,
SPECIALISATION IN GETTING PRODUCTS
REGISTERED IN EUROPE AND SUPERIOR
SOURCING CAPABILITIES GIVE US
AN ESTABLISHED ACCESS TO COST
COMPETITIVE MANUFACTURERS IN
CHINA AND INDIA.**

We have a core competency in developing product dossiers and seeking registrations in different countries. We focus on identifying generic molecules, preparing dossiers, seeking registrations, marketing and distributing formulations. With an established reach and deep network of 634 established third-party distributors, we serve 78 countries across Europe, NAFTA, Latin America and Rest of the World. We also have a team of 120 experienced direct sales force across these multiple markets.

Under our niche model, we majorly source agro-chemical products from suppliers in China and India and market the products to various countries across the world. Typically, for European and North American markets, we procure active ingredients from China and get the formulations done locally from toll manufacturers in Europe and North America. For other markets across the world we procure formulations and active ingredients in their finished form from suppliers in China and India. Our strategy of adopting an outsourced manufacturing base provides us flexibility and nimbleness.

Our vast and diversified registrations base enables us offer a diversified range of formulations in the fungicide, herbicide, insecticide and biocide segments. Our relationship with third-party distributors and availability of our own sales force enables us introduce new formulations into existing markets in a timely manner. Their feedback enables us gauge the demand for existing formulations in the market.

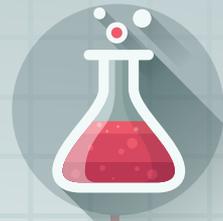
634

**Number of Established
Third Party Distributors**

NAFTA



EUROPE



19.7%

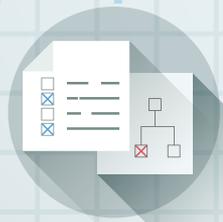
55.4%

11.4%

13.5%



LATIN AMERICA



REST OF THE
WORLD

OUR DIVERSIFIED PRESENCE
IMPROVES SALES VOLUME
IN KEY MARKETS, ENABLES
SUPPLY CHAIN EFFICIENCY

REGION-WISE BREAK-UP
OF OUR AGROCHEMICAL
REVENUES IN FY2016

18.9%YoY growth in Agrochemicals
Business during FY2016

PRESENCE IN MULTIPLE GEOGRAPHIES, DIVERSIFICATION IN TERMS OF GEOGRAPHIES AND A ROBUST PRODUCT PORTFOLIO REDUCES THE RISKS OF ADVERSE MARKET, SEASONAL CONDITIONS OR CONCENTRATION AND DEPENDENCE ON A SINGLE JURISDICTION. CORE COMPETENCY IN PRODUCT REGISTRATIONS ENABLES US PENETRATE KEY GEOGRAPHIES AND GAIN A COMPETITIVE EDGE ON THE SUPPLY CHAIN FRONT.

Our presence spans across Europe, NAFTA, Latin America and Rest of the World through third-party distributors and own sales force. In the agrochemical business, high market contributing regions such as Europe and NAFTA lead to high-volume growth.

We intend to continue engaging experienced consultants in different countries across regions with the aim of supporting the registration processes in the local jurisdiction as well as learning about current market conditions.

Key Verticals

The agrochemical business grew 18.9% at ₹ 10,265 million. Europe, NAFTA, Latin America and Rest of the World contributed 55.4%, 19.7%, 13.5% and 11.4%, respectively, in FY2016 to our total agrochemical revenues. On the other hand, Europe, NAFTA, Latin America and Rest of the World contributed 25.8%, 35.5%, 21.7% and 17%, respectively, to our total non-agrochemical revenues.

Europe – A Key Focus Area

Increase in the number of registrations lead to deeper penetration into the European Union, with a keen focus on Europe. The European Union has been a key revenue contributor as the region witnessed a growth of 30.3% at ₹ 5,692 million. Europe and North America together contributed 75.1% of sales. Our volume of sale in Europe increased 46%. Among the other markets, while NAFTA grew 17.7% at ₹ 2,024 million and RoW witnessed a growth of 10.7% at ₹ 1,168 million, LATAM witnessed a degrowth of 7.3% at ₹ 1,381 million.



NEW REGISTRATIONS ADDED IN FY2016

**INCREASE IN REGISTRATIONS
IS SEEN DRIVING FUTURE
BUSINESS GROWTH**

BASKET OF PRODUCT REGISTRATIONS AND A TONED-UP PIPELINE GIVES US A COMPETITIVE MARKET EDGE IN ENTERING NEW MARKETS. ABILITY IN OBTAINING REGISTRATIONS IN HIGHLY REGULATED MARKETS PLACES US IN AN ADVANTAGEOUS POSITION IN OVERCOMING ENTRY BARRIERS AND FACILITATES IN DISTRIBUTION OF A WIDE RANGE OF FORMULATIONS.

We have 1,765 certified dossiers at March 31st, 2016 across Europe, NAFTA, Latin America and Rest of the World. Of these, 1,545 registrations relate to formulations and 220 registrations are for generic active ingredients.

During the year, we added 356 new registrations. Of these, 64% was from the high-margin European region. We added 227 in Europe, 95 in NAFTA, 18 in LATAM and 16 in RoW. We have 818 applications for seeking registrations globally which are pending at different stages of approval.

Our library of dossiers gives us a competitive edge and facilitates us in seeking registrations in different countries in a time efficient manner. This also fosters our ability to operate in and distribute a diversified range of formulations and generic active ingredients globally, including highly regulated markets, which would not be permitted without such registrations.

Navigating through highly-regulated markets

Amongst the highly regulated markets, being Europe, United States in NAFTA, Brazil and Japan, we have been able to successfully obtain registrations in Europe and United States. Our ability in obtaining

registrations in highly regulated markets with high entry barriers places us in an advantageous position. Our competencies in seeking registrations also enable us in entering new markets efficiently and overcoming critical entry barriers to a great extent.

Adhering with regulatory requirements

Over the years, we focused and navigated through regulatory requirements in these jurisdictions. This has equipped us in anticipating potential issues and preparing ourselves for complying with regulatory requirements in an efficient manner. We are also supported by an experienced pool of consultants. Their domain knowledge in relation to the application process followed in the respective countries facilitates us in seeking registrations.

Increasing our portfolio

We will continue to identify generic molecules going off-patent and focus on seeking registrations to increase our portfolio of formulations and generic active ingredients across Europe, NAFTA, Latin America and Rest of the World. Towards this end, we have, and intend to, continue to engage experienced consultants in different countries across regions to benefit from their knowledge about the registration processes in the local jurisdiction as well as local market conditions.

1,765
Total Registrations

356
New Registrations in FY2016

₹1,426 Million
Capex Incurred on Registrations in FY2016



FAVOURABLE PRODUCT MIX CATERING TO DIVERSIFIED MARKETS

FAVOURABLE PRODUCT MIX WITH DIVERSIFIED PRODUCT PORTFOLIO HELPS US SERVE THE TURF AND SPECIALTY MARKETS.

Our wide bouquet of products to customers gives us an edge in the market. Our product portfolio in the agrochemicals business comprises of formulations and generic active ingredients for protecting different kind of crops. These are spread across fungicide, herbicide and insecticide segments.

Our non-agrochemical portfolio comprises belts, general chemicals, dyes and dye intermediates, which enables us to cater to varied demands. The non-agrochemical product portfolio caters to customers, primarily, distributors, across Australia, Asia, Africa, Europe, North America and Latin America, based on specific orders.

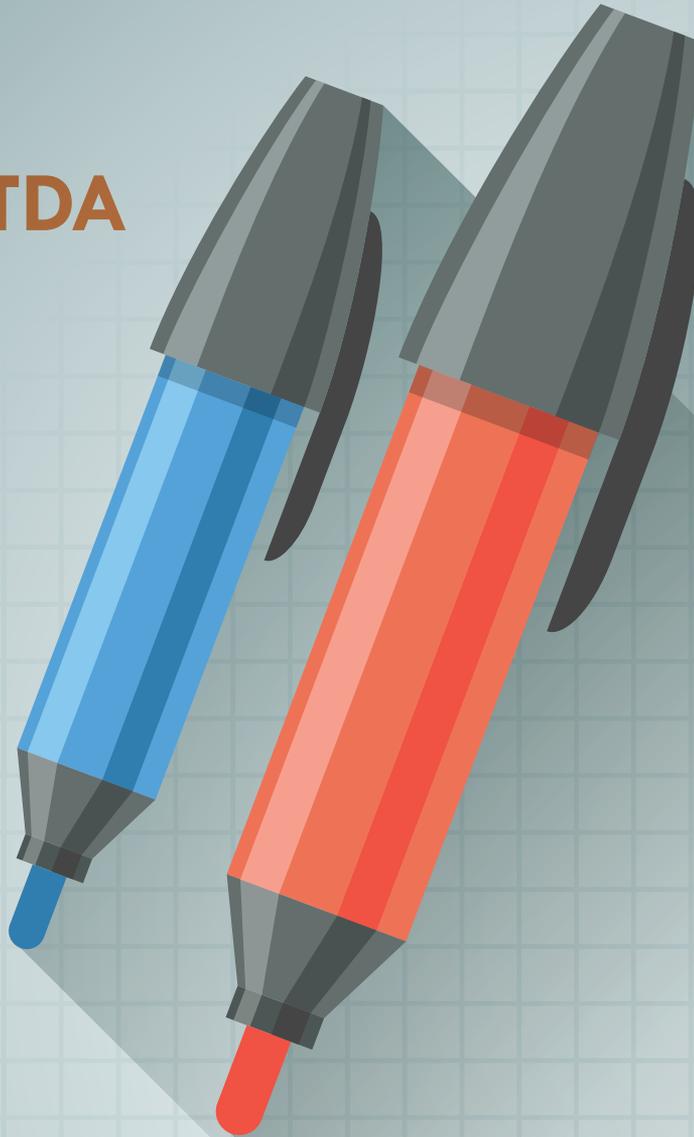
We also serve the biocide segments as disinfectants, which allows us to offer a range of formulations and generic active ingredients.

Fungicides
Herbicides
Insecticides
Our Wide Bouquet of Agrochemical Products



EBITDA

RoCE %



**DEBT-FREE BALANCE SHEET
COMMANDS BETTER
VALUATIONS**

HEALTHY BALANCE SHEET DUE TO AN ASSET LIGHT MODEL AND OUR STRATEGY OF OUTSOURCING MANUFACTURING TO LOW-COST DESTINATIONS ENABLES US BETTER OUR EBITDA MARGINS. IT ALSO GRANTS US THE ADVANTAGE OF CATERING TO VARIED CUSTOMER DEMANDS WITH FLEXIBILITY.

By virtue of following an asset light model, our balance sheet is healthy. We have only short-term debt amounting to ₹ 20 million relating to sporadic working capital needs. Cash & cash equivalents stand at ₹ 1,468.5 million and equity of ₹ 8,108.1 million, thereby implying a debt free balance sheet.

Our revenue contribution from top 10 molecules has gone up from 58.7% in FY2015 to 60.4% in FY2016. We are bettering our EBITDA margins owing to our strategy of outsourcing manufacturing to third-parties in low-cost destinations, such as China. Our gross margin in FY2016 was 35.2%, compared to 33.2% in the previous year.

We command healthy return ratios with RoE and RoCE of 23.9% and 30.8%, respectively. We hold ₹ 3,396.4 million of fixed assets, comprising ₹ 1,283.7 million of intangible assets (registrations) and ₹ 2,098.4 million of intangible assets under development (IAUD) which represent registrations in various stages of approval.

Healthy Return Ratios

23.9%

Return on Equity
in FY2016

30.8%

Return on Capital Employed
in FY2016

WE HAVE BUILT A HIGHLY SCALABLE BUSINESS THAT CAN POTENTIALLY GROW EXPONENTIALLY, GIVEN THE RIGHT CONDITIONS. WE ARE NOT WEIGHED DOWN BY THE SAME SALES-COST GROWTH RELATIONSHIP AS LINEAR MODELS. INSTEAD, AS OUR SALES INCREASE, OUR FIXED COSTS TEND TO STAY FLAT, ALLOWING FOR HIGHER LEVELS OF PROFITS OVER TIME. THIS MAKES OUR BUSINESS MORE EFFICIENT, AND THEREFORE MORE ATTRACTIVE TO INVESTORS TOO.



Ashish Bubna

Whole-time Director

Being Asset Light means lower operating costs and risks. We focus on creating value through business. We are therefore able to focus on core risks and opportunity and manage them well, thereby extracting maximum value in the process.

Manish Bubna

Whole-time Director

Since we have lower levels of asset ownership and mainly only invest in Intellectual Property Rights (IPRs) and brands, we are able to respond faster to changing demand, technology advancements, new market opportunities, and supply chain disruptions.



Management Discussion & Analysis

AMIDST MIXED GLOBAL SENTIMENTS, INDIA STILL MAINTAINED ITS GROWTH AT 7.3% IN 2015-16 AND IS EXPECTED TO GROW AT 7.5% IN 2016.

3.4%

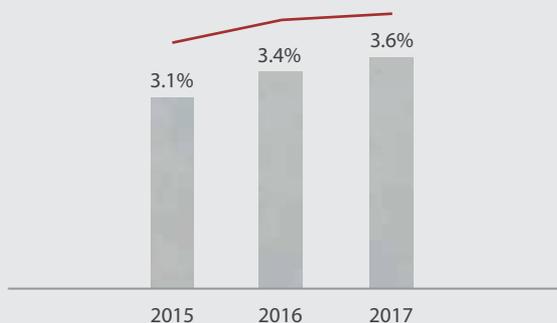
Global GDP Growth in 2016 projected by International Monetary Fund

Economic Overview

Global economic activity remained subdued in 2015, with the International Monetary Fund (IMF) estimating global GDP growth at 3.1%. The IMF projection for 2016 currently stands at 3.4%. 2015 saw a relatively moderate recovery in the advanced economies, while growth in emerging markets and developing economies, which account for over 70% of global growth, declined for the fifth consecutive year. Three key transitions continue to influence the global outlook: (1) Gradual slowdown and rebalancing of economic activity in China - away from investment and manufacturing towards consumption and services, (2) Lower prices

for energy and other commodities, and (3) Divergent monetary policy stance of the advanced economies – a gradual monetary tightening by US Fed and adoption of easy monetary policy by Europe and Japan. Amidst these mixed global sentiments, India still maintained its growth at 7.3% in 2015-16 and is expected to grow at 7.5% in 2016. Retail inflation (CPI) in 2015 stayed around 5.18% remaining well within the target of 6% set by RBI. Forex reserves grew to the highest level of US\$360 billion. RBI reduced the repo rate by 25 basis points (bps) and 50 bps – a total of 75 bps in the last year, to lend more support to the economy.

Global GDP Growth



Source: World Economic Outlook Update: January 2016

GNP India



Source RBI, 2015 Estimate



Industry Overview

The importance of agrochemicals has been increasing over the last few decades driven by the need to improve overall agricultural productivity, in order to safeguard adequate food availability and sufficiency for the growing global population. Each year, global agrochemical players spend a sizable proportion of their revenues towards development of new crop protection molecules. At the same time, generic and off-patent proprietary agrochemicals also constitute a significant part of the market. India is placed as the fourth largest producer and has become the fastest growing markets for agrochemicals in the world. The industry is penetrated by global giants who have operations in India and also local Indian players with scalable operations catering to both domestic and exports markets. (Source: *Avendus Specialty Chemicals Report*)

Broadly, agrochemicals are classified into insecticides, fungicides, herbicides and other pesticides. Insecticides are used to limit insects below a certain

level, thereby improving crop yields by preventing damage such as plant defoliation, boring of parts of the plant, etc. Fungicides are agrochemicals that control fungal diseases by either inhibiting or killing the causative fungi, thereby improves productivity, reduces blemishes on crop and improves storage life and quality of harvested crop. Herbicides are the agrochemicals used to kill unwanted plants. Biocides is an emerging category and is currently a small proportion of the market but has a huge growth potential considering its non-toxic nature.

US\$ 71.3 Billion

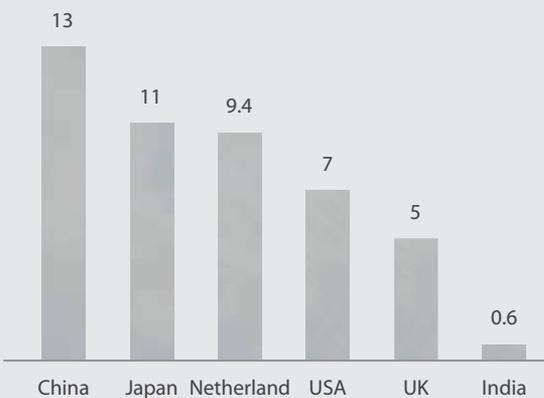
Projected Value of Global Crop Protection Chemicals Industry by 2019

Estimated growth rates of Agrochemicals 2014-19



Source Avendus analysis, Literature review

Agrichemicals Consumption (kg ha)

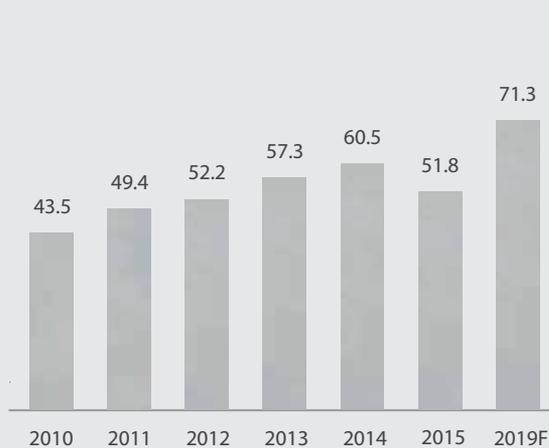


Source Avendus analysis, Literature review

Global Agrochemical Market

The global agrochemicals market declined by 8.6% YoY to US\$51.8 billion at the distributor level in 2015 driven by lower prices of agricultural commodities, currency devaluations across emerging economies, high inventory levels at the distributor level in many countries, weakening glyphosate herbicide prices, and variable weather patterns including a weak monsoon as a result of the El Nino phenomenon. Crop protection sales in almost all regions declined, with the deepest falls occurring in Europe and Latin America. The global planted areas of wheat and soybeans rose, although all other major crops experienced a decline. Maize and rice plantings marginally declined, while cotton, oilseed rape and sunflower areas suffered greater falls. 2015 also saw GM crop cultivation bans across 38 countries worldwide, including all 28 countries in the EU. This should be beneficial for global agrochemical markets in the near to longer term. There is some optimism for a more positive market environment in 2016, according to Phillips McDougall. The consultancy firm foresees improved wheat, maize and rice prices next year, citing a lack of improved production levels and reduced inventories. Going forward, global demand for crop protection chemicals is expected to grow at a CAGR of 5-6% and reach US\$ 71.3 billion in 2019.

Global Market for Agrochemicals (USD bn)



Emerging Trends for 2016

Building Capex

Many Indian and global companies are increasing their investment to augment capacity mainly to catch up the rising domestic agricultural demand and also cater to exports demand during off-peak season. This will potentially lead to India becoming a key manufacturing hub.

ALL MAJOR CROPS EXPERIENCED A DECLINE IN PRODUCTION IN 2015. MAIZE AND RICE PLANTINGS MARGINALLY DECLINED, WHILE COTTON, OILSEED RAPE AND SUNFLOWER AREAS SUFFERED GREATER FALLS. THIS IS BENEFICIAL FOR THE GLOBAL AGROCHEMICAL MARKETS.

Strategic Partnership model with Global Giants

As R&D involves high capital requirement and a long gestation period, many Indian companies are building strategic partnerships with global agrochemicals companies from USA, Europe, Japan and China. In return, Indian companies provide strong distribution network and sales infrastructure.

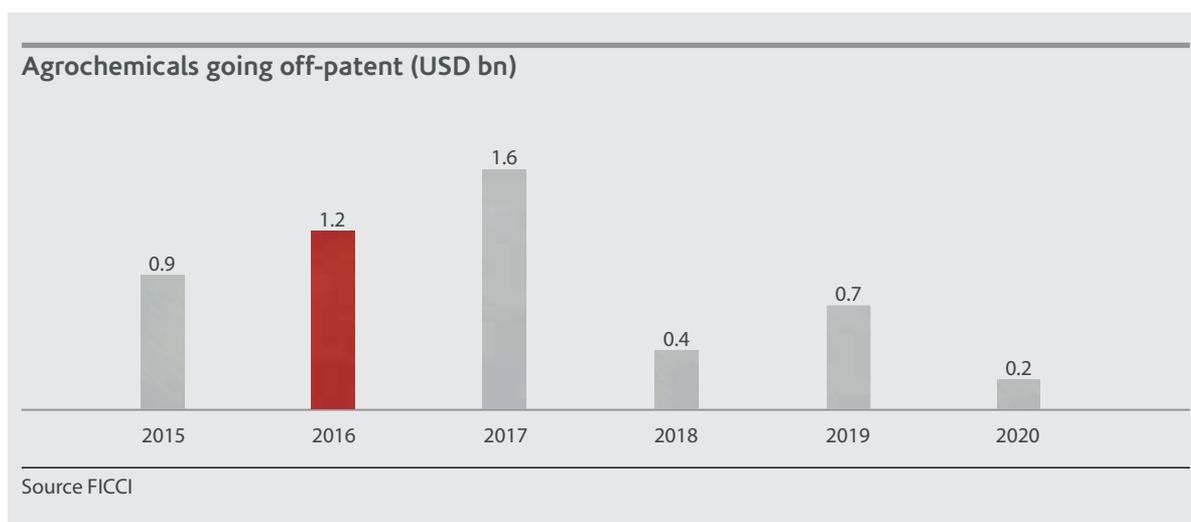
Inorganic Growth

Lately, the Indian agrochemical market has witnessed reasonable outbound M&A activity - Indian companies acquiring foreign companies. The key factors driving

outbound acquisitions are gaining accessibility to new markets and diversification of product portfolio.

Opportunity in Generics with the Upcoming Patent Cliff

Agrochemicals worth ~ USD 5 billion are expected to go off-patent by 2020. Globally, patented products constitute 22% share of the total agrochemical market which is expected to decrease to 15% by 2020 as a result of the patent cliff. This will create a huge upside potential for the generics segment of the industry over the next decade.



Business Overview

Sharda Cropchem Limited (Sharda) is a fast growing global agrochemicals company with an asset light business model. It is engaged in marketing and distribution of a wide range of formulations and generic active ingredients globally. The geography from where the Company's major revenues come from include the highly-developed European countries and the US markets. Over the years, Sharda has gained significant presence in other regulated markets such as Latin America and Africa.

The Company operates within two business verticals – the Agrochemicals business and the Non-Agrochemicals business.

Agrochemicals Business

The Company is primarily a crop protection chemical company engaged in marketing and distribution of a wide range of formulations and generic active ingredients (AIs) globally.

Non-Agrochemicals Business

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

THE COMPANY IS PRIMARILY A CROP PROTECTION CHEMICAL COMPANY ENGAGED IN MARKETING AND DISTRIBUTION OF A WIDE RANGE OF FORMULATIONS AND GENERIC ACTIVE INGREDIENTS (AIs) GLOBALLY.



The Company has adopted an asset light business model whereby the focus is strongly on identification of generic molecules and registration opportunities, preparing dossiers and seeking registrations for formulations and generic active ingredients. We procure formulations and generic active ingredients in their finished form from third party manufacturers for onward sale. We also procure generic active ingredients for preparation and sale of formulations, wherein we outsource the process of preparation of formulations to third party formulators. This enables us to offer a diversified range of formulations and generic active ingredients in the fungicide, herbicide and insecticide segments for protecting different kind of crops as well as serve turf and specialty markets and in biocide segment as disinfectants, thereby catering to the varied market demand.

78

Number of Countries where our Business Operations are spread

Our Competitive Advantages

Asset Light Business Model

Unlike global giants, the Company follows an asset light business model whereby it keeps its competitiveness in identifying generic molecules, preparing dossiers, seeking registrations, marketing and distributing

formulations through third party distributors or its own sales force. The asset light business model helps the Company pay unfettered attention, invest capital and time, thereby driving their portfolio of registrations and generic active ingredients. The asset light business model is consistent with the non-agrochemical operations, wherein the supply of belts, general chemicals, dyes and dye intermediates are only on the basis of the specific orders received from the distributors.

Core Competency in Registration

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

De-risking Sourcing Capabilities

The Company has maintained relationships with multiple manufacturers and formulators in the agrochemical industry, mainly in China and India, from where it sources, specifically to de-risk the Company, by not being dependent on a single or limited supplier. This also helps the Company get the optimal pricing from the market. Our relationship with third-party manufacturers and third-party formulators provide us the flexibility to adjust our orders in accordance to fluctuating demands and our strong sourcing capabilities enable us to seek supply of formulations or generic active ingredients at competitive market prices. This also enables us to take advantage of the economies of scale.

Strong Global Distribution Network

With the objective of increasing our presence in the agrochemical value chain, we have set up our own sales force in various countries in Europe as well as in Mexico, Colombia, South Africa and India and other jurisdictions in addition to third party distributors. We believe that we have been able to increase the penetration of formulations and generic active ingredients in various countries due to the pan presence of our third party distributors and availability of our own sales force.

WITH PRESENCE IN MULTIPLE GEOGRAPHIES, WE DIVERSIFIED OUR REVENUE SOURCES AND DEVELOPED KNOWLEDGE ABOUT THE LOCAL WEATHER AND SOIL CONDITIONS, WHICH ENABLES US FORESEE AND SATISFY LOCAL DEMANDS.

Strong Geographic Spread and Diversified Portfolio

We have grown by spreading our business operations to over 76 countries across Europe, NAFTA, Latin America and Rest of the World. Through this, we offer a diversified range of formulations and generic active ingredients in the fungicide, herbicide, insecticide and biocide segments. With our presence in multiple geographies, we have diversified our revenue sources and at the same time developed knowledge about the local weather and soil conditions, which enable us foresee and satisfy the local demands. Also, our library of dossiers provides us with the opportunity to venture into newer markets.

Experienced Professional Management

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

Key Risks and Concerns

The business may be affected by various risk factors:

Exchange Rate Fluctuations

Being a global player, our source of revenue is in several foreign currencies, primarily, U.S. Dollars, Euros and British Pound. Due to the difference in time between sales and receivables, the foreign exchange rate at which the sale is recorded in the books of accounts may not be the same as the foreign exchange rate at

which the sale is realised by us. This will result in either benefiting or adversely affecting us, depending on the depreciation or appreciation of the Rupee. In case of movement in the foreign exchange rate, contrary to our expectations it could affect the results of our operations, cash flows, liquidity and financial condition.

Extension of Patents

As a global generic agrochemical player, the Company can face high risks from patent laws which allow the innovator company to extend their patents. This may lead to unnecessary delay in formulations and generic active ingredients and adversely affect our business. The extension of patent terms or the extension of exclusivity in the marketplace by the respective regulatory authorities may delay our introduction of formulations and generic active ingredients and may adversely affect our business.

Changes in Government Policies

Because of its global presence, the Company is governed by laws, rules and regulations of many countries. Being in the agrochemical industry, the Company will be affected by changes in government policies related to agriculture. Adverse changes in such policies relating to the agrochemical sector could be in the nature of curb in government expenditure on agriculture, reduction in incentives and changes in subsidies in the export policy for crops, or changes in price of commodities. It may also affect the ability of farmers to realise minimum support prices for their products which could lead to inability of farmers to spend on agrochemical inputs, thereby adversely affecting their demand and the sales of our formulations and generic active ingredients.

Subject to Weather Conditions

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

36

Countries to which we supply Non-Agrochemical Products

Internal Controls

The internal controls of the Company are regularly reviewed and the results examined in an unbiased and independent manner to determine the adequacy and effectiveness of the internal control systems to achieve the objectives of the Company. The scope of activities include safeguarding and protecting the Company's assets against unauthorised use or disposition, maintenance of proper accounting records and verification of authenticity of all transactions.

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

Human Resources

We believe that the domain knowledge and experience of our Promoters and our Management team provide us with a significant competitive advantage as we seek to grow in our existing markets and enter new geographies. The Company has hired qualified professional managers and key personnel who run the Company smoothly. The high overall employee engagement ensures that the top talent is retained within the Company.

Strategy & Outlook

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

Increasing our portfolio of products and market through smart IP management

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

Growth of Biocides Business

We have started marketing and distributing biocides in various countries such as Spain, France, Italy, Hungary, Croatia, United Kingdom, Slovakia, Slovenia, Belgium, Bulgaria, Greece, Poland and Czech Republic. We plan to increase our marketing and distribution activities for biocide products in other European countries too. As of March 31st, 2016, we own 185 registrations for biocides. We intend to increase our registrations for biocide products going forward.

Strengthening our distribution presence

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

WE WILL CONTINUE TO EVALUATE ADDITIONAL MARKETS AND PRODUCT OPPORTUNITIES, INCLUDING POTENTIAL ACQUISITIONS AND RELATIONSHIPS, WHICH WE BELIEVE WILL BE BENEFICIAL AND WILL INCREASE OUR PRESENCE IN THE GENERIC AGROCHEMICAL MARKETS.

Possibility of growing inorganically through strategic acquisitions and partnerships

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

Cautionary Statement

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

NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Members of Sharda Cropchem Limited will be held on Saturday, 3rd September, 2016 at 3.00 p.m. at National Stock Exchange Auditorium, Plot No. C/1, G Block, Bandra-Kurla Complex, BKC Road, Bandra (East), Mumbai – 400 051, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2016, together with the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2016, together with the Report of the Auditors thereon.
3. To confirm the payment of Interim Dividend declared by the Board of Directors on March 14, 2016 on Equity Shares as dividend for the Financial Year ended March 31, 2016.
4. To appoint a Director in place of Mr. Ashish R. Bubna (DIN: 00945147), who retires by rotation and being eligible, offers himself for re-appointment.

5. Ratification of appointment of the Statutory Auditor.

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

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 3(7) of The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. S R B C & CO LLP, Chartered Accountants (Firm No.324982E/E300003) as the Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 14th Annual General Meeting to be held for the Financial Year 2016-17 and that the Board of Directors be and are hereby authorised to fix their remuneration.”

By Order of the Board of Directors

Jetkin Gudhka
(Company Secretary)

Date: May 25, 2016
Place: Mumbai

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM”/“MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.

The instrument appointing the proxy in order to be effective should be duly stamped, completed and signed and should be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.

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

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified true copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
3. Members/Proxies/Authorised Representatives should bring the duly filled attendance slip enclosed herewith to attend the meeting.
4. All documents referred to in the accompanying Notice shall be open for inspection at the registered office of the Company on all working days, except Saturdays and Sundays, between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting of the Company.
5. The Register of Members and the Share Transfer Books of the Company will remain closed on 27th August, 2016 for the AGM.
6. The members are requested to kindly send all their correspondence relating to change of address, transfer of shares, etc. directly to the Company’s Registrar & Transfer Agents – M/s. Karvy Computershare Private Limited, Unit: Sharda Cropchem Limited, Karvy Selenium Tower B, 6th Floor, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, quoting their folio number and in case of shares held in dematerialised form, intimation of change of address should be passed on to their respective depository participants.
7. Members seeking any information with regard to the financial statements are requested to write to the Company at least 10 (ten) days before the AGM to enable the management to keep the information ready at the meeting.
8. During the period beginning 24 hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 days notice in writing is given to the Company.

NOTICE

9. 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 provided the votes are not already cast by remote e-voting by the first-holder.
 10. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant rules made thereunder, Companies can serve annual reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the depository. Members who have not registered their e-mail addresses are requested to register their e-mail address so that they can receive the annual report and other communication from the Company electronically. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
 11. The annual report of the Company circulated to the members of the Company, will be made available on the Company's website at www.shardacropchem.com and also on the website of the respective Stock Exchanges. Physical copies of the annual report will also be available at the Company's registered office for inspection during normal business hours on working days.
 12. The Notice of the AGM, annual report and instructions for e-voting, along with the attendance slip and proxy form are being sent in electronic mode to members whose e-mail addresses are registered with the Company or the Depository Participant(s) unless the members have registered their request for a hard copy of the same. Physical copy of the Notice of the AGM, annual report and attendance slip are being sent to those members who have not registered their e-mail addresses with the Company or Depository Participant(s). Members who have received the Notice of the AGM, annual report and attendance slip in electronic mode are requested to print the attendance slip and submit a duly filled in attendance slip at the registration counter to attend the AGM.
 13. Copies of the annual report will not be distributed at the AGM.
 14. In terms of Section 152 of the Companies Act, 2013, Mr. Ashish R. Bubna (DIN: 00945147), Director, retires by rotation at the AGM and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommend his re-appointment. His brief resume, nature of his expertise in specific functional areas, names of the companies in which he holds directorships and memberships/ chairmanships of Board Committees, shareholding and relationships are provided as an annexure to this notice forming part of the annual report.
 15. Information and other instructions relating to e-voting are as under:
 - i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the AGM by electronic means and the business may be transacted through e-voting services. The facility of casting votes by members using an electronic voting system from a place other than the venue of the AGM ["remote e-voting"] will be provided by Karvy Computershare Private Limited ("Karvy").
 - ii. The facility for voting at the AGM either through electronic voting system or polling paper shall also be made available at the meeting and members who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting.
 - iii. Members who have cast their vote by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again.
 - iv. The Board of Directors of the Company has appointed M/s. C. J. Goswami & Associates, Practicing Company Secretaries, Mumbai as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the same. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared alongwith the consolidated scrutinizer's report shall be placed on the website of the Company www.shardacropchem.com and on the website of Karvy, <https://evoting.karvy.com>
- The results shall simultaneously be communicated to the Stock Exchanges.
- v. **The remote e-voting period commences on 31st August, 2016 (9:00 am) and ends on 2nd September, 2016 (5:00 pm).** During this period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 27th August, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - vi. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off date i.e. 27th August, 2016.**
 - vii. Subject to receipt of the requisite number of votes, the resolution(s) shall be deemed to be passed on the date of the Meeting i.e. 3rd September, 2016.

viii. Any person who becomes a member of the Company after dispatch of the Notice of the AGM and holding shares as on the cut-off date i.e. 27th August, 2016, may obtain the user ID and password in the manner as mentioned below:

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

Example for NSDL:
MYEPWD <SPACE> IN12345612345678

Example for CDSL:
MYEPWD <SPACE> 1402345612345678

Example for Physical:
MYEPWD <SPACE> XXXX1234567

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

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

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

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

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

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

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

(b) Enter the login credentials i.e. User ID and password which is sent separately.

The e-voting event number + Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1-800-3454-001 for your existing password.

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

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

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

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

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

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

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

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

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

(l) Corporate/Institutional members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (pdf format) of the Board Resolution/Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: chintan.goswami@cigoswami.com with a copy marked to evoting@karvy.com and may also upload the same in the e-voting portal

NOTICE

with their login ID. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

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

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

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

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

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

ANNEXURE

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

Name of Director	Mr. Ashish R. Bubna
Date of Birth	June 30, 1974
Date of Appointment	March 12, 2004
Category	Promoter & Whole-time Director
Expertise in specific functional areas	Mr. Ashish R. Bubna is a Whole-time Director of Sharda Cropchem Limited. He has over 24 years of experience in the marketing of chemicals, agrochemicals and related business. He has been instrumental in strategizing the Company's early investment in product registrations and building a library of dossiers. He is responsible for the marketing, procurement, registrations and logistics function of the agrochemical business. He has been a director of the Company since its incorporation.
Qualifications	B.Com from University of Mumbai
No. of shares held in the Company	1,51,80,000 Equity Shares
List of companies in which Directorship held as on March 31, 2016	Private Limited: Sharda Exports Private Limited Axis Crop Science Private Limited Gujarat Cropchem Private Limited
Chairman/Member of any Committees as on March 31, 2016	NIL

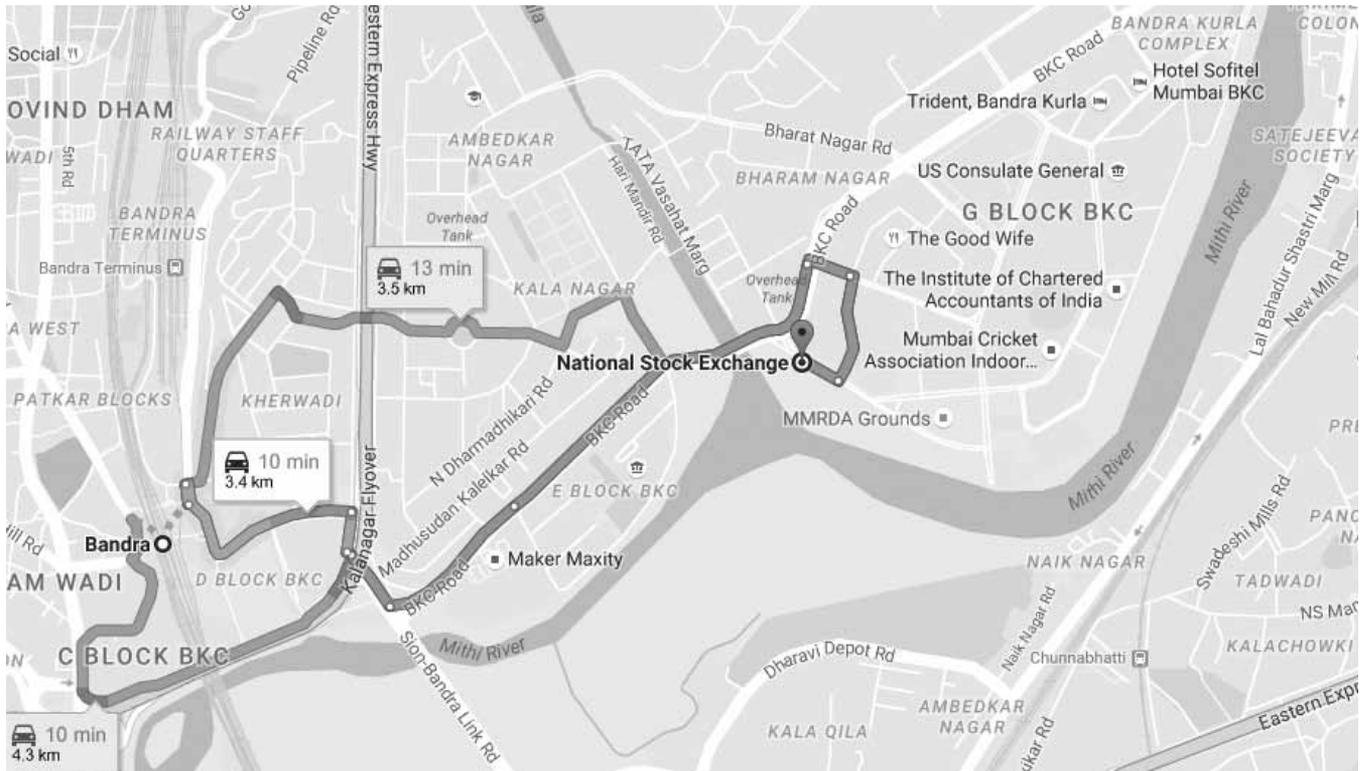
By Order of the Board of Directors

Jetkin Gudhka
(Company Secretary)

Date: May 25, 2016
Place: Mumbai

ROUTE MAP

TO THE VENUE OF THE 13TH AGM OF SHARDA CROPChem LIMITED



Note: The route provided originates from Bandra (East) Railway Station

Date : Saturday 3rd September, 2016.

Venue : National Stock Exchange Auditorium, Plot No. C/1, G Block,
Bandra-Kurla Complex, BKC Road, Bandra (East), Mumbai – 400 051.

Time : 3:00 p.m.

DIRECTORS' REPORT

To
The Members of
Sharda Cropchem Limited

Your Directors have pleasure in presenting their report and audited accounts for the year ended March 31, 2016.

FINANCIAL PERFORMANCE:

(₹ in lacs)

Particulars	Standalone		Consolidated	
	FY 2016	FY 2015	FY 2016	FY 2015
Revenue from operations (net)	93,159.85	76,931.65	121,857.98	106,106.47
Other income	6,340.20	2,285.02	2,821.23	2,704.49
Earnings before interest, tax, depreciation and amortization (EBITDA) and prior period adjustments	28,633.34	16,904.70	29,308.72	19,829.97
Depreciation and amortization expenses	3,493.55	2,320.15	3,505.32	2,331.16
Profit before tax (PBT)	25,391.90	15,018.74	25,903.37	17,586.09
Profit after tax and minority interest (PAT)	17,035.33	9,774.80	17,497.03	12,297.12

OPERATIONAL PERFORMANCE & FUTURE OUTLOOK:

Your Company achieved an all time performance high in terms of both operating revenues and net profit. The Company's consolidated revenue from operations increased 14.9% to ₹ 121,857.98 Lacs in FY 2016. This was possible on account of volume growth across regions led by strong growth in the European Union, NAFTA and RoW regions. Your Company received 356 new registrations during the year of which 64% are in the European Union.

Gross margins on a Y-o-Y basis improved from 33.2% to 35.2% and EBITDA margins (excluding foreign exchange impact) improved from 18.0% to 21.9% on account of increased share of business in the high-margin European Union region. Depreciation and amortisation expense was higher due to capitalisation of new registrations. Tight control over fixed operating and non-operating expenses enabled achieve a PBT and PAT growth of 47.4% and 42.3% respectively.

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

DIVIDEND

Your Directors at the meeting held on March 14, 2016, declared an interim dividend of ₹ 3.00 per share. The aggregate amount of interim dividend distributed is ₹ 2,706.61 lacs. Your Directors do not recommended any further dividend for the Financial Year ended March 31, 2016.

SHARE CAPITAL

The paid up equity share capital of the Company as on March 31, 2016 was ₹ 9,022.05 Lacs. During the year under review, the Company has not issued any shares. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

Further, during the year under review, the promoters have not acquired/sold any shares of the Company.

DEPOSITS

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

SUBSIDIARY COMPANIES/ASSOCIATE COMPANIES**SUBSIDIARY COMPANIES - DIRECT****Axis Crop Science Private Limited**

Axis Crop Science Private Limited is engaged in marketing and distribution of agrochemicals in India. The total income for the year ended March 31, 2016 is ₹ 2,933.30 Lacs (Previous year: ₹ 3,257.08 Lacs) and Loss for the year is ₹ 168.82 Lacs (Previous year: Profit ₹ 35.84 Lacs).

Nihon Agro Service Kabushiki Kaisha, Japan

Nihon Agro Service Kabushiki Kaisha is engaged in the business of dealing in agrochemical products in Japan. The Company was acquired in the Financial Year 2015-16 and is yet to commence business operations.

Sharda Agrochem Dooel Skopje, Macedonia

Sharda Agrochem Dooel Skopje is engaged in marketing and distribution of agrochemicals in Macedonia. The Company was formed in the Financial Year 2015-16 and is yet to commence business operations.

Sharda Balkan Agrochemicals Limited, Greece

Sharda Balkan Agrochemicals Limited is engaged in the business of dealing in agrochemical products in Greece. For the year ended December 31, 2015, the Company's other income is ₹ 4.77 Lacs (Previous year: ₹ 7.72 Lacs) and profit for the year is ₹ 1.01 Lacs (Previous year: ₹ 4.12 Lacs).

Sharda Chile SpA, Chile

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

Sharda Costa Rica SA, Costa Rica

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

Sharda Cropchem Espana, S.L., Spain

Sharda Cropchem Espana, S.L. is engaged in the business of distribution of agrochemical products in Spain and abroad. For the year ended March 31, 2016, the Company's total income is ₹ 5,285.51 Lacs (Previous year: ₹ 4,195.70 Lacs) and Profit for the year is ₹ 105.88 Lacs (Previous year: Loss ₹ 26.53 Lacs).

Sharda Cropchem Israel Limited, Israel

Sharda Cropchem Israel Limited is engaged in the business of dealing in agrochemical products in Israel. The Company was formed in the Financial Year 2015-16 and is yet to commence business operations.

Sharda Cropchem Tunisia SARL, Tunisia

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

Sharda De Guatemala, S.A., Guatemala

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

Sharda Del Ecuador CIA. Ltda., Ecuador

Sharda Del Ecuador CIA. Ltda. is engaged in the business of dealing in agrochemical products in Ecuador. For the year ended December 31, 2015, the other income is ₹ 7.10 Lacs (Previous year: ₹ 25.70 Lacs) and Loss for the year is ₹ 0.04 Lacs (Previous year: ₹ 0.10 Lacs).

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

Sharda Do Brasil Comercio De Produtos Quimicos E Agroquimicos Ltda is engaged in the business of dealing in agrochemical products in Brazil. During the year ended December 31, 2015, there are no revenues (Previous year: ₹ 60.36 Lacs) and Loss for the year is ₹ 13.07 Lacs (Previous year: Profit ₹ 1.13 Lacs).

Sharda Dominicana S.R.L., Dominican Republic

Sharda Dominicana S.R.L. is engaged in the business of dealing in agrochemical products in Dominican Republic. The Company was formed in the Financial Year 2015-16 and is yet to commence business operations.

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

Sharda EL Salvador S.A. DE CV is engaged in the business of dealing in agrochemical products in EL Salvador. The Company was formed in the Financial Year 2015-16 and is yet to commence business operations.

Sharda Hellas Agrochemicals Limited, Greece

Sharda Hellas Agrochemicals Limited is engaged in the business of dealing in agrochemical products in Greece. For the year ended December 31, 2015, the Company's other income is ₹ 4.77 Lacs (Previous year: ₹ 7.69 Lacs) and Profit for the year is ₹ 0.94 Lacs (Previous year: Profit ₹ 4.10 Lacs).

Sharda Hungary Kft, Hungary

Sharda Hungary Kft is engaged in the business of dealing in agrochemical products in Hungary. For the year ended December 31, 2015, the Company's total income is ₹ 1,095.30 Lacs (Previous year: ₹ 1.36 Lacs) and Loss for the year is ₹ 125.80 Lacs (Previous year: ₹ 0.15 Lacs).

Sharda International DMCC, U.A.E.

Sharda International DMCC is engaged in trading in agrochemicals, conveyor belts and chemicals. The total income for the year ended March 31, 2016 is ₹ 22,049.16 Lacs (Previous year: ₹ 24,475.06

DIRECTORS' REPORT

Lacs) and Profit for the year is ₹ 3,013.57 Lacs (Previous year: ₹ 3,721.77 Lacs).

Sharda Italia SRL, Italy

Sharda Italia SRL is engaged in the business of dealing in agrochemical products in Italy. For the year ended December 31, 2015, the Company's other income is ₹ 3.74 Lacs (Previous year: ₹ 34.57 Lacs) and Profit for the year is ₹ 0.19 Lacs (Previous year: ₹ 0.40 Lacs).

Sharda Peru SAC, Peru

Sharda Peru SAC is engaged in the business of dealing in agrochemical products in Peru. For the year ended December 31, 2015, the Company's other income is ₹ 1.35 Lacs (Previous year: ₹ Nil) and Loss for the year is ₹ 31.51 Lacs (Previous year: ₹ 59.91 Lacs).

Sharda Poland SP. ZO.O., Poland

Sharda Poland SP. ZO.O. is engaged in the business of distribution of agrochemical products in Poland and abroad. For the year ended December 31, 2015, the Company's total income is ₹ 5,314.84 Lacs (Previous year: ₹ 687.63 Lacs) and Profit for the year is ₹ 22.88 Lacs (Previous year: ₹ 90.17 Lacs)

Sharda Polska SP. ZO.O., Poland

Sharda Polska SP. ZO.O. is engaged in the business of dealing in agrochemical products in Poland and abroad. For the year ended December 31, 2015, the Company's other income is ₹ 4.00 Lacs (Previous year: ₹ 4.11 Lacs) and Profit for the year is ₹ 0.34 Lacs (Previous year: ₹ 0.53 Lacs).

Sharda Spain, S.L., Spain

Sharda Spain, S.L. is engaged in the business of dealing in agrochemical products in Spain. For the year ended December 31, 2015, the Company's other income is ₹ 7.69 Lacs (Previous year: ₹ 7.31 Lacs) and Loss for the year is ₹ 0.77 Lacs (Previous year: ₹ 0.73 Lacs).

Sharda Swiss SARL, Switzerland

Sharda Swiss SARL is engaged in the business of dealing in agrochemical products in Switzerland. For the year ended December 31, 2015, the Company's other income is ₹ 5.46 Lacs (Previous year: ₹ 6.88 Lacs) and Profit for the year is ₹ 4.33 Lacs (Previous year: Loss ₹ 0.39 Lacs).

Sharda Taiwan Limited, Taiwan

Sharda Taiwan Limited is engaged in the business of dealing in agrochemical products in Taiwan. For the year ended December 31, 2015, the Company's other income is ₹ 0.02 Lacs (Previous year: ₹ 0.02 Lacs) and Profit for the year is ₹ 0.02 Lacs (Previous year: ₹ 0.02 Lacs).

Sharda Ukraine LLC, Ukraine

Sharda Ukraine LLC is engaged in the business of dealing in agrochemical products in Ukraine. For the year ended December

31, 2015, the Company's other income is ₹ 5.88 Lacs (Previous year: ₹ 6.34 Lacs) and Loss for the year is NIL (Previous year: Profit ₹ 0.02 Lacs).

Sharda USA LLC, USA

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

Shardacan Limited, Canada

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

Shardarus LLC, Russia

Shardarus LLC is engaged in the business of dealing in agrochemical products in Russia. For the period ended December 02, 2015, the Company's other income is ₹ 0.02 Lacs (Previous year NIL) and Profit for the year is ₹ 0.01 Lacs (Previous year: Loss: ₹ 0.01 Lacs).

Shardaserb DO.O., Serbia

Shardaserb DO.O. is engaged in the business of dealing in agrochemical products in Serbia. For the year ended December 31, 2015, the Company's other income is ₹ 2.74 Lacs (Previous year: ₹ 2.66 Lacs) and Profit for the year is ₹ 0.22 Lacs (Previous year: Loss ₹ 0.18 Lacs).

Sharzam Limited, Zambia

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

SUBSIDIARY COMPANIES - INDIRECT

Euroazijski Pesticidi d.o.o., Croatia

Euroazijski Pesticidi d.o.o. is engaged in the business of dealing in agrochemical products in Croatia. For the year ended March 31, 2016, the Company's other income is ₹ 79.04 Lacs (Previous year: ₹ 35.95 Lacs) and Profit for the year is ₹ 11.86 Lacs (Previous year: Profit ₹ 11.30 Lacs).

Sharda Benelux BVBA, Belgium

Sharda Benelux BVBA is engaged in the business of dealing in agrochemical products in Belgium. The Company does not have any revenues during the year and has incurred nominal business and administration expenses. For the year ended December 31, 2015, the Company incurred a Loss of ₹ 1.25 Lacs (Previous year: ₹ 0.91 Lacs).

Sharda Bolivia SRL, Bolivia

Sharda Bolivia SRL is engaged in the business of dealing in agrochemical products in Bolivia. For the year ended March 31, 2016, the Company's total income is ₹ 93.67 Lacs (Previous year: ₹ 12.17 Lacs) and Profit for the year is ₹ 22.87 Lacs (Previous year: ₹ 1.14 Lacs).

Sharda Colombia S.A.S., Colombia

Sharda Colombia S.A.S. is engaged in the business of distribution of agrochemical products in Colombia and abroad. For the year ended March 31, 2016, the Company's total income is ₹ 1,267.22 Lacs (Previous year: ₹ 903.38 Lacs) and Profit for the year is ₹ 407.75 Lacs (Previous year: Loss ₹ 695.49 Lacs).

Sharda De Mexico S. De RI De CV, Mexico

Sharda De Mexico S. De RI De CV is engaged in the business of distribution of agrochemical products in Mexico and abroad. For the year ended March 31, 2016, the Company's total income is ₹ 8,001.28 Lacs (Previous year: ₹ 5,181.88 Lacs) and Profit for the year of ₹ 829.98 Lacs (Previous year: Loss ₹ 310.10 Lacs).

Sharda Europe BVBA, Belgium

Sharda Europe BVBA is engaged in the business of dealing in agrochemical products in Belgium. For the year ended March 31, 2016, the Company's other income is ₹ 2.60 Lacs (Previous year: ₹ 2.73 Lacs) and Profit for the year is ₹ 0.85 Lacs (Previous year: ₹ 1.48 Lacs).

Sharda International Africa (Pty) Limited, South Africa

Sharda International Africa (Pty) Limited is engaged in the business of dealing in agrochemical products in South Africa. During the year, there were no operations in the Company.

Sharda Malaysia SDN BHD, Malaysia

Sharda Malaysia SDN BHD is engaged in the business of dealing in agrochemical products in Malaysia. For the year ended March 31, 2016, the Company's other income is ₹ 1.03 Lacs (Previous year: ₹ 2.63 Lacs) and Profit for the year is ₹ 0.10 Lacs (Previous year: ₹ 1.14 Lacs).

Sharda Uruguay S.A., Uruguay

Sharda Uruguay S.A. is engaged in the business of dealing in agrochemical products in Uruguay. For the year ended March 31, 2016, the Company's other income is NIL (Previous year: ₹ 0.45 Lacs) and Loss for the year is ₹ 0.81 Lacs (Previous year: Profit ₹ 0.10 Lacs).

Sharpar S.A., Paraguay

Sharpar S.A. is engaged in the business of dealing in agrochemical products in Paraguay. For the year ended December 31, 2015, the Company's total income is ₹ 18.01 Lacs (Previous year: ₹ 158.86 Lacs) and Profit for the year is NIL (Previous year: ₹ 0.64 Lacs).

Siddhivinayak International Limited, U.A.E.

Siddhivinayak International Limited is engaged in the business of trading and investments in U.A.E. and abroad. For the year ended March 31, 2016, there is no revenue and Loss is ₹ 4.96 Lacs (Previous year: ₹ 3.55 Lacs).

ASSOCIATE COMPANIES**Sharda Private (Thailand) Limited, Thailand**

Sharda Private (Thailand) Limited is engaged in the business of dealing in agrochemical products in Thailand. For the year ended March 31, 2016, the Company's other income is ₹ 0.02 Lacs (Previous year: 0.02) and Loss for the year is ₹ 0.80 Lacs (Previous year: ₹ 1.35 Lacs).

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

During the year, the following subsidiaries were incorporated

1. Sharda El Salvador S.A. DE CV was incorporated on May 28, 2015 in El Salvador. Our Company holds 99% stake in this Subsidiary.
2. Sharda Dominicana, S.R.L. was incorporated on August 03, 2015 in Dominican Republic. Our Company holds 99% stake in this Subsidiary.
3. Sharda Agrochem Dooel Skopje was incorporated on October 02, 2015 in Macedonia. Our Company holds 100% stake in this Subsidiary.
4. Sharda Cropchem Israel Limited was incorporated on February 02, 2016 in Israel. Our Company holds 100% stake in this Subsidiary.
5. Our Company acquired 100% stake of Nihon Agro Service Kabushiki Kaisha, Japan with effect from March 23, 2016.

During the year, Shardarus LLC, our Subsidiary Company in Russia was dissolved with effect from December 02, 2015.

RELATED PARTY TRANSACTIONS

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

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

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

DIRECTORS' REPORT

DIRECTORS

As on March 31, 2016, the Company has Nine Directors consisting of Five Independent Directors, Three Whole-time Directors and Chairman & Managing Director.

Appointment/Resignations from the Board of Directors

In terms of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the Independent Directors were appointed for a term of five years and are not liable to retire by rotation.

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

Woman Director

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

Directors Retiring by Rotation

In accordance with the provisions of section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Ashish R. Bubna, (DIN: 00945147), Wholetime Director of the Company, retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

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

Appointment/Resignation of the Key Managerial Personnel

During the year, Mr. Gautam Arora, Chief Financial Officer of the Company resigned with effect from November 30, 2015. The Board takes this opportunity to place on record its deep sense of appreciation for the support and invaluable contribution made by Mr. Gautam Arora during his tenure as Chief Financial Officer of the Company.

To fill up the vacancy of Chief Financial Officer due to resignation of Mr. Gautam Arora, the Board appointed Mr. Conrad Fernandes as the Chief Financial Officer of the Company with effect from January 25, 2016.

Number of Meetings of the Board

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

The Board met five times during the FY 2015-16 viz, May 30, 2015, August 05, 2015, November 03, 2015, January 30, 2016 and March 14, 2016.

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

COMMITTEES OF THE BOARD

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

The Company has following Committees namely:

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

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

PERFORMANCE EVALUATION OF THE BOARD

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

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

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year, the CSR expenditure incurred by the Company was ₹ 2,70,40,878/-. This is higher than 2% of the average profit of the last three years.

The CSR initiatives taken up by the Company are in the areas of promoting education, eradicating hunger, empowerment of

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

INDIAN ACCOUNTING STANDARD (Ind AS)

The Indian Accounting Standards (Ind AS) were notified by the Ministry of Corporate Affairs on February 16, 2015. These standards will become applicable to the Company, its subsidiaries and associates, with effect from April 1, 2016 with comparatives for the previous year ending March 31, 2016. Your Company has taken adequate steps, in this regard to ensure a smooth transition to Ind AS.

RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Policy wherein all material risks faced by the Company are identified and assessed. The Risk Management framework defines the risk management approach of the Company and includes collective identification of risks impacting the Company's business and documents their process of identification, mitigation and optimization of such risks.

REMUNERATION POLICY

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

VIGIL MECHANISM / WHISTLEBLOWER POLICY

The Company has implemented a Whistleblower Policy to report genuine concerns or grievances and to deal with instances of fraud and mismanagement. The Whistleblower Policy has been posted on the Company's website at (<http://www.shardacropchem.com/investor-relation.html>)

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

The Company has in place a policy for Prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. This Policy has been uploaded on the website of the Company. The Company has not received any complaint of sexual harassment during the Financial Year 2015-2016.

AUDITORS

a) Statutory Auditors

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

The Statutory Auditor has given an un-modified audit report for the Financial Year ended March 31, 2016.

b) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. C. J. Goswami & Associates, a firm of Company Secretaries in Practice to conduct the Secretarial Audit of the Company for the Financial Year 2015-16. The Secretarial Audit Report is annexed to this report as Annexure - 3.

CORPORATE GOVERNANCE

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

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

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

CONSOLIDATED FINANCIAL STATEMENTS

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

EXTRACT OF ANNUAL RETURN

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

DIRECTORS' REPORT

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

PARTICULARS OF EMPLOYEES

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

DIRECTORS RESPONSIBILITY STATEMENT

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

- (a) That in preparation of the Annual Financial Statements for the year ended March 31, 2016; the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any.
- (b) That such accounting policies as mentioned in the notes to the Financial Statements have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give true and fair view of the Statement of Affairs of the Company as at March 31, 2016 and of the Profit of the Company for the year ended on that date.
- (c) That proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) That the Annual Financial Statements have been prepared on a going concern basis.
- (e) That proper Internal Financial Controls were in place and that the Financial Controls were adequate and were operating effectively.
- (f) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

STATUTORY DISCLOSURES

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

A. Conservation of Energy, Technology Absorption

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

B. Foreign Exchange Earnings and Outgo

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

Particulars	₹ in lacs	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Foreign Exchange Earnings	99,424.98	76,905.54
Foreign Exchange Outgo	78,568.51	68,263.37

LISTING OF THE COMPANY'S EQUITY SHARES

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

ACKNOWLEDGEMENT

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

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

For **Sharda Cropchem Limited**

RAMPRAKASH V. BUBNA
CHAIRMAN & MANAGING DIRECTOR
DIN: 00136568

Date: May 25, 2016
Place: Mumbai

ANNEXURE 1

Sr. No.	Name of Subsidiary	Reporting Period	Reporting Currency	Exchange Rate Closing	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (Excluding investment in subsidiary)	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
35	Sadhivinyak International Limited	Apr-Mar	USD	66.31	45.14	(9.10)	130.04	94.00	-	-	(5.03)	-	(5.03)	-	100%
36	Eurozajski Pesticidi d.o.o.	Apr-Mar	HRK	9.93	1.99	2.52	8.65	4.14	-	-	12.36	-	12.36	-	100%
37	Nihon Agro Service Kabushiki Kaisha	Apr-Mar	JPY	0.59	0.59	-	7.09	6.50	-	-	-	-	-	-	100%
38	Sharda Dominicana S.R.L.	Jan-Dec	RD\$	1.44	-	-	-	-	-	-	-	-	-	-	99%
39	Sharda El Salvador S.A. DE CV	Jan-Dec	USD	66.44	-	-	-	-	-	-	-	-	-	-	99%
40	Sharda Agrochem Doel Skopje	Jan-Dec	MKD	1.16	-	-	-	-	-	-	-	-	-	-	100%

Notes:

- Sharda Chile SpA, Sharda Costa Rica SA, Shardacan Limited, Sharzam Limited, Sharda Dominicana S.R.L., Sharda El Salvador S.A. DE CV & Sharda Agrochem Doel Skopje are yet to commence business operations.
- Shardarus LLC has terminated its operation from 2nd December 2015.

Part "B": Associates and Joint Ventures

(₹ in Lacs)

Sr. No.	Name of Associates/Joint Ventures	Sharda Private (Thailand) Limited
1	Latest audited Balance Sheet date	31-Mar-16
2	Shares of Associate/Joint Ventures held by the Company on the year end	
	Number of Shares	4,900
	Amount of investment in Associates/Joint Venture	NIL
	Extent of Holding %	49%
3	Description of how there is significant influence	By Holding equal to more than 20% shares
4	Reason why the Associate/Joint Venture is not consolidated	N/A
5	Networth attributable to Shareholding as per latest audited Balance Sheet	-
6	Profit/Loss for the year	-
	i. Considered in Consolidation	-
	i. Not Considered in Consolidation	-

ANNEXURE 2

Annual Report on Corporate Social Responsibility (CSR) Activities

1. A brief outline of the Company's CSR policy including overview of projects or programmes proposed to be undertaken and a reference to the web-link to CSR policy and projects or programmes.

The CSR policy, approved by the Board of Directors, is available on the Company's website <http://www.shardacropchem.com/investor-relation.html>

In line with the CSR policy and in accordance with Schedule VII of the Companies Act, 2013, the Company has undertaken various activities towards CSR expenditure in the following activities/projects:

- a. Eradicating hunger and providing water and sanitation facilities;
- b. Promotion of education including vocational and special education to children and women;
- c. Empowerment of women;
- d. Animal welfare;
- e. Promotion of Olympic sports;
- f. Rural development projects

2. **The Composition of the CSR Committee.**

Your Company has constituted a CSR Committee, in accordance with the CSR provisions u/s 135 and Schedule VII of the Companies Act, 2013 and the Rules made thereunder. Mr. Manish R. Bubna has stepped down and Mrs. Sharda R. Bubna is appointed as member of the CSR Committee during the year under review. The Composition of the CSR Committee is as follows:

Mr. Ramprakash V. Bubna	Chairman
Mrs. Sharda R. Bubna	Member
Mrs. Urvashi Saxena	Member
Mr. Shifin Desai	Member

3. **Average Net Profit of the Company for last three Financial Years**

₹ 1,35,15,13,705.17

4. **Prescribed CSR expenditure (two percent of the amount as in item 3 above)**

₹ 2,70,30,274.10

5. **Details of CSR spent during the financial year**

- a. **Total amount spent for the financial year:**

₹ 2,70,40,878.00

- b. **Amount unspent, if any:**

NIL

- c. **Manner in which amount spent during the financial year is detailed below:**

The manner in which the amount is spent is as per the annexure.

6. **In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in the board report:**

Not applicable

7. **The Chairman of the CSR Committee has given a responsibility statement on behalf of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with the CSR objectives and policy of the Company.**

The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and policy of the Company.

ANNEXURE 2

(1)	(2)	(3)	(4)		(5)	(6)		(7)	(8)
			Local Area	State		Amount spent on the projects or programs Sub-heads	(2) Over heads		
						(1) Direct			Amount spent: Direct or through implementing agency
1.	Prevention of child harm hotspot model	Child Protection	-	Orissa	7,80,000	7,80,000	-	7,80,000	"The Aangan Trust"
2.	Multiple and Interdisciplinary Management of Children and Youth with Cerebral Palsy	Education including special education and employment	Chembur, Mumbai	Maharashtra	5,00,000	5,00,000	-	5,00,000	"Able Disabled All People Together"
3.	Education to children by conducting various programmes	Education	Mumbai	Maharashtra	5,00,000	5,00,000	-	5,00,000	"Agastya International Foundation"
4.	Promoting higher education by motivating the meritorious students with certificates, awards and trophies..	Promoting Education	Mumbai	Maharashtra	50,000	50,000	-	50,000	"Agrawal Seva Samiti"
5.	Organizing Eye Camps for the needy and downtrodden people	Medical relief	Nawalgarh	Rajasthan	91,000	91,000	-	91,000	"Alliance Club Nawalgarh"
6.	Providing Vocational Training to poor students studying for technical courses.	Vocational Training	Mumbai	Maharashtra	2,00,000	2,00,000	-	2,00,000	"Archana Educational Trust"
7.	Education to Backward class people.	Promoting Education	Mumbai	Maharashtra	2,50,000	2,50,000	-	2,50,000	"Cultural Society for Tribals"
8.	Mid Day Meal Project	Eradicating Hunger and Poverty	Non BMC Schools in Govandi & Trombay, Mumbai	Maharashtra	5,00,000	4,60,000	40,000	5,00,000	"Dharma Bharati Mission"
9.	Helping drought distressed families by providing them ration kit, financial, health & educational support.	Rural development projects	Marathawada	Maharashtra	25,00,000	25,00,000	-	25,00,000	"Dilasa Sanstha"
10.	Educational Donation for needy students.	Promoting Education	Jhunjhunu	Rajasthan	5,11,918	5,11,918	-	5,11,918	"Dundlod Vidyapeeth"
11.	Helping poor and needy people for payment of school fees, medical help and towards animal welfare.	Promoting Education, Medical Relief & Animal Welfare	Mumbai & Nawalgarh	Maharashtra & Rajasthan	30,49,360	30,49,360	-	30,49,360	"Jankidevi Bilasrai Bubna Trust"
12.	Programmes for development of tribal and underprivileged children for upgrading their standard of living.	Promoting Education	Bhubaneswar	Odisha	9,90,000	9,90,000	-	9,90,000	"Kalinga Institute of Social Science"

(1)	(2)	(3)	(4)		(5)	(6)	(7)	(8)
Sr. No	CSR Project or activity identified	Sector in which the project is covered	Location of the Projects		Amount outlay (budget)	Amount spent on the projects or programs Sub-heads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
13.	Vocational Training courses: Tailoring & Beautician	Vocational Training	Jaipur	Rajasthan	4,95,000	1,50,000	*1,50,000	"Kherwadi Social Welfare Association"
14.	Organizing Eye Camps for needy and downtrodden people	Medical relief	Nawalgarh	Rajasthan	5,67,600	5,67,600	5,67,600	"Lions Club"
15.	Promotion of computer education & motivating needy & meritorious students	Promoting Education	Mumbai	Maharashtra	10,00,000	10,00,000	10,00,000	"Marwadi Sammelan"
16.	Providing Scholarships, notebooks, study materials, etc to poor, needy and deserving students.	Promoting Education	Mumbai	Maharashtra	9,00,000	9,00,000	9,00,000	"Nawalgarh Nagrik Sangh"
17.	Olympic Gold Quest Training, equipment, medical support	Promoting Spots	India and Abroad		10,00,000	10,00,000	10,00,000	"Foundation for Promotion of Spots and Games"
			In India OFQ train at the following places:					
			1) Boxers train in Punjab, Maharashtra, Haryana and Manipur					
			2) Shooters train in Delhi, Maharashtra, Punjab, Chandigarh and Rajasthan					
			3) Wrestlers train in Haryana and Delhi					
			4) Athletics player train in Punjab, Kerala and Uttar Pradesh					
			5) Badminton players train in Telangana and Karnataka					
			6) Archers train in West Bengal, Maharashtra, Delhi and Jharkhand					
			Mostly the athletes train in the following countries:					
			USA, UK, Germany, France, Austria, Brazil, South Korea, Serbia, Italy and Spain					
18.	Educational Training & Rehabilitation for Mentally Challenged Youngs/Adults	Educational Training & Rehabilitation	Mumbai	Maharashtra	5,00,000	3,32,625	*3,32,625	"Om Creations Trust"

ANNEXURE 2

(1)	(2)	(3)	(4)		(5)	(6)	(7)	(8)
Sr. No	CSR Project or activity identified	Sector in which the project is covered	Location of the Projects		Amount outlay (budget)	Amount spent on the projects or programs Sub-heads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
19.	Animal Welfare & Medical Camp and Education support to deserving and needy students.	Medical relief, Animal Welfare	Bhayandar, Thane	Maharashtra	1,51,000	1,51,000	1,51,000	"Parihit Seva Sangh"
20.	Promoting healthcare and helping poor patients visiting Mumbai for medical treatment by providing them a place to reside	Medical Relief, Eradicating Poverty	Mumbai	Maharashtra	2,00,000	2,00,000	2,00,000	"Parmarth Seva Samiti"
21.	Establish and maintain Computer Labs in two institutions namely Ramniwas Bajaj High School and Kudlal Govindram Seksaria Sarvodaya School for computer education and training of their students.	Promoting Education	Malad, Mumbai	Maharashtra	92,00,000	-	*92,00,000	"Rajasthani Sammelan"
22.	Medical Help to the deserving and needy people	Medical Relief	Thane	Maharashtra	61,000	61,000	61,000	"Rajasthani Seva Sansitha"
23.	Setting of Math Lab Project for the Mentally Challenged students of our school.	Education	Mumbai	Maharashtra	5,00,000	2,09,600	5,00,000	"S. P. J. Sadhana School"
24.	Distribution of notebooks & clothes to poor and needy students and conducting a free Homeopathic Clinic to provide medicines and free check up for poor and needy persons.	Medical Relief	Mumbai	Maharashtra	41,000	41,000	41,000	"Shree Shyam Satsang Mandal"
25.	Distribution of books, compass box & stationary materials to needy and deserving tribal children's.	Promoting Education	Mumbai	Maharashtra	51,000	51,000	51,000	"Shree Tungreshwar Mahadev Seva Samiti"
26.	Feeding and taking care of needy, sick, aged and non-milk yielding cows in gaushala	Animal Welfare	Mumbai	Maharashtra	3,50,000	3,50,000	3,50,000	"Shri Panchdev Mahamandir Gosevashram Samiti"
27.	Eradicating Hunger and Poverty by distribution of grocery products to needy and poor people.	Eradicating Hunger	Mumbai	Maharashtra	1,02,000	1,02,000	1,02,000	"Shri Rani Sati Sanvejanik Aushadhayla"
28.	Sponsorship for running Day care centre & Computer Training	Education	Mumbai	Maharashtra	5,00,000	37,236	*37,236	"The Vatsalya Foundation"

(1)	(2)	(3)	(4)		(5)	(6)		(7)	(8)
Sr. No	CSR Project or activity identified	Sector in which the project is covered	Location of the Projects		Amount outlay (budget)	Amount spent on the projects or programs Sub-heads		Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
29.	Computer education for Orphan girls	Education	Thane	Maharashtra	5,00,000	93,939	78,190	*1,72,129	"Udaan Welfare Foundation"
30.	Promote livelihood enhancement projects by providing loans to needy people for self employment.	Livelihood enhancement project	Ahmadabad	Gujarat	10,00,000	10,00,000	-	10,00,000	"Vicharta Samuday Samarthan Manch"

* The balance amount will be spent by the respective NGO/Trust in the Financial Year 2016-17.

ANNEXURE 3

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016.

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Sharda Cropchem Limited,
Mumbai

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable during the period under review of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 effective up to 14th May, 2015;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 made effective from 15th May, 2015;

- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – Not applicable to the Company for the year under review;
- e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not applicable to the Company for the year under review;
- f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not applicable to the Company for the year under review;
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client – Not applicable to the Company;
- h) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – Not applicable to the Company for the year under review;
- i) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not applicable to the Company for the year under review;

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

- i. Secretarial Standards with respect to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013 and made effective from 1st July, 2015;
- ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited ("Stock Exchange(s)") effective up to 30th November, 2015;
- iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective from 1st December, 2015;

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

- The Company had intimated to Stock Exchange(s) on 20th May, 2015 for the Board meeting held on 30th May, 2015 as required under Clause 19(a) of the Listing Agreement at which, proposal for recommendation of dividend was considered by the Board of Directors. However, we have been informed by the management that the Company has inadvertently missed out this information in the prior intimation made to Stock Exchange(s) with regard to recommendation of dividend and the same was clarified later on to National Stock Exchange of India Limited.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director.
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings and Meetings of Committees except in case meeting was conducted by issued of shorter notice. Agenda and detailed notes on agenda were sent in advance in adequate time before the meetings and a system exists for Directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

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

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

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

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

Date: 25th May, 2016.

Place: Mumbai.

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

ANNEXURE A

To,
The Members,
Sharda Cropchem Limited,
Mumbai

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

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

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

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

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

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

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

Date: 25th May, 2016.
Place: Mumbai.

ANNEXURE 4

FORM NO. MGT.9 EXTRACT OF ANNUAL RETURN

as on the financial year ended March 31, 2016

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

1 REGISTRATION AND OTHER DETAILS

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

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Axis Crop Science Private Limited Domnic Holm, 29th Road Bandra (West), Mumbai – 400 050	U01100MH2009PTC189472	Subsidiary	100	Section 2 (87)
Nihon Agro Service Kabushiki Kaisha HF Toranomom Building, 5F, 2-17-2 Nishi-Shinbashi, Minato-ku, Tokyo 105-0003	-	Subsidiary	100	Section 2(87)
Sharda Agrochem Dooel Skopje Gjuro Gjakovik 20/1-10, 1000 Skopje, Macedonia	-	Subsidiary	100	Section 2(87)
Sharda Balkan Agrochemicals Limited Athens, Greece, Pavlou Mela 1, Chalandri, Postal code 15233, Greece	-	Subsidiary	100	Section 2(87)

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Sharda Chile SpA Padre Mariano 391, suite 1006, Providencia, Santiago, Chile	-	Subsidiary	100	Section 2(87)
Sharda Costa Rica SA San Jose, Santa Ana, Wells, Forum Business Center, Building C, Costa Rica	-	Subsidiary	99	Section 2(87)
Sharda Cropchem Espana, S.L. Carril Condomina Street, 6 Atalayas Business Center, 30006 Murcia, Spain	-	Subsidiary	100	Section 2(87)
Sharda Cropchem Israel Limited No. 5 Hovevei Zion Street, Tel Aviv, Israel	-	Subsidiary		Section 2(87)
Sharda Cropchem Tunisia SARL 27, Rue Hasdrubal – 1002, Tunisia	-	Subsidiary	99	Section 2(87)
Sharda De Guatemala S.A. 12 Avenida 16-66 Zona 10, Guatemala	-	Subsidiary	98	Section 2(87)
Sharda Del Ecuador CIA. LTDA. Inglaterra E3-54 and Av. Republica, Ecuador	-	Subsidiary	99.5	Section 2(87)
Sharda Do Brasil Comercio De Produtos Quimicos E Agroquimicos LTDA Rua da Consolacao No. 222- Conj. 1001- Sala 2, Consolacao-Sao Paulo – SP-CEP 608, Consolacao- Sao Paulo- SP-CEP (Zip Code) 01302-000,	-	Subsidiary	99	Section 2(87)
Sharda Dominicana, S.R.L. Av. Abraham Lincoln no. 403, La Julia, Santo Domingo, DN	-	Subsidiary	99	Section 2(87)
Sharda EL Salvador S. A. DE CV Pje. Sagrado Corazón, No. 2-28. Entre 83 y 85 Av. Norte, Col. Escalón, San Salvador, El Salvador, Centro América	-	Subsidiary	99	Section 2(87)
Sharda Hellas Agrochemicals Limited Athens, Greece, Pavlou Mela 1, Chalandri, Postal code 15233, Greece	-	Subsidiary	100	Section 2(87)
Sharda Hungary Kft 1147, Budapest, Ov utca 182/b, Hungary.	-	Subsidiary	100	Section 2(87)
Sharda International DMCC Unit No 2H-05-353, Floor No 5, Building No 2, J & G DMCC, Dubai, UAE	-	Subsidiary	100	Section 2(87)
Sharda Italia SRL Cattolica (Rn) Via Cabral 40 Cap 47841	-	Subsidiary	99	Section 2(87)
Sharda Peru SAC Calle Las Castanitas No 138, Oficina 5 – D, El Palomar, San Isidro, Peru	-	Subsidiary	99.95	Section 2(87)

ANNEXURE 4

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Sharda Poland SP. ZO.O ul. Bonifraterska 17, 00-203 Warszawa, Poland	-	Subsidiary	100	Section 2(87)
Sharda Polska SP. ZO.O ul. Bonifraterska 17, 00-203 Warszawa, Poland	-	Subsidiary	100	Section 2(87)
Sharda Spain, S.L. Avda. Jose Ortiz, 1st floor, 59 Bajo 1, 12550 Almazora, Castellon, Espana	-	Subsidiary	100	Section 2(87)
Sharda Swiss SARL Revinova Treuhand AG, Friesenbergstrasse 75, 8055 Zurich	-	Subsidiary	100	Section 2(87)
Sharda Taiwan Limited 9F, No. 563, Sec. 4, Zhongxiao East Road, Taipei, Taiwan	-	Subsidiary	100	Section 2(87)
Sharda Ukraine LLC 17 Sofiyivska Street, suite 4, Kyiv, 01001, Ukraine	-	Subsidiary	100	Section 2(87)
Sharda USA LLC 7212, Lancaster Pike, Suite A, P.O. Box 640, Hockessin, De 19707	-	Subsidiary	100	Section 2(87)
Shardacan Limited P. O. Box 7289, Slation "A", Saint John, New Brunswick, E2L 4S6	-	Subsidiary	100	Section 2(87)
Shardaserb DO.O Vasilija Ivanovića 12, Belgrade, Serbia	-	Subsidiary	100	Section 2(87)
Sharzam Limited Box 35954 Lusaka, Zambia	-	Subsidiary	99.99	Section 2(87)
Euroazijski Pesticidi D.O.O. Savska Cesta 106/3, Zagreb, Croatia	-	Indirect Subsidiary	100	Section 2(87)
Sharda Benelux BVBA Jozef Mertensstraat 142, 1702, Dilbeek	-	Indirect Subsidiary	100	Section 2(87)
Sharda Bolivia SRL Office 303, del 3 piso del "Edificio Oriente", Ballivian esquina Chuquisaca de nuestra ciudad de Santa Cruz de la Sierra, Bolivia	-	Indirect Subsidiary	99	Section 2(87)
Sharda Colombia S.A.S. Carera 46 No 22 B 20 Oficina 211, Edificio Salitre Office Empresarial, Bogota- Colombia	-	Indirect Subsidiary	99.48	Section 2(87)
Sharda De Mexico S De RL DE CV 115 Aguascalientes Tlacotalpan Chanpoton Romasur, Mexico.	-	Indirect Subsidiary	99	Section 2(87)
Sharda Europe BVBA Jozef Mertensstraat 142, 1702 Dilbeek	-	Indirect Subsidiary	100	Section 2(87)

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Sharda International Africa (Pty) Ltd 31, Alamein Road, Southdale, 2091.	-	Indirect Subsidiary	100	Section 2(87)
Sharda Malaysia SDN. BHD. B1- 1, Jalan Selaman 1, dataran palma, 6800 Ampang, Selangor Darul Ehsan, Malaysia.	-	Indirect Subsidiary	100	Section 2(87)
Sharda Uruguay S.A. Sarandi 693 Floor 3, Montevideo, Uruguay	-	Indirect Subsidiary	100	Section 2(87)
Sharpar S.A. Benjamin Constant No. 973 c/ Av. C. Colón. - Edificio Arasa 2 - Oficina 415 -1er. Piso	-	Indirect Subsidiary	90	Section 2(87)
Siddhivinayak International Limited Suite 1003, Khalid Al Attar Tower, Sheikh Zayed Road, P. O. Box 71241, Dubai – UAE,	-	Indirect Subsidiary	100	Section 2(87)
Sharda Private (Thailand) Limited House No. 2/241 Soi Latphrao Wanghin 83, Latphrao Wanghin Road, Latphrao District, Bangkok 10230	-	Associate	49	Section 2(6)

ANNEXURE 4

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 01, 2015)				No. of Shares held at the end of the year (As on March 31, 2016)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	6,76,65,371	0	6,76,65,371	75.00	6,76,65,371	0	6,76,65,371	75.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other ...	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-	6,76,65,371	0	6,76,65,371	75.00	6,76,65,371	0	6,76,65,371	75.00	0.00
(2) Foreign									
a) NRIs Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/ Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
#Total shareholding of Promoter (A) = (A) (1) + (A) (2)	6,76,65,371	0	6,76,65,371	75.00	6,76,65,371	0	6,76,65,371	75.00	0.00
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds/UTI	1,20,00,389	0	1,20,00,389	13.30	1,17,08,203	0	1,17,08,203	12.98	(0.32)
b) Banks/ FI	2,03,292	0	2,03,292	0.23	12,108	0	12,108	0.01	(0.22)
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 01, 2015)				No. of Shares held at the end of the year (As on March 31, 2016)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
d) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) Foreign Institutional Investors	51,38,110	0	51,38,110	5.70	63,14,805	0	63,14,805	7.00	1.30
h) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
i) Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1)	1,73,41,791	0	1,73,41,791	19.22	1,80,35,116	0	1,80,35,116	19.99	0.76
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	0	0	0	0.00	0	0	0	0	0
ii) Overseas	13,64,774	0	13,64,774	1.51	9,99,104	0	9,99,104	1.11	(0.40)
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	32,85,146	2	32,85,148	3.64	31,38,586	102	31,38,688	3.48	(0.16)
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh.	3,08,072	0	3,08,072	0.34	2,49,715	0	2,49,715	0.28	(0.06)
c) Others (specify)									
i) Clearing Members	1,11,163	0	1,11,163	0.12	19,872	0	19,872	0.02	(0.10)
ii) Non Resident Individuals	1,44,176	0	1,44,176	0.16	1,08,797	0	1,08,797	0.12	(0.04)
iii) NBFC	0	0	0	0	3,832	0	3,832	0.00	0.00
Sub-Total (B) (2):-	52,13,331	2	52,13,333	5.78	45,19,906	102	45,20,008	5.01	(0.76)
Total Public Shareholding (B) = (B)(1) + B(2)	2,25,55,122	2	2,25,55,124	25.00	2,25,55,022	102	2,25,55,124	25.00	0
C. Shares held by Custodians for GDR& ADRs	0	0	0	0.00	0	0	0	0.00	0
*GRAND TOTAL (A) + (B) + (C)	9,02,20,493	2	9,02,20,495	100.00	9,02,20,393	102	9,02,20,495	100.00	0

ANNEXURE 4

ii. Shareholding of Promoters

Sr No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 01, 2015)			Shareholding at the end of the year (As on March 31, 2016)			
		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	% change in share holding during the year
Promoters - Individual								
1.	Ramprakash V. Bubna	1,41,52,686	15.6868	0	1,41,52,686	15.6868	0	0
2.	Sharda R. Bubna	1,41,52,685	15.6868	0	1,41,52,685	15.6868	0	0
3.	Ashish R. Bubna	1,51,80,000	16.8254	0	1,51,80,000	16.8254	0	0
4.	Manish R. Bubna	1,51,80,000	16.8254	0	1,51,80,000	16.8254	0	0
5.	Seema A. Bubna	45,00,000	4.9878	0	45,00,000	4.9878	0	0
6.	Anisha M. Bubna	45,00,000	4.9878	0	45,00,000	4.9878	0	0

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

Sr No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. Shares	% of total shares of the company
	At the beginning of the year	6,76,65,371	75.00	6,76,65,371	75.00
	Date wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change during the year			
	At the end of the year	6,76,65,371	75.00	6,76,65,371	75.00

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

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of year		Dates	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	DSP Blackrock Mutual Fund	35,60,218	3.95	31.07.2015	Purchase of Shares	1,00,000	0.11	36,60,218	4.06
				14.08.2015	Purchase of Shares	2,62,766	0.29	39,22,984	4.35
				21.08.2015	Purchase of Shares	83,787	0.09	40,06,771	4.44
				28.08.2015	Purchase of Shares	1,40,600	0.16	41,47,371	4.6
				09.10.2015	Purchase of Shares	9,584	0.01	41,56,955	4.61
				16.10.2015	Purchase of Shares	8,911	0.01	41,65,866	4.62
				23.10.2015	Purchase of Shares	45,001	0.05	42,10,867	4.67
				30.10.2015	Purchase of Shares	2,01,173	0.22	44,12,040	4.89
				06.11.2015	Purchase of Shares	2,11,729	0.23	46,23,769	5.12
13.11.2015	Purchase of Shares	8	0	46,23,777	5.12				

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of year		Dates	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
				20.11.2015	Purchase of Shares	79,486	0.09	47,03,263	5.21
				27.11.2015	Purchase of Shares	37,221	0.04	47,40,484	5.25
				18.12.2015	Purchase of Shares	85,000	0.09	48,25,484	5.35
				25.12.1015	Purchase of Shares	50,000	0.06	48,75,484	5.4
				15.01.2016	Purchase of Shares	10,911	0.01	48,86,395	5.42
				22.01.2016	Purchase of Shares	3,113	0	48,89,508	5.42
				29.01.2016	Purchase of Shares	80,477	0.09	49,69,985	5.51
				05.02.2016	Purchase of Shares	2,267	0	49,72,252	5.51
				12.02.2016	Purchase of Shares	12,801	0.01	49,85,053	5.53
				19.02.2016	Purchase of Shares	1,78,366	0.2	51,63,419	5.72
				26.02.2016	Purchase of Shares	4,02,999	0.45	55,66,418	6.17
				04.03.2016	Purchase of Shares	3,362	0	55,69,780	6.17
				11.03.2016	Purchase of Shares	8,817	0.01	55,78,597	6.18
				25.03.2016	Purchase of Shares	15,343	0.02	55,93,940	6.2
				31.03.2016	Purchase of Shares	22,686	0.03	56,16,626	6.23
		56,16,626	6.23	31.03.2016	At the end of the year				
2	HDFC Trustee Company Limited	9,71,520	1.08	17.04.2015	Sales of Shares	1,87,760	0.21	7,83,760	0.87
				24.04.2015	Sales of Shares	7,300	0.01	7,76,460	0.86
				01.05.2015	Sales of Shares	9,700	0.01	7,66,760	0.85
				05.06.2015	Sales of Shares	12,600	0.01	7,54,160	0.84
				12.06.2015	Sales of Shares	33,000	0.04	7,21,160	0.8
				28.08.2015	Purchase of Shares	7,500	0.01	7,28,660	0.81
				6.11.2015	Purchase of Shares	7,79,300	0.86	15,07,960	1.67
		15,07,960	1.67	31.03.2016	At the end of the year				
3	SBI Mutual Fund	17,72,644	1.96	05.06.2015	Sale of Shares	95,461	0.11	16,77,183	1.86
				05.06.2015	Purchase of Shares	26,500	0.03	17,03,683	1.89
				26.06.2015	Purchase of Shares	8,000	0.01	17,11,683	1.90
				10.07.2015	Purchase of Shares	47,932	0.05	17,59,615	1.95
				11.09.2015	Sale of Shares	4,335	0.00	17,55,280	1.95
				11.09.2015	Purchase of Shares	15,000	0.02	17,70,280	1.96
				18.09.2015	Sale of Shares	22,200	0.02	17,48,080	1.94
				25.09.2015	Sales of Shares	40,000	0.04	17,08,080	1.89
				25.09.2015	Purchase of Shares	40,000	0.04	17,48,080	1.94
				30.09.2015	Purchase of Shares	3,500	0.00	17,51,580	1.94
				23.10.2015	Purchase of Shares	20,000	0.02	17,71,580	1.96
				06.11.2015	Purchase of Shares	65,247	0.07	18,36,827	2.04
				13.11.2015	Purchase of Shares	12,000	0.01	18,48,827	2.05

ANNEXURE 4

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of year		Dates	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
				27.11.2015	Purchase of Shares	50,000	0.06	18,98,827	2.10
				04.12.2015	Sale of Shares	2,12,381	0.24	16,86,446	1.87
				26.02.2016	Sale of Shares	2,10,000	0.23	14,76,446	1.64
		14,76,446	1.64	31.03.2016	At the end of the year				
4	Goldman Sachs India Fund Limited	15,94,068	1.77	05.06.2015	Purchase of Shares	76,196	0.08	16,70,264	1.85
				26.06.2015	Purchase of Shares	43,321	0.05	17,13,585	1.90
				31.07.2015	Purchase of Shares	96,929	0.11	18,10,514	2.01
		18,10,514	2.01	31.03.2016	At the end of the year				
5	L and T Mutual Fund Trustee Ltd	15,73,349	1.74	08.05.2015	Purchase of Shares	24,700	0.03	15,98,049	1.77
				05.06.2015	Purchase of Shares	57,000	0.06	16,55,049	1.83
				26.06.2015	Purchase of Shares	24,916	0.03	16,79,965	1.86
				28.08.2015	Purchase of Shares	22,600	0.03	17,02,565	1.89
				04.09.2015	Purchase of Shares	4,714	0.01	17,07,279	1.89
				25.09.2015	Purchase of Shares	40,000	0.04	17,47,279	1.94
				09.10.2015	Sale of Shares	31,400	0.03	17,15,879	1.90
				09.10.2015	Purchase of Shares	31,400	0.03	17,47,279	1.94
				23.10.2015	Sale of Shares	10,000	0.01	17,37,279	1.93
				30.10.2015	Sale of Shares	2,13,134	0.24	15,24,145	1.69
				06.11.2015	Purchase of Shares	41,172	0.05	15,65,317	1.73
				06.11.2015	Sale of Shares	4,63,084	0.51	11,02,233	1.22
				20.11.2015	Sale of Shares	33,508	0.04	10,68,725	1.18
				27.11.2015	Sale of Shares	54,512	0.06	10,14,213	1.12
				04.12.2015	Sale of Shares	4,49,610	0.50	5,64,603	0.63
				11.12.2015	Sale of Shares	2,747	0.00	5,61,856	0.62
				18.12.2015	Sale of Shares	1,05,211	0.12	4,56,645	0.51
				25.12.2015	Sale of Shares	31,305	0.03	4,25,340	0.47
				31.12.2015	Sale of Shares	86,750	0.10	3,38,590	0.38
				08.01.2016	Sale of Shares	3,700	0.00	3,34,890	0.37
19.02.2016	Sale of Shares	49,907	0.06	2,84,983	0.32				
26.02.2016	Sale of Shares	2,10,495	0.23	74,488	0.08				
04.03.2016	Sale of Shares	11,546	0.01	62,942	0.07				
11.03.2016	Sale of Shares	764	0.00	62,178	0.07				
18.03.2016	Sale of Shares	7,060	0.01	55,118	0.06				

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of year		Dates	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
				25.03.2016	Sale of Shares	451	0.00	54,667	0.06
				31.03.2016	Sale of Shares	9,066	0.01	45,601	0.05
		45,601	0.05	31.03.2016	At the end of the year				
6	Pinebridge Investments Asia Limited	13,81,444	1.53	06.11.2015	Purchase of Shares	46,759	0.05	14,28,203	1.58
				04.12.2015	Purchase of Shares	6,63,409	0.74	20,91,612	2.32
				18.12.2015	Purchase of Shares	27,913	0.03	21,19,525	2.35
				22.01.2016	Purchase of Shares	60,926	0.07	21,80,451	2.42
				19.02.2016	Purchase of Shares	52,649	0.06	22,33,100	2.48
				18.03.2016	Purchase of Shares	5,255	0.01	22,38,355	2.48
		22,38,355	2.48	31.03.2016	At the end of the year				
7	UTI – Focussed Equity Fund Series I (1100 Days)	8,36,967	0.93	17.04.2015	Sale of Shares	58,741	0.07	7,78,226	0.86
		7,78,226	0.86	31.03.2016	At the end of the year				
8	Amansa Holding Private Limited	-	-	06.11.2015	Purchase of Shares	2,99,522	0.33	2,99,522	0.33
				13.11.2015	Purchase of Shares	4,59,268	0.51	7,58,790	0.84
				15.01.2016	Sale of Shares	7,154	0.01	7,51,636	0.83
		7,51,636	0.83	31.03.2016	At the end of the year				
9	Kuwait Investment Authority Fund 224	7,14,113	0.79	31.07.2015	Sale of Shares	1,00,000	0.11	6,14,113	0.68
				22.01.2016	Sale of Shares	29,580	0.03	5,84,533	0.65
		5,84,533	0.65	31.03.2015	At the end of the year				
10	Reliance Life Insurance Company Limited	3,11,723	0.35	22.05.2015	Sale of Shares	4,817	0.01	3,06,906	0.34
				29.05.2015	Sale of Shares	23,500	0.03	2,83,406	0.31
				24.07.2015	Sale of Shares	14,656	0.02	2,68,750	0.30
				28.08.2015	Purchase of Shares	11,549	0.01	2,80,299	0.31
				30.10.2015	Purchase of Shares	44,823	0.05	3,25,122	0.36
				06.11.2015	Purchase of Shares	17,236	0.02	3,42,358	0.38
				20.11.2015	Sale of Shares	14,535	0.02	3,27,823	0.36
				20.11.2015	Purchase of Shares	1,039	0.00	3,28,862	0.36
				27.11.2015	Purchase of Shares	3,537	0.00	3,32,399	0.37
				04.12.2015	Purchase of Shares	3,574	0.00	3,35,973	0.37
				11.12.2015	Purchase of Shares	11,516	0.01	3,47,489	0.39
				18.12.2015	Purchase of Shares	23,401	0.03	3,70,890	0.41
				25.12.2015	Purchase of Shares	68,985	0.08	4,39,875	0.49
				31.12.2015	Purchase of Shares	58,536	0.06	4,98,411	0.55

ANNEXURE 4

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of year		Dates	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
				01.01.2016	Sale of Shares	218	0.00	4,98,193	0.55
				08.01.2016	Sale of Shares	62	0.00	4,98,131	0.55
				15.01.2016	Purchase of Shares	3,007	0.00	5,01,138	0.56
				22.01.2016	Purchase of Shares	29,434	0.03	5,30,572	0.59
				22.01.2016	Purchase of Shares	4,839	0.01	5,35,411	0.59
				29.01.2016	Sale of Shares	58	0.00	5,35,353	0.59
				05.02.2016	Purchase of Shares	182	0.00	5,35,535	0.59
				12.02.2016	Purchase of Shares	2,482	0.00	5,38,017	0.60
				19.02.2016	Purchase of Shares	12,002	0.01	5,50,019	0.61
				26.02.2016	Purchase of Shares	13,973	0.02	5,63,992	0.63
				04.03.2016	Purchase of Shares	5,579	0.01	5,69,571	0.63
				11.03.2016	Purchase of Shares	5	0.00	5,69,576	0.63
				18.03.2016	Sale of Shares	8,722	0.01	5,60,854	0.62
		5,60,854	0.62	31.03.2016	At the end of the year				

v. Shareholding of Directors and Key Managerial Personnel

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

For Each of the Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. Shares	% of total shares of the company	No. of shares	% of total shares of the company
Mr. Manish R. Bubna				
At the beginning of the year	1,51,80,000	16.8254	1,51,80,000	16.8254
Increase/Decrease	No transactions during the year			
At the end of the year	1,51,80,000	16.8254	1,51,80,000	16.8254

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

For Each of the KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. Shares	% of total shares of the company	No. of shares	% of total shares of the company
Mr. Gautam Arora, Chief Financial Officer				
At the beginning of the year	-	-	-	-
Increase / Decrease	-	-	-	-
As on 30-Nov-15	-	-	-	-
Mr. Conrad Fernandes, Chief Financial Officer				
As on 25-Jan-16	-	-	-	-
Increase / Decrease	-	-	-	-
At the end of the year	-	-	-	-
Mr. Jetkin Gudhka, Company Secretary				
At the beginning of the year	90	-	90	-
Increase / Decrease	-	-	-	-
At the end of the year	90	-	90	-

5. INDEBTEDNESS

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

(Amount in ₹ Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,782.53	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	16.69	-	-	-
Total (i+ii+iii)	3,799.22	-	-	-
Change in Indebtedness during the financial year				
Addition	175.49	-	-	-
Reduction	3,799.22	-	-	-
Net Change	3,623.73	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	174.62	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.87	-	-	-
Total (i+ii+iii)	175.49	-	-	-

ANNEXURE 4

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to the managing director, whole-time director and/or manager:

(Amount in ₹)

Sr No.	Particulars of Remuneration	Name of MD / WTD / Manager				Total Amount
		Ramprakash Bubna (Managing Director)	Sharda Bubna (Whole time Director)	Ashish Bubna (Whole time Director)	Manish Bubna (Whole time Director)	
1	Gross Salary	1,50,00,000	30,00,000	1,25,00,000	1,25,00,000	4,30,00,000
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	-	-	-
b)	Value of perquisites u/s 17(2) Income-Tax Act, 1961	-	-	-	-	-
c)	Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission					
	- as % of profit (Refer note)	1,56,64,784	-	1,04,95,405	1,04,95,405	3,66,55,594
	- others, (please specify)	-	-	-	-	-
5.	Others, (please specify)	-	-	-	-	-
	Total (A)	3,06,64,784	30,00,000	2,29,95,405	2,29,95,405	7,96,55,594
	Ceiling as per the Act	13,09,25,240	13,09,25,240	13,09,25,240	13,09,25,240	26,18,50,481

Note: Commission is for the Financial Year 2014-15, paid in the Financial Year 2015-16.

B Remuneration to other Directors:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. M. S. Sundara Rajan	Mrs. Urvashi Saxena	Mr. Shitin Desai	Mr. Shobhan Thakore	Mr. P R Srinivasan	
1	Fee for attending Board / Committee Meetings	2,50,000	3,20,000	2,40,000	1,60,000	1,40,000	11,10,000
2	Commission	-	-	-	-	-	-
3	Others, (please specify)	-	-	-	-	-	-

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		* Mr. Gautam Arora (Chief Financial Officer)	* Mr. Conrad Fernandes (Chief Financial Officer)	Mr. Jetkin Gudhka (Company Secretary)	
1	Gross Salary				
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	97,36,343	13,28,332	10,50,824	1,21,15,499
b)	Value of perquisites u/s 17(2) Income-Tax Act, 1961	-	-	-	-
c)	Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		* Mr. Gautam Arora (Chief Financial Officer)	* Mr. Conrad Fernandes (Chief Financial Officer)	Mr. Jetkin Gudhka (Company Secretary)	
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit (Refer Note)	-	-	-	-
	- others, specify	-	-	-	-
5	Others, (please specify)	-	-	-	-
	Total (A)	97,36,343	13,28,332	10,50,824	1,21,15,499

* Note: Mr. Gautam Arora resigned from the post of Chief Financial Officer with effect from November 30, 2015 and Mr. Conrad Fernandes is been appointed as Chief Financial Officer with effect from January 25, 2016.

7. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

ANNEXURE 5

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

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

Name of the Directors	Ratio to median remuneration
Executive Directors	
Mr. Ramprakash V. Bubna	95.86
Mrs. Sharda R. Bubna	9.38
Mr. Ashish R. Bubna	71.88
Mr. Manish R. Bubna	71.88
Non-Executive Directors	
Mr. M. S. Sundara Rajan	0.78
Mrs. Urvashi Saxena	1.00
Mr. Shitin Desai	0.75
Mr. Shobhan Thakore	0.50
Mr. P R Srinivasan	0.44

Note: Directors' Remuneration is including sitting fees.

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

Name of the Directors, Chief Financial Officer and Company Secretary	% increase in remuneration in the Financial Year
Mr. Ramprakash V. Bubna	28.00
Mrs. Sharda R. Bubna	-
Mr. Ashish R. Bubna	25.00
Mr. Manish R. Bubna	25.00
Mr. M. S. Sundara Rajan	(17.00)
Mrs. Urvashi Saxena	45.00
Mr. Shitin Desai	(14.00)
Mr. Shobhan Thakore	(27.00)
Mr. P R Srinivasan	17.00
Mr. Gautam Arora, Chief Financial Officer	*NA
Mr. Conrad Fernandes, Chief Financial Officer	*NA
Mr. Jetkin Gudhka, Company Secretary	(2.00)

* Mr. Gautam Arora resigned from the post of Chief Financial Officer with effect from November 30, 2015 and Mr. Conrad Fernandes was appointed as Chief Financial Officer with effect from January 25, 2016 and hence the figures are not comparable.

3. The percentage decrease in the median remuneration of employees during the Financial Year: 2.20%

4. The number of permanent employees on rolls of the Company: 131

5. The explanation on the relationship between average increase in remuneration and Company performance:

Remuneration of employees has a close linkage with the performance of the Company. Factors considered while recommending increase in fixed compensation:

- a. Financial performance of the Company
- b. Comparison with peer Companies
- c. Industry Benchmarking and consideration towards cost of inflation
- d. Regulatory guidelines, if any

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.

For FY 2015-16, KMP's were paid approx. 2.43% of the Standalone net profit for the year.

7. Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.

Particulars	March 31, 2016	March 31, 2015	% Change
Market Capitalisation (₹ In Crores)	2,186.04	2,976.37	(-) 26.55
Price Earnings Ratio	12.50	24.20	(-) 48.35

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

The percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 16.11% as against an increase of 28.00% in the salary of the Managing Director (Managerial Personnel). The increment given to each individual employee is based on the employee's potential, experience and also their performance and contribution to the Company's progress during the year and is benchmarked against similar companies in India.

9. Comparison of each remuneration of Key Managerial Personnel against the performance of the Company.

The comparison of remuneration of each of the Key Managerial Personnel against the performance of the Company is as under:

Name	% of Net Profit for Financial Year 2015-16
Mr. Ramprakash V. Bubna	1.80
Mr. Gautam Arora, Chief Financial Officer*	0.57
Mr. Conrad Fernandes, Chief Financial Officer+	0.08
Mr. Jetkin Gudhka, Company Secretary	0.07

*upto November 30, 2015

+from January 25, 2016.

10. The key parameters for any variable component of remuneration availed by the Directors.

The variable component is in the form of commission paid to the Managing Director and other Wholtime Directors of the Company. The same is based on the performance of the Company and as per the agreement entered with them. The same is as per the Shareholder's approval.

11. The ratio of remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.

None

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

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

ANNEXURE 6

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

Sr. No.	Name	Designation	Remuneration received (in ₹)	Nature of Employment	Qualification	Experience	Date of joining	Age	Last Employment	%of Shares held in the Company
1	Mr. Ramprakash V. Bubna	Chairman & Managing Director	3,06,64,784	Contractual	B. Tech., Chemical Engineering	47	12-Mar-04	70	NIL	15.69
2	Mr. Ashish R. Bubna	Wholetime Director	2,29,95,405	Contractual	B.Com	24	12-Mar-04	43	NIL	16.83
3	Mr. Manish R. Bubna	Wholetime Director	2,29,95,405	Contractual	B. Chemical Engineering	22	12-Mar-04	42	NIL	16.83
4	Mr. Gautam Arora (upto 30-Nov-15)	Chief Financial Officer	97,36,343	Contractual	B.Com., ACA	24	12-Apr-10	48	Reliance Industries Ltd.	NIL
5	Mr. Conrad Fernandes (w.e.f. 25-Jan-16)	Chief Financial Officer	13,28,332	Contractual	B.Com., FCA	25	25-Jan-16	49	IL&FS Investment Managers Limited	NIL

Notes:

1. Mr. Ramprakash V. Bubna, Mrs. Sharda R. Bubna, Mr. Ashish R. Bubna & Mr. Manish R. Bubna are promoters of the Company and are related to each other.
2. Remuneration received includes the amount of commission paid, if any, during the year. Amount of commission for the year 2014-15 is paid in the year 2015-16.

CORPORATE GOVERNANCE REPORT

The report on Corporate Governance is prepared pursuant to Clause 49 of the Listing Agreement and Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations").

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

Your Company believes that there is a need to view Corporate Governance as more than just a regulatory requirement as there exists a fundamental link with the organization's business, corporate responsibility and shareholder's wealth maximization. Therefore, it strives continuously to improve its level of overall efficiency through good corporate governance which envisages transparency, professionalism and accountability in all its operations.

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

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

2. BOARD OF DIRECTORS

As on March 31, 2016, the Company had nine Directors, comprising five Non-Executive Directors, four Executive Directors. The Composition of the Board is in conformity with Regulation 17 of the SEBI Regulations read with Section 149 of the Companies Act, 2013.

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

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

The names and categories of the Directors on the Board, their number of Directorships and Committee Chairmanships/ Memberships held by them in other Public Limited Companies as on March 31, 2016 are given below. Other Directorships do not include Directorships of Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013. Chairmanships/Memberships of Board Committees shall include Audit Committee and Stakeholder's Relationship Committee in Public Limited Companies.

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

CORPORATE GOVERNANCE REPORT

Independent Director

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

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

During the year, one meeting of the Independent Directors was held on January 30, 2016. All the Independent Directors attended the meeting.

The Non-Executive Director does not hold any equity shares of the Company.

Board Meetings & Attendance of Directors

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

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

Name of the Director	No. of Board Meetings attended during 2015-16	Attendance at the AGM held on 18th September, 2015
Mr. Ramprakash V. Bubna	5	Yes
Mrs. Sharda R. Bubna	5	Yes
Mr. Ashish R. Bubna	4	Yes
Mr. Manish R. Bubna	1	Yes
Mr. M. S. Sundara Rajan	5	Yes
Mrs. Urvashi Saxena	5	No
Mr. Shitin Desai	5	Yes
Mr. Shobhan Thakore	5	No
Mr. P. R. Srinivasan	4	Yes

The Board of Directors met five times during the Financial Year 2015-16 and the gap between two meetings did not exceed 120 days. The necessary quorum was present for all the meetings. Board Meetings were held on May 30, 2015, August 05, 2015, November 03, 2015, January 30, 2016 and March 14, 2016.

Governance Codes

Code of Business Conduct & Ethics

The Company's Code of Business Conduct & Ethics requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on

the Company's website <http://shardacropchem.com/code-conduct.html>.

Conflict of Interest

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

Code of Conduct for Insider Trading

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

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

3. AUDIT COMMITTEE

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

Terms of Reference

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

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible;
- Recommending to the Board of Directors, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of Statutory Auditor and the fixation of audit fees;
- Approval of payment to Statutory Auditors for any other services rendered by them;
- Reviewing with the management the Annual Financial Statements before submission to the Board of Directors for approval, with particular reference to:
 - ◆ Matters required to be included in the Director's Responsibility Statement to be included in the Directors' Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - ◆ Changes, if any, in accounting policies and practices and reasons for the same;
 - ◆ Major accounting entries involving estimates based on the exercise of judgment by management;

- ◆ Significant adjustments made in the Financial Statements arising out of audit findings;
- ◆ Compliance with listing and other legal requirements relating to Financial Statements;
- ◆ Disclosure of any Related Party Transactions;
- ◆ Qualifications in the draft Audit Report;
- Reviewing with the management the quarterly Financial Statements before submission to the Board of Directors for approval;
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing with the management the performance of Statutory Auditor and Internal Auditor and the adequacy of internal control systems;
- Reviewing the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit;
- Discussion with Internal Auditor on any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by Internal Auditor into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors;
- Discussing with Statutory Auditor before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in payments to Depositors, Debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blowing mechanism;
- Approval of appointment of the Chief Financial Officer (i.e. the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing, amongst others, the qualifications, experience and background of the candidate;
- Review & monitor the auditor's independence and performance and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with Related Parties;
- Scrutiny of Inter-corporate Loans & Investments;
- Valuation of undertakings or assets of the Company;
- Evaluation of Internal Financial Controls and risk management systems;
- Examination of the Financial Statement and the Auditor's Report thereon;
- Monitoring the end use of funds raised through public offers and related matters;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- To investigate any activity within its terms of reference;
- To have full access to information contained in the records of the Company;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Composition and Attendance of the members of Audit Committee

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

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

The Audit Committee met four times during the Financial Year 2015-16 and the gap between the two Meetings did not exceed 120 days. The necessary quorum was present for all the Meetings. Audit Committee Meetings were held May 30, 2015, August 05, 2015, November 03, 2015 and January 30, 2016.

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

The Chairman of the Audit Committee, Mr. M. S. Sundara Rajan was present at the Annual General Meeting of the Company held on September 18, 2015.

CORPORATE GOVERNANCE REPORT

4. NOMINATION AND REMUNERATION COMMITTEE

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

Terms of Reference

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

- To fix and finalise remuneration including salary, perquisites, benefits, bonuses and allowances;
- To frame suitable policies and systems to ensure that:
 - a) There is no violation, by an employee of any applicable laws in India or overseas, including:
 - i. The Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015 or;
 - ii. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995.
 - b) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully;
 - c) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - d) Remuneration payable to Directors, Key Managerial Personnel and other Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
 - To fix performance linked incentives along with the performance criteria;
 - To fix Increments and promotions;
 - To enter into service contracts, notice period, severance fees;
 - To make Ex-gratia payments;
 - To formulate detailed terms and conditions of Employee Stock Option Schemes including details pertaining to quantum of options to be granted, conditions for lapsing of vested options, exercise period, adjustments for corporate actions and procedure for cashless exercise and perform such other functions as are required to be performed by the Remuneration Committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended ("ESOP Guidelines"), in particular, those stated in Clause 5 of the ESOP Guidelines;

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- To formulate the criteria for evaluation of Independent Directors and the Board;
- To devise a policy on Board diversity;
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report; and
- To carry out such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee.

Composition and Attendance of the members of Nomination and Remuneration Committee

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

Name of the Director	Position	Category	No. of Meetings attended
Mr. M. S. Sundara Rajan	Chairman	Independent Director	2
Mrs. Urvashi Saxena	Member	Independent Director	2
Mr. Shitin Desai	Member	Independent Director	2
Mr. Ramprakash V. Bubna	Member	Chairman & Managing Director	N.A.*

* Mr. Ramprakash V. Bubna was appointed as a Member of this Committee w.e.f. January 30, 2016.

The Nomination and Remuneration Committee met two times during the Financial Year 2015-16. The necessary quorum was present for all the meetings. Nomination and Remuneration Committee Meetings were held on May 30, 2015 and January 30, 2016.

The Chairman of the Nomination & Remuneration Committee, Mr. M. S. Sundara Rajan was present at the Annual General Meeting of the Company held on September 18, 2015.

Performance Evaluation

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of the Chairman, Independent

Directors, Executive Directors and Board as a whole was done by the entire Board of Directors and in the evaluation, the Directors who are subject to evaluation, had not participated.

Remuneration Policy

The Company had a Nomination & Remuneration Policy for remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. There is no change in the Policy in FY 2015-16.

The objective of the Committee is as follows:

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

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

- The Executive Directors, Key Managerial Personnel and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to provident fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/the person authorized by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.
- If in any Financial Year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Directors in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

- If any Executive Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.
- The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

Remuneration to Non-Executive/Independent Director:

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

The Company does not have any Employee Stock Option Scheme.

Details of Remuneration paid to Directors for the year ended March 31, 2016

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

Particulars	Name of the Executive Director			
	Ramprakash V. Bubna	Sharda R. Bubna	Ashish R. Bubna	Manish R. Bubna
Gross Salary (Rs.)	1,50,00,000	30,00,000	1,25,00,000	1,25,00,000
Commission for the FY 2014-15, paid in FY 2015-16 (Rs.)	1,56,64,784	-	1,04,95,405	1,04,95,405
Date of Agreement	01-Jan-14	01-Jan-14	01-Jan-14	01-Jan-14
No. of Years	5	5	5	5
Period of Agreement	31-Dec-18	31-Dec-18	31-Dec-18	31-Dec-18
Notice Period	3 months	3 months	3 months	3 months
Stock Options	-	-	-	-

CORPORATE GOVERNANCE REPORT

DETAILS OF SITTING FEES PAID TO THE INDEPENDENT DIRECTORS FOR 2015-16:

Name of the Director	Sitting fees (₹)
Mr. M. S. Sundara Rajan	2,50,000
Mrs. Urvashi Saxena	3,20,000
Mr. Shitin Desai	2,40,000
Mr. Shobhan Thakore	1,60,000
Mr. P. R. Srinivasan	1,40,000

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

Terms of Reference

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

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

Composition and Attendance of the members of Stakeholders' Relationship Committee

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

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

The Stakeholders' Relationship Committee met on March 14, 2016 during the Financial Year 2015-16.

Name, Designation and address of Compliance Officer

Mr. Jetkin Gudhka

Company Secretary

Domnic Holm, 29th Road, Bandra (West), Mumbai – 400 050.

Tel. No.: 91 22 6678 2800

Fax No.: 91 22 6678 2828

Email: co.sec@shardaintl.com

A total of 199 complaints were received from the Shareholders during the Financial Year 15-16 and all the complaints were resolved successfully. Most of the complaints pertained to non-receipt of Refund Orders pursuant to the Initial Public Offer of the Company.

No request for transfer or dematerialization of shares was pending as on March 31, 2016.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

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

Terms of Reference

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

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

Composition and Attendance of the members of CSR Committee

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

Name of the Director	Position	Category	No. of Meetings attended
Mr. Ramprakash V. Bubna	Chairman	Chairman & Managing Director	3
Mr. Shitin Desai	Member	Independent Director	3
Mrs. Urvashi Saxena	Member	Independent Director	3
Mr. Manish R. Bubna	Member	Whole-time Director	1*
Mrs. Sharda R. Bubna	Member	Whole-time Director	2*

* Mr. Manish R. Bubna has stepped down and Mrs. Sharda R. Bubna is appointed as member of Corporate Social Responsibility Committee with effect from May 30, 2015.

The Corporate Social Responsibility Committee met three times during the year. The necessary quorum was present for all the meetings. Corporate Social Responsibility Committee Meetings were held on May 30, 2015, November 03, 2015 and March 14, 2016.

7. GENERAL BODY MEETINGS

Details of Last Three Annual General Meetings (AGM)

Financial Year	Date and Time	Location	Details of Special Resolutions Passed
2012-13	Monday, August 26, 2013, 5:00 p.m.	Domnic Holm, 29 th Road, Bandra (West), Mumbai – 400 050	None
2013-14	Saturday, August 09, 2014, 1.00 p.m.	Domnic Holm, 29 th Road, Bandra (West), Mumbai – 400 050	None
2014-15	Friday, September 18, 2015, 3.00 p.m.	National Stock Exchange Auditorium, Plot No. C/1, G Block, Bandra-Kurla Complex, BKC Road, Bandra (East), Mumbai – 400 051	None

Extra Ordinary General Meeting

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

During the year under review, no special resolution had been passed through the exercise of postal ballot.

No special resolution is proposed to be conducted through postal ballot at the AGM to be held for the Financial Year 2015-16.

8. SUBSIDIARY COMPANIES

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

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

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

9. DISCLOSURES

- During the year, all Related Party Transactions as defined under the Companies Act, 2013 and Regulation 23 of

the SEBI Regulations were in the ordinary course of business and on at Arm's Length basis. The Board has approved a policy for Related Party Transactions which has been uploaded on the Company's website viz. <http://shardacropchem.com/policy.html>.

- Details of non-compliance by the Company, penalties, structures imposed on the Company by the Stock Exchanges or the SEBI or any statutory authority, on any matter related to capital markets, during the last two years 2014-15 and 2015-16 respectively: Nil.
- The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of the SEBI Regulations to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Ethics. The said policy has been also put up on the Company's website viz. <http://shardacropchem.com/policy.html>.
- The Company has followed the Accounting Standards laid down by the Companies (Accounting Standards) Rules, 2006 in the preparation of its Financial Statements.
- The Company has adhered to all the mandatory and non mandatory requirements of Regulation 27 of the SEBI Regulations relating to Corporate Governance.
- M/s. C. J. Goswami & Associates, Practicing Company Secretaries have conducted Secretarial Audit of the Company for the Financial Year 2015-16. The Secretarial Audit Report forms part of the Director's Report.

10. MEANS OF COMMUNICATION

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

CORPORATE GOVERNANCE REPORT

- The quarterly shareholding pattern and the Corporate Governance Report of the Company are filed with The National Stock Exchange of India Ltd. through NEAPS and with BSE Ltd. through BSE Online Portal. They are also displayed on the Company's website under the tab "Investor Relations".

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

11. GENERAL SHAREHOLDER INFORMATION

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

Annual General Meeting for FY 2015-16

Date : 3rd September, 2016

Time : 3:00 p.m.

Venue : National Stock Exchange Auditorium, Plot No. C/1, G Block, Bandra-Kurla Complex, BKC Road, Bandra East, Mumbai - 400051.

As required under Regulation 36(3) of the SEBI Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given herein and in the Annexure to the Notice of the AGM to be held for FY 2015-16.

Financial Year : 1st April to 31st March
Interim Dividend Payment Date : March 23, 2016
Listing on Stock Exchanges : The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex,
Bandra (East)
Mumbai – 400 051

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

Stock Code
NSE : SHARDACROP EQ
BSE : 538666

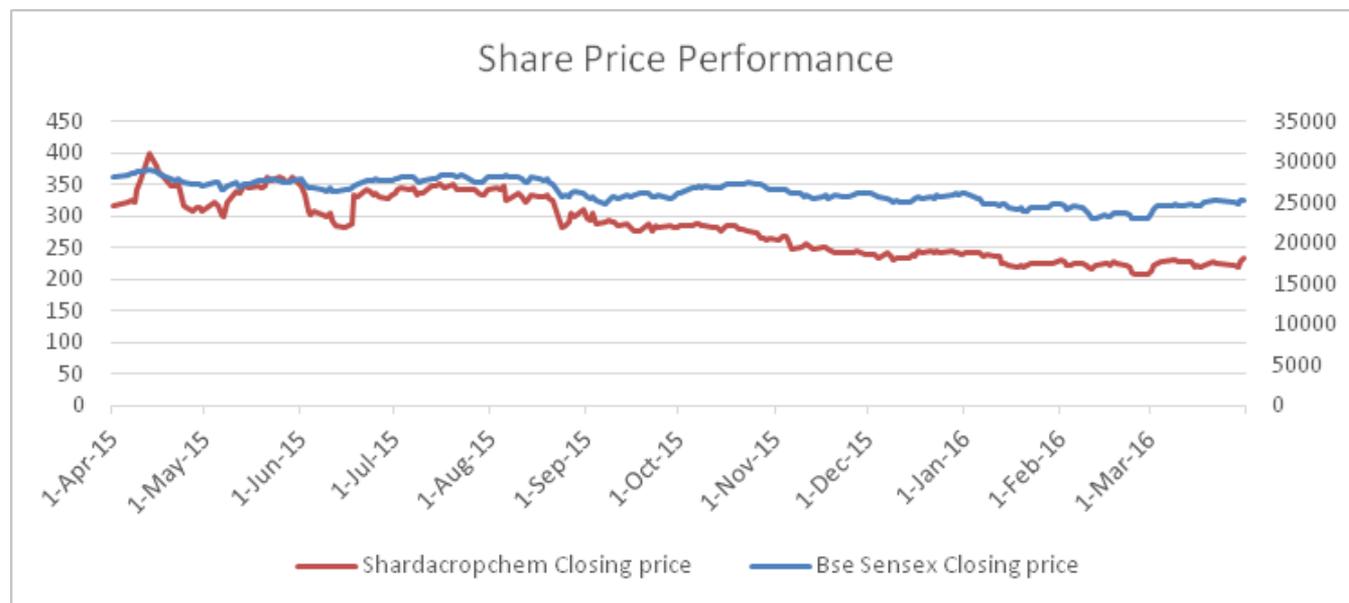
Demat International Security
Identification Number (ISIN)
In NSDL and CDSL for
equity shares : INE221J01015

The Company has paid Annual Listing Fees for the Financial Year 2015-16.

Market Information:

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

Month	NSE			BSE		
	High (Rs.)	Low (₹)	Total No. of equity shares traded	High (₹)	Low (₹)	Total No. of equity shares traded
Apr-2015	408.85	292.40	14,59,742	408.80	292.25	52,22,629
May-2015	373.50	298.00	7,68,534	373.90	296.60	30,09,381
Jun-2015	361.65	278.45	9,29,203	362.90	278.00	33,07,962
Jul-2015	364.00	331.80	4,56,554	364.00	331.55	20,33,431
Aug-2015	355.20	252.90	4,62,158	355.80	254.00	15,76,924
Sep-2015	312.00	272.15	4,58,643	311.20	271.00	9,29,286
Oct-2015	291.50	260.10	4,84,467	292.00	260.30	11,10,778
Nov-2015	273.95	215.30	5,26,374	274.00	213.00	37,97,240
Dec-2015	258.00	229.05	1,76,262	259.50	227.00	14,61,551
Jan-2016	252.40	212.00	1,13,082	251.70	207.70	5,44,987
Feb-2016	237.00	203.25	2,60,492	237.00	203.00	6,80,067
Mar-2016	245.00	205.00	1,16,085	242.30	202.85	3,42,135

PERFORMANCE OF THE SHARE PRICE OF THE COMPANY IN COMPARISON TO THE BSE SENSEX:**Share Registrar and Transfer Agent:****KARVY COMPUTERSHARE PRIVATE LIMITED**

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

Share Transfer System

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

The Company obtains from a Company Secretary in Practice, half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI Regulations for half year ended 31st March, 2016 and under Clause 47(c) of Listing Agreement entered with Stock Exchanges on which equity shares of the Company for the half year ended 30th September, 2015 and files a copy of the same with the Stock Exchanges.

Distribution of shareholding as on March 31, 2016

Range	Holders	% to Total Holders	Holding	Amount (Rs.)	% to Capital
1-5000	19,190	95.04	18,40,446	1,84,04,460	2.04
5001- 10000	542	2.68	4,23,614	42,36,140	0.47
10001- 20000	220	1.09	3,23,488	32,34,880	0.36
20001- 30000	68	0.34	1,71,377	17,13,770	0.19
30001- 40000	32	0.16	1,14,852	11,48,520	0.13
40001- 50000	26	0.13	1,23,731	12,37,310	0.13
50001- 100000	45	0.22	3,43,589	34,35,890	0.38
100001& Above	69	0.34	8,68,79,398	86,87,93,980	96.30
Total	20,192	100.00	9,02,20,495	90,22,04,950	100.00

CORPORATE GOVERNANCE REPORT

Shareholding pattern as on 31st March, 2016

Sr. No	Category of Shareholders	Total Holding	% to Total Holding
1	Promoter Individuals	6,76,65,371	75.00
2	Mutual Funds	1,17,08,203	12.98
3	Foreign Institutional Investors	17,43,813	1.93
4	Resident Individuals	31,95,007	3.54
5	Bodies Corporates	9,99,104	1.11
6	HUF	1,93,396	0.22
7	Non Resident Indians	1,08,797	0.12
8	Indian Financial Institutions	8,291	0.01
9	Clearing Members	19,872	0.02
10	Banks	3,817	0.00
11	Foreign Portfolio Investors	45,70,992	5.07
12	Non Banking Financial Institutions(NBFC)	3,832	0.00
Total		9,02,20,495	100.00

Dematerialization of shares and liquidity

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

As on March 31, 2016, only 102 shares were held in physical form.

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

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on March 31, 2016, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

Commodity price risk or foreign exchange risk and hedging activities

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

Equity Shares in the suspense account

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

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

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

Plant Location

The Company does not have any plant locations.

Address for correspondence:

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

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

In accordance with Regulation 26(3) of the SEBI Regulations, I hereby declare that all members of the Board and Senior Management Personnel have affirmed with the Code of Conduct, as applicable to them for the year ended March 31, 2016.

Ramprakash V. Bubna
Chairman & Managing Director
DIN: 00136568

Date: May 25, 2016
Place: Mumbai

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

We, Ramprakash V. Bubna, Chairman & Managing Director and Conrad Fernandes, Chief Financial Officer do hereby certify to the Board that in respect to the Financial Year ended on March 31, 2016

1. We have reviewed the Financial Statements, read with the Cash Flow Statement of the Company and to the best of our knowledge and belief, we state that:
 - a. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Statutory Auditor and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Statutory Auditor and the Audit Committee –
 - a. significant changes in internal control over financial reporting during the year, if any;
 - b. significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
 - c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Ramprakash V. Bubna

Chairman & Managing Director
DIN: 00136568

Conrad Fernandes
Chief Financial Officer

Date : May 25, 2016
Place: Mumbai.

CERTIFICATE

TO THE MEMBERS OF SHARDA CROPCHEM LIMITED

We have examined the compliance of the conditions of Corporate Governance by SHARDA CROPCHEM LIMITED ("the Company") for the year ended on 31st March, 2016, as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

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

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

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

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

Date: 25 May, 2016.
Place: Mumbai.

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Sharda Cropchem Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Sharda Cropchem Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting

principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2 As required by section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone 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 written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 37 to the financial statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

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

Place: Mumbai
Date: May 25, 2016

ANNEXURE 1 TO INDEPENDENT AUDITOR'S REPORT

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

- (i)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (i)(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (i)(c) According to the information and explanations given by the management, there are no immovable properties included in fixed assets of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2016 and no material discrepancies were noticed in respect of such confirmations.
- (iii)(a) The Company has granted loans to four wholly owned subsidiary companies covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the loans are not prejudicial to the Company's interest.
- (iii)(b) The principal and interest for the above referred loan are payable on demand and these have been paid during the year as and when demanded by the Company, and thus there is no default on part of the parties to whom the money has been lent.
- (iii)(c) In respect of the loans referred to in para (iii)(a) above, and the interest thereon, there are no amounts which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security in respect of any party covered under the section 185 of the Act. In respect of loans granted to, and investments made by the Company in companies /bodies corporate Company, the provisions of section 186 of the Act have been complied with. According to the information and explanations given to us, the Company has not given guarantees or provided security in connection with loans to any person / bodies corporate, and hence are not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of agronomically, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, duty of custom, value added tax, cess and other material statutory dues applicable to it. The provisions relating to excise duty are not applicable to the Company.
- (vii)(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, employees' state insurance, service tax, duty of custom, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to excise duty are not applicable to the Company.
- (vii)(c) According to the records of the Company, the dues outstanding of income-tax, service tax, duty of custom, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where the dispute is pending
Finance Act 1994	Service Tax	785.14	2007-08 to 2012-13	Commissioner CESTAT

ANNEXURE 1 TO INDEPENDENT AUDITOR'S REPORT

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to banks. The Company did not have any outstanding loans or borrowing dues in respect of financial institutions, Government, or debentures.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, managerial remuneration has been paid / provided in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013 and specific approval of Central Government under section 197 of the Companies Act, 2013 is not required to be obtained by the Company.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under report and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**

Partner

Membership Number: 101143

Place: Mumbai

Date: May 25, 2016

ANNEXURE 2 TO INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of Sharda Cropchem Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 **S R B C & CO LLP**
Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**
Partner

Membership Number: 101143

Place: Mumbai
Date: May 25, 2016

BALANCE SHEET

as at March 31, 2016

Particulars	Note	(₹ in Lacs)	
		As at 31-Mar-16	As at 31-Mar-15
Equity and Liabilities			
Shareholders' funds			
Share capital	3	9,022.05	9,022.05
Reserves and surplus	4	64,162.56	49,672.79
		73,184.61	58,694.84
Non-current liabilities			
Deferred tax liability (net)	13	3,890.67	2,159.11
Long term provisions	5	72.48	43.16
		3,963.15	2,202.27
Current liabilities			
Short term borrowings	6	174.62	3,782.53
Trade payables	7		
-Total outstanding dues of creditors other than micro enterprises and small enterprises		33,714.07	19,042.63
Other current liabilities	8	6,915.62	5,662.58
Short term provisions	9	342.59	2,902.19
		41,146.90	31,389.93
TOTAL		1,18,294.66	92,287.04
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	79.63	82.98
Intangible assets	11	12,836.62	8,643.39
Intangible assets under development (IAUD)		20,982.27	14,874.96
Non-current investments	12	136.98	1,030.57
Long term loans and advances	14	5,901.56	3,646.94
		39,937.06	28,278.84
Current assets			
Current investments	15	8,198.30	8,587.63
Inventories	16	12,931.26	11,208.84
Trade receivables	17	51,222.01	34,705.19
Cash and bank balances	18	5,332.12	6,651.69
Short term loans and advances	19	437.99	2,795.64
Other current assets	20	235.92	59.21
		78,357.60	64,008.20
TOTAL		1,18,294.66	92,287.04
Summary of significant accounting policies	2.1		

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

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

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

**For and on behalf of the Board of Directors of
SHARDA CROP CHEM LIMITED**

Ramprakash V. Bubna
[Chairman & Managing Director]
DIN No. 00136568

Ashish R. Bubna
[Whole-time Director]
DIN No. 00945147

Conrad Fernandes
[Chief Financial Officer]

Jetkin Gudhka
[Company Secretary]

Place : Mumbai
Date : May 25, 2016

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2016

Particulars	Note	(₹ in Lacs)	
		Year ended 31-Mar-16	Year ended 31-Mar-15
Income			
Revenue from operations (net)	21	93,159.85	76,931.65
Other income	22(a)	6,340.20	2,285.02
Total revenue		99,500.05	79,216.67
Expenses			
Cost of materials consumed	23	32,315.51	22,201.39
Purchase of traded goods	24	28,050.09	26,029.20
(Increase)/decrease in inventories of traded and finished goods	25	(2,232.71)	(99.49)
Employee benefit expenses	26	2,060.49	1,712.97
Other expenses	27	10,673.33	12,467.90
Total expenses		70,866.71	62,311.97
Earnings before interest, tax, depreciation and amortization (EBITDA) and prior period adjustments		28,633.34	16,904.70
Interest income	22(b)	306.27	484.28
Depreciation and amortization expenses	28	3,493.55	2,320.15
Finance costs	29	54.16	50.09
Profit before tax and prior period adjustments		25,391.90	15,018.74
Tax expense			
Current tax			
Pertaining to current year profit		6,573.91	4,068.59
Adjustment for tax relating to earlier years		1.13	-
Deferred tax		1,731.56	1,132.87
Total tax expense		8,306.60	5,201.46
Profit after tax and before prior period adjustments		17,085.30	9,817.28
Prior period adjustments (net of tax)	45	49.97	42.48
Profit for the year		17,035.33	9,774.80
Earnings per share			
Face value per share of ₹10 each (Previous Year ₹10 each)	30		
Basic and diluted (₹ per share)		18.88	10.83
Summary of significant accounting policies	2.1		

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

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No. 324982E/E300003

Chartered Accountants

per **Vinayak Pujare**

Partner

Membership No. 101143

**For and on behalf of the Board of Directors of
SHARDA CROP CHEM LIMITED****Ramprakash V. Bubna**

[Chairman & Managing Director]

DIN No. 00136568

Ashish R. Bubna

[Whole-time Director]

DIN No. 00945147

Conrad Fernandes

[Chief Financial Officer]

Jetkin Gudhka

[Company Secretary]

Place : Mumbai

Date : May 25, 2016

CASH FLOW STATEMENT

for the year ended March 31, 2016

(₹ in Lacs)

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Cash flow from operating activities		
Profit before tax and prior period adjustments	25,391.90	15,018.74
Adjustment to reconcile profit before tax to cash generated by operating activities:		
Depreciation/amortization	3,493.55	2,320.15
Provision / (reversal) for diminution in value of investments	(0.03)	0.03
Unrealized foreign exchange gain	(866.43)	(705.27)
Loss on sale of fixed assets	211.02	321.96
Net gain on sale of current investments	(941.69)	(1,418.18)
Provision for gratuity	33.18	20.67
Bad debts	-	56.63
Sundry balances written back	(431.56)	(696.76)
Finance costs	54.16	50.09
Interest income	(306.28)	(484.28)
Dividend income	(3,512.72)	(31.03)
Operating profit before working capital changes	23,125.10	14,452.75
Movements in working capital:		
Increase/(decrease) in trade payables	14,876.44	4,222.50
Increase/(decrease) in short term provisions	(28.33)	174.15
Increase/(decrease) in other current liabilities	492.42	356.36
(Increase)/decrease in trade receivables	(15,925.26)	(6,088.22)
(Increase)/decrease in inventories	(1,722.43)	(5,091.30)
(Increase)/decrease in long term loans and advances	(5.39)	(7.02)
(Increase)/decrease in short term loans and advances	163.86	(147.16)
(Increase)/decrease in other current assets	(145.87)	(62.92)
Cash generated from operations	20,830.54	7,809.14
Prior period adjustments (Net of tax)	12.34	(42.48)
Direct taxes paid (net of refunds)	(6,689.26)	(6,342.84)
Net cash flow from operating activities (A)	14,153.62	1,423.82
Cash flows from investing activities		
Purchase of tangible fixed assets	(33.58)	(8.55)
Purchase of intangible fixed assets, including IAUD and capital advances	(12,868.72)	(7,985.08)
Proceeds from sale of fixed assets	0.35	-
Purchase of non-current investments (other than subsidiaries)	-	(400.00)
Acquisition/investment in subsidiaries	(6.40)	(13.76)
Proceeds from sale of current investments (net)	2,231.05	9,804.81
Redemption/(investment) in bank deposits	1,213.13	(3,573.91)
Loans to Subsidiaries - Given	(197.59)	(1,460.56)

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Loans to Subsidiaries - Repayment received	516.91	977.89
Interest received	91.87	169.20
Dividend received on current investments	-	5.93
Dividend received from subsidiary company	3,512.72	-
Net cash flow used in investing activities (B)	(5,540.26)	(2,484.03)
Cash flows from financing activities		
Net proceeds from/(repayment of) short term borrowings	(3,585.21)	3,765.39
Finance costs paid	(19.14)	(31.22)
Dividend paid on equity shares	(4,962.13)	(1,804.41)
Tax on equity dividend paid	(296.71)	(306.66)
Net cash flow from/(used in) in financing activities (C)	(8,863.19)	1,623.10
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(249.83)	562.89
Effect of exchange differences on cash & cash equivalents held in foreign currency	(0.95)	10.00
Cash and cash equivalents at the beginning of the year	2,111.82	1,538.93
Cash and cash equivalents at the end of the year	1,861.04	2,111.82
Components of cash and cash equivalents		
Cash on hand	0.18	0.25
With banks	5,331.94	6,651.44
Total cash and cash equivalents (Note 18)	5,332.12	6,651.69
Less: Bank deposits not considered as cash and cash equivalents	3,471.08	4,539.87
Total cash and cash equivalents as per the cash flow statement	1,861.04	2,111.82
Summary of significant accounting policies	Note 2.1	

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

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

**For and on behalf of the Board of Directors of
SHARDA CROP CHEM LIMITED**

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

Ramprakash V. Bubna
[Chairman & Managing Director]
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Ashish R. Bubna
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Conrad Fernandes
[Chief Financial Officer]

Jetkin Gudhka
[Company Secretary]

Place : Mumbai
Date : May 25, 2016

NOTES

to financial statements for the year ended March 31, 2016

1. Corporate information

Sharda Cropchem Limited (the "Company") is a public limited Company incorporated in India. The shares of the Company are listed on BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). The Company is engaged in export of Agro-chemicals (technical grade and formulations) and Non-Agro products such as Conveyor belts, Rubber belts/sheets, Dyes and Dye intermediates to various countries across the world.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply 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) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1 Summary of Significant accounting policies

(a) Use of estimates

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

(b) Tangible fixed assets

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

(c) Depreciation on tangible fixed assets

Depreciation is provided after impairment, if any, using the straight-line method as per the useful lives of the assets estimated by the management, or at rates prescribed under Schedule II of the Companies Act 2013, except in respect of certain assets located outside India in whose case the estimated useful life of the assets has been assessed as per the condition of the assets. The Company has used the following rates to provide depreciation on its fixed assets.

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

(d) Intangible assets and amortisation

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

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

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

Product Registration

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

Computer Software

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

(e) Impairment of assets

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

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

(f) Research and Development costs

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

(g) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Non-current investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in nature.

(h) Inventories

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

(i) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividends

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

(i) Foreign currency transactions

Foreign currency transactions and balances

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year or reported in previous financial statements are recognized as income or as expenses in the year in which they arise.

(iv) Forward exchange contracts

The Company enters into forward contracts to hedge its assets and liabilities. The premium or discount arising

at the inception of a forward contract is amortised as income or expense over the life of such contract. At the reporting date, forward contracts are revalued and gains/losses if any, are recognised in the Statement of Profit and Loss. Any profit or loss arising on cancellation or renewal of such a forward contract is recognised as income or expense in the period in which such cancellation or renewal is made.

(k) Derivative instruments

Derivative contracts, other than foreign currency forward contracts covered under AS 11 "The effects of changes in foreign exchange rates", are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the Statement of Profit and Loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

(l) Retirement and other employee benefits

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

Gratuity liability is a defined benefit obligation which is provided for on the basis of an actuarial valuation on Projected Unit Cost method made at the end of each financial year. Actuarial gains/(losses) are immediately taken to the Statement of Profit and Loss and are not deferred.

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

(m) Leases

Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(n) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the Statement of Profit and Loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax

NOTES

to financial statements for the year ended March 31, 2016

rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the Statement of Profit and Loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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

(o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit after tax for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(p) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can

be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(q) Contingent liabilities

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

(r) Cash and cash equivalents

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

(s) Segment reporting

Identification of segments

The Company's operating businesses are organized 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 serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

Inter-segment transfers

The Company generally accounts for inter-segment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

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

(t) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include interest income, depreciation and amortization expense, finance costs and tax expense.

3. Share capital

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Authorised shares		
10,50,00,000 (Previous year: 10,50,00,000) equity shares of ₹ 10/- each	10,500.00	10,500.00
Issued, subscribed and fully paid-up shares		
9,02,20,495 (Previous year: 9,02,20,495) equity shares of ₹ 10/- each	9,022.05	9,022.05
Total issued, subscribed and fully paid-up share capital	9,022.05	9,022.05

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year**Equity shares**

Particulars	As at 31-Mar-16		As at 31-Mar-15	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
At the beginning of the year	9,02,20,495	9,022.05	9,02,20,495	9,022.05
Outstanding at the end of the year	9,02,20,495	9,022.05	9,02,20,495	9,022.05

(b) Terms/rights attached to equity shares

The Company has one class of equity shares having a par value of ₹10 each. Each shareholder is eligible for dividend and one vote per share held. The dividend proposed by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date

Particulars	As at 31-Mar-16	As at 31-Mar-15
	No. of Shares	No. of Shares
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium during FY 2011-12	7,21,76,396	7,21,76,396

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31-Mar-16		As at 31 March-15	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Mr. Ramprakash V. Bubna	1,41,52,686	15.69%	1,41,52,686	15.69%
Mrs. Sharda R. Bubna	1,41,52,685	15.69%	1,41,52,685	15.69%
Mr. Ashish R. Bubna*	1,51,80,000	16.83%	1,51,80,000	16.83%
Mr. Manish R. Bubna**	1,51,80,000	16.83%	1,51,80,000	16.83%
DSP Blackrock Mutual Fund	56,16,626	6.23%	35,60,218	3.95%

* Shareholding includes 10 Equity shares held jointly by Mr. Ashish R. Bubna and Mrs. Seema A. Bubna, with Mr. Ashish R. Bubna as the first holder.

** Shareholding includes 10 Equity shares held jointly by Mr. Manish R. Bubna and Mrs. Anisha M. Bubna, with Mr. Manish R. Bubna as the first holder.

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

NOTES

to financial statements for the year ended March 31, 2016

4. Reserves and surplus

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Capital reserve		
Balance as per the last audited financial statements	1,491.29	1,491.29
Closing balance	1,491.29	1,491.29
Securities premium account		
Balance as per the last audited financial statements	2,148.55	2,148.55
Closing balance	2,148.55	2,148.55
General Reserve		
Balance as per the last audited financial statements	664.93	664.93
Closing balance	664.93	664.93
Surplus in the Statement of Profit and Loss		
Balance as per the last audited financial statements	45,368.02	38,322.61
Add: Profit for the year	17,035.33	9,774.80
Less: Depreciation as per Schedule II of Companies Act, 2013 (refer Note 10(a))	-	14.71
Less: Proposed final dividend on equity shares (Amount per share ₹ Nil (Previous year: ₹ 2.50))	-	2,255.51
Less: Tax on final equity dividend	-	459.17
Add: Tax credit on final equity dividend	304.27	-
Less: Interim dividend on equity shares (Amount per share ₹ 3.00 (Previous year: ₹ Nil))	2,706.61	-
Less: Tax on interim dividend on equity shares	143.22	-
Net surplus in the Statement of Profit and Loss	59,857.79	45,368.02
Total	64,162.56	49,672.79

5. Long term provisions

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Provision for employee benefits:		
-Gratuity (refer Note 31)	72.48	43.16
Total	72.48	43.16

6. Short term borrowings

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Buyer's credit (Secured) (refer Note below)	174.62	3,782.53
Total	174.62	3,782.53

Note:

Buyer's credit is secured against hypothecation of stocks meant for exports and book debts. Buyer's credit is further secured by personal guarantees of four directors of the Company and by a lien on fixed deposits. Buyer's credit carries interest @ LIBOR plus 100 basis points p.a.

7. Trade payables

(₹ in Lacs)

Particulars	As at 31-Mar-16	As at 31-Mar-15
Trade payables (including acceptances)		
- Total outstanding dues of micro and small enterprises (refer Note 40)		
- Total outstanding dues of creditors other than micro and small enterprises	33,714.07	19,042.63
Total	33,714.07	19,042.63

8. Other current liabilities

(₹ in Lacs)

Particulars	As at 31-Mar-16	As at 31-Mar-15
Interest accrued and not due on borrowings	0.87	16.69
Book Overdraft (refer Note below)	-	50.98
Capital creditors	5,099.86	4,235.41
Advance from customers	171.83	200.11
Directors' commission	551.46	328.59
Salaries & bonus	169.84	150.49
Statutory dues	920.92	680.31
Unclaimed dividend	0.84	-
Total	6,915.62	5,662.58

Note:

The special overdraft is secured by personal guarantees of four directors of the Company and by a lien on fixed deposits. The special overdraft is repayable on demand and carries interest of bank PLR plus 2.50% p.a.

9. Short term provisions

(₹ in Lacs)

Particulars	As at 31-Mar-16	As at 31-Mar-15
Provision for employee benefits		
Provision for gratuity (refer Note 31)	14.69	10.83
Provision for leave benefits	23.21	23.47
	37.90	34.30
Other Provisions		
Proposed final equity dividend	-	2,255.51
Provision for tax on final equity dividend	-	459.17
Provision for tax on interim equity dividend	1.40	-
Provision for income tax (Net of advance tax ₹ 6,437.85 (Previous Year: ₹ Nil))	162.19	-
Provision for reward scheme payable (refer Note below)	141.10	153.21
	304.69	2,867.89
Total	342.59	2,902.19

Note:

The Company has implemented a reward scheme in certain countries where it operates, wherein the customer earns reward points upon purchase of the Company's products which entitle them to certain benefits in the form of excursion trips, etc. These points can either be utilised in the year of purchase or can be carried forward to the next year.

(₹ in Lacs)

Particulars of reward scheme	As at 31-Mar-16	As at 31-Mar-15
Opening balance	153.21	-
Add : Booked during the year	675.25	305.69
Less : Utilised during the year	687.36	152.48
Closing balance	141.10	153.21

NOTES

to financial statements for the year ended March 31, 2016

Description of Assets	Gross Block			Depreciation			Net Block			
	As at 01.04.2015	Additions during the year	Adjust- ments during the year	Deductions during the year	As at 31.03.2016	Adjusted to reserves (refer Note (a) below)	Deductions during the year	Provided during the year	As at 31.03.2016	As at 31.03.2015
Office equipments	37.73	5.72	-	0.58	42.87	28.31	0.46	6.92	34.77	8.10
	(35.14)	(2.59)	-	-	(37.73)	(11.95)	-	(8.81)	(28.31)	
Furniture and fixtures	100.53	0.28	-	-	100.81	61.92	-	13.20	75.12	25.69
	(99.90)	(0.63)	-	-	(100.53)	(48.69)	-	(13.23)	(61.92)	
Motor cars	30.59	19.37	-	-	49.96	12.59	-	5.29	17.88	32.08
	(30.59)	-	-	-	(30.59)	(8.18)	-	(4.41)	(12.59)	
Computers	82.80	8.32	-	-	91.12	65.85	-	11.51	77.36	13.76
	(77.47)	(5.33)	-	-	(82.80)	(47.83)	(2.76)	(15.26)	(65.85)	
Total - Current year	251.65	33.69	-	0.58	284.76	168.67	0.46	36.92	205.13	79.63
Total - Previous year	(243.10)	(8.55)	-	-	(251.65)	(112.25)	-	(41.71)	(168.67)	

11. Intangible assets

Description of Assets	Gross Block			Amortisation			Net Block			
	As at 01.04.2015	Additions during the year	Adjustments (refer Note (c) below)	Deductions during the year	As at 31.03.2016	Adjusted to reserves	Deductions during the year (refer Note (d) below)	Provided during the year	As at 31.03.2016	As at 31.03.2015
Computer software	106.39	3.96	-	-	110.35	82.57	-	12.15	94.72	15.63
	(106.39)	-	-	-	(106.39)	(71.32)	-	(11.25)	(82.57)	
Product registration	29,264.91	8,155.64	-	815.50	36,605.05	20,645.34	401.06	3,539.78	23,784.06	12,820.99
(Refer Note (b) below)	(24,622.59)	(4,816.79)	(164.80)	(9.67)	(29,264.91)	(18,467.83)	(89.68)	(2,267.19)	(20,645.34)	
(Refer Note 33)										
Total - Current year	29,371.30	8,159.60	-	815.50	36,715.40	20,727.91	401.06	3,551.93	23,878.78	12,836.62
Total - Previous year	(24,728.98)	(4,816.79)	(164.80)	(9.67)	(29,371.30)	(18,539.15)	(89.68)	(2,278.44)	(20,727.91)	

Note : (a) Effective April 1, 2014 the Company revised the useful life of certain fixed assets based on Schedule II of the Companies Act, 2013 for the purpose of providing depreciation. Accordingly, the carrying amount of such assets as on April 1, 2014 was depreciated over its remaining revised useful life. Further, an amount of ₹ Nil (Previous year ₹ 14.71 Lacs) representing the carrying amount of assets with revised useful life as 'Nil' was adjusted against opening reserves as on April 1, 2014.

(b) Out of total product registrations aggregating ₹ 36,605.05 Lacs (Previous year: ₹ 29,264.91 Lacs), product registrations which are held in the name of overseas subsidiary companies and certain third parties aggregate ₹ 9,659.27 Lacs (Previous year: ₹ 6,689.77 Lacs) for which the Company is the sole beneficiary.

(c) The data compensation element of product registration was initially capitalised based on management estimates. In the previous year the outcome of negotiations with contracting parties resulted in a reduction in that year of ₹ 164.80 Lacs in the gross block of product registrations with a corresponding reduction of ₹ 89.68 Lacs in accumulated amortisation.

(d) Amortisation of intangible assets of ₹ 3,551.93 Lacs (Previous year ₹ 2,278.44 Lacs) provided during the year comprises amortisation of ₹ 3,456.63 Lacs (Previous year ₹ 2,278.44 Lacs) pertaining to FY 2015-16 which has been disclosed in Note 28 and amortisation of ₹ 95.30 Lacs (Previous year ₹ Nil) pertaining to the period prior to FY 2015-16 which has been disclosed as prior period item in Note 45.

(e) Figures in bracket represent amounts pertaining to previous year.

12. Non-current investments

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
A. Trade investments		
(Valued at cost, unless stated otherwise)		
Unquoted equity instruments		
Investment in subsidiaries		
Axis Crop Science Private Limited		
1,66,667 (Previous year: 1,66,667) equity shares of ₹10 each fully paid-up	60.67	60.67
Nihon Agro Service Kabushiki Kaisha		
10 (Previous Year : Nil) equity shares of JPY 10,000 each fully paid	0.59	-
Sharda Polska SP. ZO.O.		
20 (Previous year: 20) equity shares of PLN 1,000 each fully paid-up	2.99	2.99
Sharda Ukraine LLC		
62,500 (Previous year: 62,500) equity shares of UAH 1 each fully paid-up	4.25	4.25
Sharda Del Ecaudor CIA. LTDA.		
398 (Previous year: 398) equity shares of US\$ 1 each fully paid-up	0.20	0.20
Sharda Peru SAC		
1,999 (Previous year: 1,999) equity share of PEN 1 each fully paid-up	0.33	0.33
Sharda Swiss SARL		
20 (Previous year: 20) equity shares of CHF 1,000 each fully paid-up	8.62	8.62
Sharda Do Brasil Comercio De Produtos Quimicos E Agroquimicos LTDA.		
30,690 (Previous year: 30,690) equity shares of B. Real 1 each fully paid-up	8.20	8.20
Sharda Hellas Agrochemicals Limited		
150 (Previous year: 150) equity shares of EURO 30 each fully paid-up	2.82	2.82
Sharda Balkan Agrochemicals Limited		
150 (Previous year: 150) equity shares of EURO 30 each fully paid-up	2.82	2.82
Shardaserb DO.O.		
1 (Previous year: 1) Partly paid-up equity share of EURO 500 each (50% of face value has been paid)	0.17	0.17
Shardarus LLC.		
Nil (Previous year: 1) equity share of Rubles 9,900 each fully paid-up	-	0.17
Sharda Spain, S.L.		
3,050 (Previous year: 3,050) equity shares of EURO 1 each fully paid-up	1.96	1.96
Sharda Costa Rica S.A.*		
99 (Previous year: 99) equity shares of COLON 20 each fully paid-up	0.00	0.00
Sharda De Guatemala S.A.		
49 (Previous year: 49) equity shares of GTQ 100 each fully paid-up	0.34	0.34
Sharda International DMCC		
2 (Previous year: 2) equity shares of AED 1,00,000 each fully paid-up	27.68	27.68
Sharda Italia SRL		
2,475 (Previous year: 2,475) equity shares of EURO 1 each fully paid-up	1.75	1.75
Sharda Hungary Kft		
1(Previous year:1) equity share of (Previous Year:HUF 5,00,000) HUF 30,00,000 each fully paid-up	7.23	1.25
Sharda Cropchem Espana, S.L.		
61 (Previous Year : 61) equity shares of EURO 50 each fully paid	2.59	2.59
Sharda Poland SP. ZO.O.		
100 (Previous Year : 100) equity shares of PLN 50 each fully paid	0.98	0.98
Sharda Taiwan Limited		
10,000 (Previous Year : 10,000) equity shares of Taiwan \$ 10 each fully paid	2.04	2.03
Sharda Cropchem Tunisia SARL		
99 (Previous Year : 99) equity shares of EURO 10 each fully paid	0.75	0.75
Sub total (A)	136.98	130.57

NOTES

to financial statements for the year ended March 31, 2016

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
B. Non-trade investments		
(Valued at cost, unless stated otherwise)		
Investment in others (Unquoted)		
DSP BlackRock FMP 111-12M Regular Nil (Previous year: 40,00,000) units of ₹10 each	-	400.00
HDFC FMP 1001D August 2013(1) Series 27 Regular Nil (Previous year: 50,00,000) units of ₹ 10 each	-	500.00
Sub total (B)	-	900.00
Total (A+B)	136.98	1,030.57
Aggregate amount of unquoted investments	136.98	1,030.57

* The amount has not been reported as the amount is less than ₹1,000. The actual amount of investment is ₹ 206 (Previous year ₹ 206).

13. Deferred tax liability (net)

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Deferred tax asset		
Others (Provision for gratuity, leave encashment & amalgamation expense)	30.17	19.46
Gross deferred tax asset	30.17	19.46
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortization charged for financial reporting	3,920.84	2,178.57
Gross deferred tax liability	3,920.84	2,178.57
Net deferred tax asset/ (liability)	(3,890.67)	(2,159.11)

14 Long term loans and advances

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Unsecured, considered good		
Advances recoverable in cash or kind		
- Related party (refer Note 35)	1,977.19	-
Security deposit	2.62	2.01
Other loans and advances		
- Loans to Employees	6.00	12.00
- Advance tax (Net of provision for income tax of ₹12,684.41 Lacs (Previous Year ₹12,684.42 Lacs)	3,915.75	3,632.93
Total	5,901.56	3,646.94

15. Current investments

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Current investments (valued at lower of cost and fair value, unless stated otherwise)		
Unquoted mutual funds		
Axis Liquid Fund Nil (Previous year: 2,226) units of ₹1,000 each	-	34.47
Birla Sun Life Treasury Optimizer Plan Regular Plan Nil (Previous Year: 8,96,257) units of ₹ 100 each	-	1,510.88
DSP BlackRock FMP-Series111-12M - Regular 40,00,000 (Previous year: Nil) units of ₹10 each	400.00	-
HDFC Cash Management Fund - Savings Plan Nil (Previous year: 8,459) units of ₹1000 each (₹ 10 each)	-	2.40
HDFC FMP 1001D August 2013(1) Series 27 Regular 50,00,000 (Previous year: Nil) units of ₹10 each	500.00	-
HDFC FMP 92D March 2016(1)- Regular SERIES 35 30,00,000 (Previous year: Nil) units of ₹10 each	300.00	-
HDFC Gilt Fund Long Term 39,51,878 (Previous Year: 85,62,564) units of ₹ 10 each	1,076.34	2,332.12
HDFC Liquid Fund - Direct Plan Nil (Previous year: 36,136) units of ₹ 1000 each (₹10 each)	-	9.35
ICICI Prudential FMP Series 78-95 Days K 100,00,000 (Previous year: Nil) units of ₹10 each	1,000.00	-
ICICI Prudential Liquid - Regular Plan Nil (Previous year: 803) units of ₹100 each	-	1.62
ICICI Prudential Long Term Gilt Fund - Regular Plan 19,52,628 (Previous Year: 26,53,022) units of ₹ 10 each	888.49	1,207.18
IDFC Arbitrage Fund - Regular Plan 40,61,757 (Previous year: 40,61,757) units of ₹10 each	700.00	700.00
IDFC Arbitrage Plus Fund - Regular Plan 31,54,972 (Previous year: 31,54,972) units of ₹10 each	500.00	500.00
IDFC Cash Fund - Regular Nil (Previous year: 122) units of ₹10 each	-	2.02
IDFC Dynamic Bond Fund - Regular 1,06,34,076 (Previous year: 1,06,34,076) units of ₹10 each	1,733.67	1,733.68
Reliance Arbitrage Advantage Fund 33,42,603 (Previous year: Nil) units of ₹10 each	500.00	-
Reliance Fixed Horizon Fund - XXX- series9 20,00,000 (Previous year: Nil) units of ₹10 each	200.00	-
Tata Liquid Fund Plan A Nil (Previous year: 11,252) units of ₹1,000 each	-	271.50
Union KBC Asset Allocation Fund - Moderate Plan 4,39,499 (Previous year: 4,39,499) units of ₹10 each	54.16	54.16
Union KBC Capital Protection Oriented Fund Series 1 Nil (Previous year: 2,49,990) units of ₹10 each	-	25.00
Union KBC Dynamic Bond Fund (refer Note below) 25,11,156 (Previous Year: 9,71,653) units of ₹10 each	311.06	103.25
Union KBC Fixed Maturity Plan Series 10 - Regular Plan Nil (Previous year: 10,00,000) units of ₹10 each	-	100.00
Union KBC Liquid Fund - Direct Plan 2,291 (Previous year: Nil) units of ₹1,000 each	34.58	-
Total	8,198.30	8,587.63
Aggregate amount of unquoted investments (Repurchase value ₹ 9,017.63 Lacs (Previous year: ₹ 8,971.22 Lacs))	8,198.30	8,587.63
Aggregate provision for diminution in value of investments	-	0.03

Note:

During the previous year there was a lien marked on the units of Union KBC Dynamic Bond Fund for ₹103.25 Lacs in favour of Union Bank of India for availment of additional working capital facilities in the form of Letters of Credit which has been released during the year.

16. Inventories (valued at lower of cost and net realizable value)

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Finished goods (Stock in transit ₹ 1,712.53 Lacs (Previous year: ₹ 469.83 Lacs))	5,744.73	3,461.37
Traded goods	4.67	55.32
Raw materials (Stock in transit ₹ 2,933.54 Lacs (Previous Year ₹ 2,249.98 Lacs))	7,181.86	7,692.15
Total	12,931.26	11,208.84

NOTES

to financial statements for the year ended March 31, 2016

17. Trade receivables

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	157.59	434.84
Other receivables	51,064.42	34,270.35
Total	51,222.01	34,705.19

18. Cash and bank balances

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Cash and cash equivalents		
Cash on hand	0.18	0.25
Balances with banks in current account	1,860.02	2,111.57
Balance with bank in unpaid dividend account	0.84	-
	1,861.04	2,111.82
Other bank balances (refer Note below)		
- Deposits with original maturity of less than 3 months	338.44	1,315.36
- Deposits with original maturity of more than 3 months but less than 12 months	3,132.64	3,224.51
	3,471.08	4,539.87
Total	5,332.12	6,651.69

Note:

There is a lien marked on deposits with bank in favour of Union Bank of India for an amount aggregating ₹ 3,471.08 Lacs (Previous year ₹ 4,539.87) for avilment of additional working capital facilities in the form of Letters of Credit and Bank Guarantees.

19. Short term loans and advances

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Unsecured, considered good		
Advances recoverable in cash or kind		
- Related party (refer Note 35)	0.52	2,228.11
- Others	50.30	44.79
	50.82	2,272.90
Other loans and advances		
-Prepaid expenses	128.61	106.97
-Security Deposits	-	175.93
-Loan to employees	6.01	8.23
-Balances with statutory/ government authorities	252.55	231.61
	387.17	522.74
Total	437.99	2,795.64

20. Other current assets

(₹ in Lacs)

Particulars	As at 31-Mar-16	As at 31-Mar-15
Unsecured, considered good		
Forward contracts receivable	183.04	23.68
Accrued income	52.88	35.53
Total	235.92	59.21

21. Revenue from operations

(₹ in Lacs)

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Revenue from operations		
Export of goods (net)	93,159.85	76,931.65
Total	93,159.85	76,931.65

Note:

Revenue from operations include recoveries of quality and rate difference of ₹ 202.59 Lacs (Previous year ₹ 235.37 Lacs) provided for in earlier years.

Details of products sold

(₹ in Lacs)

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Agrochemicals	92,917.38	76,524.67
Belts	242.47	406.98
Total	93,159.85	76,931.65

22(a). Other income

(₹ in Lacs)

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
<u>Dividend income</u>		
-On current investments	-	31.03
-On investment in subsidiary	3,512.72	-
Export incentives	70.20	48.97
Share of income from task force	37.87	89.86
Exchange rate fluctuation (net)	1,345.92	-
Profit on sale of current investments	941.69	1,418.18
Sundry balances written back (net)	431.56	696.76
Miscellaneous income	0.24	0.22
Total	6,340.20	2,285.02

22(b). Interest Income

(₹ in Lacs)

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
<u>Interest income</u>		
-On bank deposits	144.34	166.40
-On others	161.93	317.88
Total	306.27	484.28

NOTES

to financial statements for the year ended March 31, 2016

23. Cost of materials consumed

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Inventory at the beginning of the year	7,692.15	2,700.33
Add: Purchases	31,805.22	27,193.21
	39,497.37	29,893.54
Less: Inventory at the end of the year	7,181.86	7,692.15
Total	32,315.51	22,201.39

24. Purchase of traded goods

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Agrochemicals	27,893.36	25,715.64
Belts	156.73	313.56
Total	28,050.09	26,029.20

25. (Increase)/decrease in inventories

Particulars	(₹ in Lacs)		
	Year ended 31-Mar-16	Year ended 31-Mar-15	(Increase)/ decrease
Inventories at the end of the year			31-Mar-16
Traded goods	4.67	55.32	50.65
Finished goods	5,744.73	3,461.37	(2,283.36)
Total	5,749.40	3,516.69	(2,232.71)
Inventories at the beginning of the year			31-Mar-15
Traded goods	55.32	540.08	484.76
Finished goods	3,461.37	2,877.12	(584.25)
Total	3,516.69	3,417.20	(99.49)
(Increase)/decrease in inventories	(2,232.71)	(99.49)	

Details of finished goods and traded goods inventory

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Agrochemicals	5,749.40	3,516.69
Total	5,749.40	3,516.69

26. Employee benefit expenses

(₹ in Lacs)

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Salaries, wages and bonus	2,003.31	1,677.07
Contribution to provident and other funds	12.16	9.23
Gratuity (Refer note 31)	40.26	20.67
Staff welfare expenses	4.76	6.00
Total	2,060.49	1,712.97

27. Other expenses

(₹ in Lacs)

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Freight and forwarding expenses	909.83	1,226.90
Rent	276.86	273.04
Rates and taxes	53.43	48.08
Insurance	181.42	128.93
<u>Repairs and maintenance:</u>		
- Buildings	1.57	5.31
- Others	34.69	42.34
Advertising and sales promotion	665.42	561.14
Sales commission	828.07	1,335.07
Travelling and conveyance	1,129.46	1,207.37
Communication expenses	230.84	214.26
Office expenses	453.79	352.95
Legal and professional fees	4,711.48	4,517.40
Directors sitting fees	12.68	12.81
Donation (refer Note 48)	282.73	151.11
Payment to auditor (refer Note below)	44.39	35.78
Provision / (reversal) for diminution in value of current investment	(0.03)	0.03
Exchange differences (net)	-	1,323.39
Bad debts	-	56.63
Bank charges	628.69	632.94
Loss on sale/ discard of assets	211.02	321.96
Miscellaneous expenses	16.99	20.46
Total	10,673.33	12,467.90

Note:

Details of payment to auditor*

(₹ in Lacs)

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
As auditors:		
-Audit fees	47.41	34.77
Other services - Certification	7.48	1.01
Total	54.89	35.78

* Out of which ₹ 10.50 Lacs is included under the head "Professional charges" in the current year

NOTES

to financial statements for the year ended March 31, 2016

28. Depreciation and amortisation expense

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Depreciation of tangible assets	36.92	41.71
Amortisation of intangible assets (refer Note below)	3,456.63	2,278.44
Total	3,493.55	2,320.15

Note:

Of the total amortisation of intangible assets expense of ₹ 3,551.93 Lacs (Previous year ₹ 2,278.44 Lacs) disclosed in Note 11, amortisation of ₹ 3,456.63 Lacs (Previous year ₹ 2,278.44 Lacs) stated above pertains to the current year and amortisation of ₹ 95.30 Lacs (Previous year ₹ Nil) relating to the period prior to FY 2015-16 has been disclosed as prior period item in Note 45.

29. Finance costs

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Interest	1.59	43.76
Others	52.57	6.33
Total	54.16	50.09

30. Earnings per share (EPS)

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Profit for the year (₹ in Lacs)	17,035.33	9,774.80
Weighted average number of equity shares outstanding	902,20,495	902,20,495
Earnings per Share		
Nominal value equity share (₹)	10.00	10.00
Basic and diluted earning per share (₹)	18.88	10.83

31. Employee retirement benefits

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on retirement calculated at 15 days of last drawn salary for each completed year of service.

Disclosures as required as per Accounting Standard (AS) - 15 "Employee Benefits" notified by the Companies (Accounting Standards) Rules, 2014 are given below:

a) Amounts recognised on account of defined benefit plan in the Statement of Profit and Loss	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Current service cost	11.24	8.32
Interest cost on benefit obligation	6.36	5.36
Expected return on plan assets	(2.72)	(3.12)
Net actuarial (gain)/loss recognized in the year	18.30	10.11
Net Expenses/(benefit) included under the head "Employee benefit expenses" in the Note 26	33.18	20.67
Actual return on plan assets	2.72	3.12

b) Amounts recognised on account of defined benefit plan in the Balance Sheet	As at 31-Mar-16	As at 31-Mar-15
Present value of defined benefit obligation	107.94	94.07
Less: Fair value of plan assets	20.77	40.08
Net Liability included under the head "Provision for gratuity" in Note 5 and Note 9	87.17	53.99
c) Changes in the present value of defined benefit obligation	As at 31-Mar-16	As at 31-Mar-15
Opening defined benefit obligation	94.07	70.26
Current service cost	11.24	8.32
Interest cost	6.36	5.36
Benefits paid	(21.65)	-
Actuarial (gains)/losses on obligation	17.92	10.13
Closing defined benefit obligation as at 31st March	107.94	94.07
d) Changes in the fair value of plan assets	As at 31-Mar-16	As at 31-Mar-15
Opening fair value of plan assets	40.08	36.94
Expected return	2.72	3.12
Contributions by employer	-	-
Benefits paid	(21.65)	-
Actuarial gains/(losses)	(0.38)	0.02
Closing fair value of plan assets as at 31st March	20.77	40.08
e) Major categories of plan assets as a percentage of fair value of total plan assets	As at 31-Mar-16	As at 31-Mar-15
Funds managed by insurer	100%	100%
f) Principal actuarial assumptions as at the balance sheet date	Year Ended 31-Mar-16	Year Ended 31-Mar-15
Discount rate	7.80%	7.70%
Expected rate of return on assets	7.80%	8.00%
Expected rate of salary increase	6.50%	5.10%
Mortality table	Indian Assured Lives Mortality (2006-08) Ult. Ultimate	Indian Assured Lives Mortality (2006-08) Ult. Ultimate
Proportion of employees opting for early retirement	1% to 3%	1% to 3%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

NOTES

to financial statements for the year ended March 31, 2016

g) Gratuity plan (Funded)	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Gratuity					
Defined benefit obligation	107.94	94.07	70.26	45.19	36.76
Plan assets	20.77	40.08	36.94	33.88	34.66
Deficit	(87.17)	(53.99)	(33.32)	(11.31)	(2.10)
Experience adjustments on plan liabilities loss	17.92	10.13	20.98	1.99	8.64
Experience adjustments on plan assets (gain) / loss	(0.38)	0.02	-	(19.30)	7.01
h) Defined contribution plans:				Year ended 31-Mar-16	Year ended 31-Mar-15
Amount recognised as an expenses and included in Note 26 under the head 'Contribution to provident and other funds'				12.16	9.23

32. Leases

Operating lease: Company as lessee

The Company has certain operating leases for office facility which are non cancellable. Such leases are generally with the option of renewal depending on the rent prevailing at the time of renewal. The lease term is 3 years (previous year 3 years) . There is no escalation clause in the lease agreement. There are no sub leases.

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Within one year	139.12	273.04
After one year but not more than five years	-	136.52

33. Capitalisation of Expenditures

During the year, the Company capitalised the following expenses of revenue nature to the cost of Intangible Asset/Intangible Asset Under Development (IAUD), since these expenditures relate to such development. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the company.

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Consultancy for registration	1,107.25	825.47
Total	1,107.25	825.47

34. Segment information

The Company has disclosed business segment as primary segment. Segments have been identified and reported taking into account, the different risks and returns, the organization structure and the internal reporting systems.

Agrochemicals :	Insecticides, Herbicides, Fungicides and Biocides
Belts :	Conveyor Belts, V Belts and Timing Belts
Others :	Dyes and Dye Intermediates and General Chemicals

The Company considers secondary segment based on geographical locations. Outside India is further bifurcated into Europe, North American Free Trade Agreement (NAFTA), Latin America (LATAM) and Rest of the World (ROW).

Business segments

(₹ in Lacs)

Particulars	Agrochemicals		Belts		Others		Total operations	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Revenue								
External sales	92,917.38	76,524.67	242.47	406.98	-	-	93,159.85	76,931.65
Other income	1,890.76	815.01	3.50	-	-	1.40	1,894.26	816.41
Total revenue	94,808.14	77,339.68	245.97	406.98	-	1.40	95,054.11	77,748.06
Results								
Segment results	21,019.01	13,299.54	28.39	(26.38)	-	1.39	21,047.40	13,274.55
Other income (Unallocated)							4,752.20	1,952.89
Unallocated expenses							(353.54)	(208.70)
Operating profit							25,446.06	15,018.74
Finance costs							(54.16)	-
Prior period adjustment							(49.97)	(42.48)
Net profit before tax							25,341.93	14,976.26
Income taxes							(8,306.60)	(5,201.46)
Net profit after tax							17,035.33	9,774.80
Other segment information								
Segment assets	98,553.94	69,709.55	69.57	7.24	-	-	98,623.51	69,716.79
Unallocated assets	-	-	-	-	-	-	19,671.15	22,570.25
Total assets	98,553.94	69,709.55	69.57	7.24	-	-	1,18,294.66	92,287.04
Segment liabilities	40,727.70	28,179.69	112.75	95.24	-	-	40,840.45	28,274.93
Unallocated liabilities	-	-	-	-	-	-	4,269.60	5,317.27
Total liabilities	40,727.70	28,179.69	112.75	95.24	-	-	45,110.05	33,592.20
Capital expenditure:								
Tangible assets (Unallocated)							33.69	8.55
Intangible assets (Including IAUD*) (Allocated)	15,060.98	10,138.10	-	-	-	-	15,060.98	10,138.10
Intangible assets (Unallocated)							3.96	-
Depreciation (Tangible) (Unallocated)							36.92	41.71
Amortization (Allocated)	3,551.93	2,278.38	-	0.06	-	-	3,551.93	2,278.44
Capital employed	57,826.24	41,529.86	(43.18)	(88.00)	-	-	57,783.06	41,441.86
Capital employed (Unallocated)	-	-	-	-	-	-	15,401.55	17,252.98

* IAUD - Intangible Asset Under Development

Geographical segments

The Company's secondary segments are the geographic distribution of activities. Revenue and receivables are specified by location of customers while the other geographic information is specified by location of the assets. The following table presents revenue, expenditure and certain asset information regarding the Company's geographical segments:

(₹ in Lacs)

Particulars	31-Mar-16							31-Mar-15							Total
	Within India	Outside India					Total	Within India	Outside India					Total	
		Europe	LATAM	NAFTA	ROW	Total			Europe	LATAM	NAFTA	ROW	Total		
Revenue															
Sales to external customers	-	56,277.52	11,884.89	17,363.21	7,634.23	93,159.85	93,159.85	-	42,127.15	13,297.52	15,869.75	5,637.23	76,931.65	76,931.65	
Other segment information															
Segment assets	20,257.45	65,315.15	10,511.40	16,672.23	5,538.43	98,037.21	1,18,294.66	22,776.38	42,287.29	8,995.83	12,672.57	5,554.97	69,510.66	92,287.04	
Total assets															
Capital Expenditure															
Tangible fixed assets	33.69	-	-	-	-	-	33.69	8.55	-	-	-	-	-	8.55	
Intangible assets (including IAUD)	147.15	7,115.67	567.82	5,764.45	1,469.85	14,917.79	15,064.94	81.27	6,133.95	1,064.77	2,364.66	493.45	10,056.83	10,138.10	

NOTES

to financial statements for the year ended March 31, 2016

35. Related party disclosures

(A) Names of related parties and related party relationship

(a) Related parties where control exists

Subsidiaries	<ul style="list-style-type: none"> • Sharda International DMCC • Sharda Polska SP. ZO.O. • Sharda Ukraine LLC • Sharda Del Ecuador CIA. Ltda. • Sharda Peru SAC • Sharda Swiss SARL • Sharda Do Brasil Comercio De Produtos Quimicos E Agroquimicos LTDA • Sharda Hellas Agrochemicals Limited • Sharda Balkan Agrochemicals Limited • Shardaserb DO.O. • Sharda Spain, S.L. • Axis Crop Science Private Limited • Sharda Costa Rica SA • Sharda Italia SRL • Sharda De Guatemala, S.A. • Shardacan Limited • Sharda USA LLC • Sharda Chile SpA • Sharda Cropchem Espana, S.L. • Sharzam Limited • Sharda Poland SP. ZO.O. • Sharda Taiwan Limited • Sharda Cropchem Tunisia SARL • Sharda Hungary Kft • Sharda Agrochem Dooel Skopje(effective 02.10.2015) • Sharda Dominicana, S.R.L.(effective 03.08.2015) • Sharda EL Salvador S.A. DE CV (effective 28.05.2015) • Nihon Agro Service Kabushiki Kaisha(effective 23.03.2016) • Shardarus LLC (till 02.12.2015) • Siddhivinayak International Limited • Sharda Bolivia SRL • Sharda Colombia S.A.S. • Sharda De Mexico S. De RL DE CV • Sharda Europe BVBA • Sharda International Africa (Pty) Ltd • Sharda Malaysia SDN. BHD. • Sharda Uruguay S.A. • Sharpar S.A. • Sharda Benelux BVBA • Eurozijijski Pesticidi D.O.O.
Associate	<ul style="list-style-type: none"> • Sharda Private (Thailand) Limited

(b) Related parties with whom transactions have taken place during the period/year

Key management personnel and relatives

Mr. Ramprakash V. Bubna	Chairman & Managing Director
Mrs. Sharda R. Bubna	Whole-time Director
Mr. Ashish R. Bubna	Whole-time Director
Mr. Manish R. Bubna	Whole-time Director
Mrs. Seema A. Bubna	Wife of Whole-time Director
Mrs. Anisha M. Bubna	Wife of Whole-time Director
Mr. Gautam S. Arora	Chief Financial Officer (resigned effective 30.11.2015)
Mr. Conrad Fernandes	Chief Financial Officer (appointed effective 25.01.2016)
Mr. Jetkin N. Gudhka	Company Secretary
Enterprises owned or significantly influenced by key management personnel or their relatives	Jankidevi Bilasrai Bubna Trust

(B) Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

(a) Transactions with directors and their relatives

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Nature of Transactions:		
Rent paid to:		
Mr. Ramprakash V. Bubna	30.76	30.34
Mrs. Sharda R. Bubna	99.98	98.60
Mr. Ashish R. Bubna	30.76	30.34
Mr. Manish R. Bubna	38.45	37.92
Mrs. Seema A. Bubna	38.45	37.92
Mrs. Anisha M. Bubna	38.45	37.92
Remuneration to Key Management Personnel:		
Mr. Ramprakash V. Bubna	150.00	150.00
Mrs. Sharda R. Bubna	30.00	30.00
Mr. Ashish R. Bubna	125.00	125.00
Mr. Manish R. Bubna	125.00	125.00
Mr. Gautam S. Arora (upto 30.11.2015)	97.36	112.45
Mr. Conrad Fernandes (from 25.01.2016)	13.28	-
Mr. Jetkin N. Gudhka	10.51	10.59
Directors' Commission:		
Mr. Ramprakash V. Bubna	261.85	156.65
Mr. Ashish R. Bubna	175.44	104.95
Mr. Manish R. Bubna	175.44	104.95
Donations Paid to:		
Jankidevi Bilasrai Bubna Trust	41.50	42.00
IPO Expenses incurred on behalf of directors:		
Mr. Ramprakash V. Bubna	-	263.84
Mrs. Sharda R. Bubna	-	263.84
IPO Expenses recovered from directors:		
Mr. Ramprakash V. Bubna	-	265.12
Mrs. Sharda R. Bubna	-	265.12
Fixed deposits of directors placed / (released) as lien with bank for credit facility:		
Mr. Ramprakash V. Bubna	(213.74)	320.63
Mrs. Sharda R. Bubna	219.29	113.26

NOTES

to financial statements for the year ended March 31, 2016

(b) Transactions with subsidiaries and step-down subsidiaries

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Nature of transactions:		
Loans given to:		
Axis Crop Science Private Limited	100.00	493.00
Sharda International DMCC	-	935.30
Sharda Hungary Kft	55.00	-
Sharda Cropchem Espana, S.L.	42.59	32.26
Outstanding interest converted into loan :		
Axis Crop Science Private Limited	131.35	-
Loans / Interest repaid by:		
Axis Crop Science Private Limited	106.48	-
Sharda International DMCC	379.69	559.51
Sharda De Mexico S. De RL DE CV	-	377.85
Sharda Cropchem Espana, S.L.	42.70	40.53
Sharda Hungary Kft	55.18	-
Return of corporate guarantee given to Company's bank for issuing standby letter of credit in respect of loan taken by:		
Sharda International DMCC; [USD Nil (Previous year: USD 8.00 million)]	-	4,806.00
Interest income / accrual:		
Axis Crop Science Private Limited	146.54	148.68
Sharda International DMCC	5.58	155.79
Sharda De Mexico S. De RL DE CV	-	13.32
Sharda Cropchem Espana, S.L.	0.11	0.08
Sharda Hungary Kft	0.69	-
Sale of finished goods:		
Sharda Cropchem Espana, S.L.	4,028.99	2,882.39
Sharda Hungary Kft	2,194.92	-
Sharda De Mexico S. De RL DE CV	3,607.40	3,628.92
Sharda Poland SPZO.O	6,016.99	596.62
Rate discount given:		
Sharda Colombia S.A.S.	85.84	-
Purchase of finished goods:		
Sharda International DMCC	654.95	13.69

(c) Outstanding balance as at Balance Sheet date

Particulars	(₹ in Lacs)	
	As At 31-Mar-16	As At 31-Mar-15
Loan balances:		
Axis Crop Science Private Limited	1,977.19	1,852.32
Sharda Hungary Kft	0.52	-
Sharda International DMCC	-	375.79
Receivable:		
Sharda De Mexico S. De RL DE CV	2,349.12	2,467.35
Sharda Cropchem Espana, S.L.	2,026.90	1,279.80
Sharda Colombia S.A.S.	-	89.23
Sharda Poland SP. ZO.O	2,352.54	583.37
Sharda Hungary Kft	1,538.79	-
Trade Payable:		
Sharda International DMCC	401.01	-
Fixed deposits of directors placed as lien with bank for credit facility:		
Outstanding as at Balance Sheet date		
Mr. Ramprakash V. Bubna (lien given)	1,206.10	1,419.84
Mrs. Sharda R. Bubna (lien given)	1,650.61	1,431.32

36. Capital and other commitments

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	13,859.53	8,898.29

37. Contingent liabilities

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Letters of Credit	3,020.28	3,804.05
Service tax matter (refer Note below)	785.14	785.14
Total	3,805.42	4,589.19

Note:

Future cash flows in respect of Service tax matter, if any, is determinable only on receipt of the judgement/decision pending with relevant authorities. The Company does not expect the outcome of the matter stated above to have a material adverse effect on the Company's financial condition, result of operations or cash flows.

38. Derivative instruments and unhedged foreign currency exposure

The Company, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to manage its exposure to foreign exchange rate variations primarily relating to trade payables and trade receivables. The counter party is generally a bank. These contracts are for a period between one day and one year.

NOTES

to financial statements for the year ended March 31, 2016

Foreign exchange forward contracts outstanding as at the balance sheet date:

(₹ in Lacs)

Nature of instrument	Foreign currency	As at 31-Mar-16		As at 31-Mar-15	
		Amount (FCY Mn.)	Amount (₹ in Lacs)	Amount (FCY Mn.)	Amount (₹ in Lacs)
Forward contract - Sell	USD	5.65	3,742.92	7.20	4,509.45
	EUR	7.10	5,328.12	5.20	3,515.10
	CAD	0.25	127.47	-	-
Forward Contract - Buy	USD	0.89	589.73	-	-

Foreign exchange exposure outstanding as at the balance sheet date:

Nature of instrument	Foreign currency	As at 31-Mar-16		As at 31-Mar-15	
		Amount (FCY Mn.)	Amount (₹ in Lacs)	Amount (FCY Mn.)	Amount (₹ in Lacs)
Unhedged currency exposure on:-					
a) Receivables					
	USD	21.77	14,435.82	18.63	11,667.73
	EUR	27.75	20,824.55	14.46	9,772.18
	HUF	600.85	1,431.46	454.86	1,028.86
	CZK	32.96	911.00	13.56	334.55
	PLN	23.11	4,063.20	22.55	3,734.18
	GBP	0.08	80.43	0.06	52.20
	CAD	0.57	292.83	0.18	90.93
b) Payables					
	USD	37.26	24,707.79	30.62	19,178.23
	EUR	16.41	12,315.00	10.40	7,029.60
	HUF	223.67	532.86	160.10	362.12
	CZK	9.36	258.60	4.21	103.78
	PLN	3.56	625.19	0.36	59.49
	CHF	0.001	0.69	0.005	3.11
	GBP	0.04	41.35	0.16	150.33
	PHP	0.11	1.66	0.03	0.45
	CAD	0.08	38.66	0.05	24.34
	ZAR	0.45	20.06	0.19	9.74
	JPY	1.91	11.29	-	-
	AUD	0.01	6.56	-	-

Further, the Company has not hedged its investments in subsidiaries outside India (For list of subsidiaries refer Note 12).

39. Loans and advances in the nature of loans given to subsidiaries and associates and firms/companies in which the directors are interested.

(₹ in Lacs)

Name of subsidiary	2015-16		2014-15	
	31-Mar-16	Maximum amount outstanding during the year	31-Mar-15	Maximum amount outstanding during the year
Axis Crop Science Private Limited	1,977.19	1,977.19	1,852.32	1,852.32
Sharda Cropchem Espana S L	-	42.70	-	32.85
Sharda De Mexico S. De RL DE CV	-	-	-	415.15
Sharda International DMCC	-	376.67	375.79	994.45
Sharda Hungary KFT	0.52	49.39	-	-
Total	1,977.71		2,228.11	

40. Details of dues to micro and small enterprises as defined under "The Micro, Small and Medium Enterprises Development Act, 2006"

The Company has not received any intimation from suppliers regarding their status under "The Micro, Small and Medium Enterprises Development Act, 2006" and hence no disclosure as required under the Act has been made.

41. Value of imports calculated on C.I.F. basis

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Traded goods	29,854.37	25,873.60
Raw materials	26,529.90	26,726.10
Total	56,384.27	52,599.70

42. Expenditure in foreign currency (accrual basis)

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Legal and professional fees	4,463.68	4,267.96
Interest	0.26	-
Commission	828.07	1,346.77
Intangible assets - registration assets	5,013.87	1,329.72
Intangible assets - under development	8,378.58	4,640.62
Other expenses	3,499.78	4,078.60
Total	22,184.24	15,663.67

43. Earnings in foreign currency (accrual basis)

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Export of goods on F.O.B. basis	95,859.00	76,646.48
Share of income from task-force	37.87	89.86
Interest received from subsidiaries/customers	15.39	169.20
Dividend from subsidiary company	3,512.72	-
Total	99,424.98	76,905.54

44. Imported and Indigenous raw materials

Particulars	Value		Value	
	% of Total Consumption 31-Mar-16	31-Mar-16	% of Total Consumption 31-Mar-15	31-Mar-15
Raw Materials				
Imported	100.00	32,315.51	99.19	22,022.44
Indigenously obtained	-	-	0.81	178.95
Total	100.00	32,315.51	100.00	22,201.39

45. Prior period adjustments (net of tax)

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Commission and Carriage and Forwarding expenses on sales	(100.93)	-
Legal and professional fees	82.05	-
Amortisation of intangible assets (refer Note 11 & 28)	95.30	-
Rates and Taxes	-	64.36
	76.42	64.36
Tax adjustment on above	26.45	21.88
Total	49.97	42.48

NOTES

to financial statements for the year ended March 31, 2016

46. Details of loans & investment as required under section 186 of the Companies Act, 2013

a) Loans

(₹ in Lacs)

Particulars	31-Mar-2016		31-Mar-2015	
	Amount given during the year	Outstanding amount	Amount given during the year	Outstanding amount
Loans given to subsidiaries (refer Note below)				
Axis Crop Science Private Limited (Interest @ 8% p.a.(Previous year 11% p.a.))	100.00	1,977.19	493.00	1,852.32
Sharda International DMCC (Interest @ 8.16% p.a. (Previous year 8.16% p.a.))	-	-	935.30	375.79
Sharda Hungary KFT (Interest @ 8% p.a. (Previous year Nil))	55.00	0.52	-	-
Sharda Cropchem Espana S L (Interest @ 8%p.a.(Previous year 5.25 %p.a.))	42.59	-	32.26	-

Note:

Loans given are unsecured and repayable on demand. Loans have been given to meet their working capital requirements.

b) Investments

Details required u/s 186 have been disclosed in Note 12 and 15 of the financial statements.

47. Dividend remitted in Foreign currency

(₹ in Lacs)

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Year of Remittance (ending on)	31-Mar-16	31-Mar-15
Year to which it relates	-	2013-14
Number of Equity shares held by non resident shareholder on which dividend was due	-	143,20,495
Face value per share (₹)	-	10.00
Dividend remitted (₹ in Lacs)	-	286.41

48. The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) as per the provisions of Section 135 of the Companies Act, 2013 amounts to ₹270.30 Lacs. During the year the Company has spend an amount of ₹ 270.41 Lacs on CSR activities for education, health care, medical relief, skill development etc. included in Note 27 of the Statement of Profit & Loss.

49. Previous year figures have been regrouped / reclassified wherever necessary, to conform to current year's classification.

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

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

For and on behalf of the Board of Directors of SHARDA CROP CHEM LIMITED

Ramprakash V. Bubna
[Chairman & Managing Director]
DIN No. 00136568

Ashish R. Bubna
[Whole-time Director]
DIN No. 00945147

Conrad Fernandes
[Chief Financial Officer]

Jetkin Gudhka
[Company Secretary]

Place : Mumbai
Date : May 25, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of Sharda Cropchem Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Sharda Cropchem Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, comprising the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's

judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 of the consolidated state of affairs of the Group and its associate as at March 31, 2016, their consolidated profit, and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, we report, to the extent applicable, that:

- (a) We / the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements, have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated 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 March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of

INDEPENDENT AUDITOR'S REPORT

its subsidiary company incorporated in India, none of the directors of the Holding Company and subsidiary company incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary company incorporated in India, refer to our separate report in "Annexure" to this Report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate—Refer Note 37 to the consolidated financial statements;
 - ii. The Group and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

Other Matter

- (a) The accompanying consolidated financial statements include total assets of ₹ 10,556.41 lacs as at March 31, 2016, and total revenues and net cash outflows of ₹ 15,825.16 lacs and ₹ 240.15 lacs for the year ended on that date, in respect of 28 subsidiaries, which have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the Management of the Holding Company. The consolidated financial statements include ₹ Nil as Company's share of net result for the year ended March 31, 2016, in respect of its associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and the associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and the associate, is based solely on the reports of such other auditors.

- (b) The accompanying consolidated financial statements include total assets of ₹ 14,452.61 lacs as at March 31, 2016, and total revenues and net cash outflows of ₹ 30,040.25 lacs and ₹ 428.30 lacs respectively for the year ended on that date, in respect of one subsidiary company, which has been audited by another auditor, whose financial statements are prepared in accordance with International Financial Reporting Standards, being the generally accepted accounting principles ('GAAP') accepted in the country of its incorporation, other financial information and the auditor's report, have been furnished to us by the Management of the Holding Company. These financial statements and other financial information have been audited by another auditor who submitted its audit opinion, prepared under generally accepted auditing standards of the country in which the subsidiary is incorporated, a copy of which has been provided to us by the management of the Holding Company. The Management of the Holding Company has converted such audited financial statements to accounting principles generally accepted in India, for the purpose of preparation of the consolidated financial statements under accounting principles generally accepted in India. Our opinion, thus, insofar it relates to amounts included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, is based solely on the report of the other auditor under the aforementioned GAAP and the aforesaid conversion undertaken by the management, examined by us on a test basis.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done, and the reports of the other auditors.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**

Partner

Membership Number: 101143

Place: Mumbai

Date: May 25, 2016

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

of even date on the consolidated Financial Statements of Sharda Cropchem Limited

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

In conjunction with our audit of the consolidated financial statements of Sharda Cropchem Limited as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Sharda Cropchem Limited (hereinafter referred to as the "Holding Company") and its subsidiary company, which is company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of his report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary company which is company incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to a subsidiary which is company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Vinayak Pujare**

Partner

Membership Number: 101143

Place : Mumbai

Date: May 25, 2016

CONSOLIDATED BALANCE SHEET

as at March 31, 2016

Particulars	Note	(₹ in Lacs)	
		As at 31-Mar-16	As at 31-Mar-15
Equity and Liabilities			
Shareholders' funds			
Share capital	3	9,022.05	9,022.05
Reserves and surplus	4	72,059.19	56,429.18
		81,081.24	65,451.23
Minority Interest		9.39	2.64
Non-current liabilities			
Deferred tax liability (net)	13(a)	3,892.35	2,159.11
Long term provisions	5	92.62	54.82
		3,984.97	2,213.93
Current liabilities			
Short term borrowings	6	199.98	3,806.66
Trade payables	7	38,373.20	22,809.02
Other current liabilities	8	7,858.19	7,206.29
Short term provisions	9	575.25	3,173.60
		47,006.62	36,995.57
TOTAL		1,32,082.22	1,04,663.37
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	142.55	152.21
Intangible assets	11	12,837.45	8,644.97
Intangible assets under development (IAUD)		20,984.34	14,878.45
Goodwill on consolidation		38.14	38.14
Non-current investments	12	-	900.00
Deferred tax asset (net)	13(b)	-	5.77
Long term loans and advances	14	4,069.40	3,668.13
		38,071.88	28,287.67
Current assets			
Current investments	15	8,198.30	8,587.63
Inventories	16	15,983.54	13,958.17
Trade receivables	17	61,997.86	45,444.35
Cash and bank balances	18	6,487.41	7,023.53
Short term loans and advances	19	1,072.05	1,241.52
Other current assets	20	271.18	120.50
		94,010.34	76,375.70
TOTAL		1,32,082.22	1,04,663.37
Summary of significant accounting policies	2.1		

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

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No. 324982E/E300003

Chartered Accountants

per **Vinayak Pujare**

Partner

Membership No. 101143

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

Ramprakash V. Bubna

[Chairman & Managing Director]

DIN No. 00136568

Ashish R. Bubna

[Whole-time Director]

DIN No. 00945147

Conrad Fernandes

[Chief Financial Officer]

Jetkin Gudhka

[Company Secretary]

Place : Mumbai

Date : May 25, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2016

Particulars	Note	(₹ in Lacs)	
		Year ended 31-Mar-16	Year ended 31-Mar-15
Income			
Revenue from operations (net)	21	1,21,857.98	1,06,106.47
Other income	22(a)	2,821.23	2,704.49
Total revenue		1,24,679.21	1,08,810.96
Expenses			
Cost of materials consumed	23	32,320.79	22,268.48
Purchase of traded goods	24	49,447.61	49,674.51
(Increase)/decrease in inventories of traded and finished goods	25	(2,540.94)	(936.33)
Employee benefit expenses	26	2,749.39	2,436.93
Other expenses	27	13,393.64	15,537.40
Total expenses		95,370.49	88,980.99
Earnings before interest, tax, depreciation and amortization (EBITDA) and prior period adjustments		29,308.72	19,829.97
Interest income	22(b)	155.15	167.15
Depreciation and amortization expenses	28	3,505.32	2,331.16
Finance costs	29	55.18	79.87
Profit before tax and prior period adjustments		25,903.37	17,586.09
Tax expense			
Current tax			
Pertaining to current year profit		6,624.78	4,108.19
Adjustment for tax relating to earlier years		(14.17)	-
Deferred tax		1,739.01	1,135.17
Total tax expense		8,349.62	5,243.36
Profit after tax and before prior period adjustments		17,553.75	12,342.73
Prior period adjustments (net of tax)	39	49.97	45.32
Profit after tax and before minority interest for the year		17,503.78	12,297.41
Minority Interest		6.75	0.29
Profit for the year		17,497.03	12,297.12
Earnings per share			
Face value per share of ₹10 each (Previous Year ₹10 each)	30		
Basic and diluted (₹ per share)		19.39	13.63
Summary of significant accounting policies	2.1		

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

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No. 324982E/E300003

Chartered Accountants

per **Vinayak Pujare**

Partner

Membership No. 101143

**For and on behalf of the Board of Directors of
SHARDA CROP CHEM LIMITED****Ramprakash V. Bubna**

[Chairman & Managing Director]

DIN No. 00136568

Ashish R. Bubna

[Whole-time Director]

DIN No. 00945147

Conrad Fernandes

[Chief Financial Officer]

Jetkin Gudhka

[Company Secretary]

Place : Mumbai

Date : May 25, 2016

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2016

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Cash flow from operating activities		
Profit before tax and prior period adjustments	25,903.37	17,586.09
Adjustment to reconcile profit before tax to cash generated by operating activities:		
Depreciation/amortization	3,505.32	2,331.16
Provision / (reversal) for diminution in value of investments	(0.03)	0.03
Unrealized foreign exchange gain	(1,562.75)	(59.69)
Loss on sale of fixed assets	211.02	321.96
Net gain on sale of current investments	(941.69)	(1,418.18)
Provision for gratuity	42.07	26.71
Bad debts/sundry debt balance written off/ (recovered)	73.82	(29.44)
Sundry balances written back	(432.94)	(696.76)
Finance costs	55.18	79.87
Interest income	(155.15)	(167.15)
Dividend income	(0.04)	(32.25)
Operating profit before working capital changes	26,698.18	17,942.35
Movements in working capital:		
Increase/(decrease) in trade payables	16,300.68	3,114.56
Increase/(decrease) in short term provisions	(42.70)	104.82
Increase/(decrease) in other current liabilities	(171.33)	1,308.68
(Increase)/decrease in trade receivables	(15,919.46)	(5,350.99)
(Increase)/decrease in inventories	(2,012.45)	(5,881.06)
(Increase)/decrease in long term loans and advances	(32.56)	7.72
(Increase)/decrease in short term loans and advances	195.46	(412.55)
(Increase)/decrease in other current assets	(40.81)	(120.26)
Cash generated from operations	24,975.01	10,713.27
Prior period adjustments (Net of tax)	12.35	(45.32)
Direct taxes paid (net of refunds)	(6,861.51)	(6,055.03)
Net cash flow from operating activities (A)	18,125.85	4,612.92
Cash flows from investing activities		
Purchase of tangible fixed assets	(38.33)	(29.05)
Purchase of intangible fixed assets, including IAUD and capital advances	(12,867.46)	(7,985.93)
Proceeds from sale of fixed assets	0.20	-
Purchase of non-current investments	-	(400.00)
Proceeds of current investments	1,331.08	9,806.06
Redemption/(investment) of bank deposits	1,995.84	(3,573.44)
Interest received	10.46	-
Dividend received on current investments	0.04	5.93
Net cash flow used in investing activities (B)	(9,568.17)	(2,176.43)

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Cash flows from financing activities		
Repayment of long term borrowings	-	(0.38)
Repayment of short term borrowings	(3,543.24)	(242.43)
Finance costs paid	(18.48)	(79.87)
Dividend paid on equity shares	(4,962.12)	(1,804.41)
Tax on equity dividend paid	(296.72)	(306.66)
Net cash flow from/(used in) in financing activities (C)	(8,820.56)	(2,433.75)
Exchange difference arising on conversion debited to foreign currency translation reserve (D)	678.53	309.34
Net increase/(decrease) in cash and cash equivalents (A + B + C + D)	415.65	312.08
Effect of exchange differences on cash & cash equivalents held in foreign currency	(0.62)	8.52
Cash and cash equivalents at the beginning of the year	2,479.75	2,159.15
Cash and cash equivalents at the end of the year	2,894.78	2,479.75
Components of cash and cash equivalents		
Cash on hand	4.21	4.68
With banks	6,483.20	7,018.85
Total cash and cash equivalents (Note 18)	6,487.41	7,023.53
Less: Bank deposits not considered as cash and cash equivalents	(3,592.63)	(4,543.78)
Total cash and cash equivalents as per the cash flow statement	2,894.78	2,479.75
Summary of significant accounting policies	Note 2.1	

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

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

**For and on behalf of the Board of Directors of
SHARDA CROP CHEM LIMITED**

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

Ramprakash V. Bubna
[Chairman & Managing Director]
DIN No. 00136568

Ashish R. Bubna
[Whole-time Director]
DIN No. 00945147

Conrad Fernandes
[Chief Financial Officer]

Jetkin Gudhka
[Company Secretary]

Place : Mumbai
Date : May 25, 2016

NOTES

to consolidated financial statements for the year ended March 31, 2016

1. Corporate information

Sharda Cropchem Limited (the "Company") is a public limited Company incorporated in India. The shares of the Company are listed on BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). The Company is engaged in export of Agro-chemicals (technical grade and formulations) and Non-Agro products such as Conveyor belts, Rubber belts/sheets, Dyes and Dye intermediates to various countries across the world.

2.1 Significant accounting policies

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules 2014. The financials statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of the financial statements are consistent with those of the previous year.

(b) Principles of Consolidation

The Consolidated Financial Statements relate to Sharda Cropchem Limited, its subsidiary companies and an associate (hereinafter referred as "Group"). The Consolidated Financial Statements have been prepared on the following basis:

- (i) The financial statements of the Company and its subsidiary companies have been combined on line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profit and loss in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- (ii) In terms of Accounting Standard 21, minority interest consists of:
 - The amount of equity attributable to minority at the date on which the investment in the subsidiary is made.
 - The minority's share of movements in equity since the date the parent - subsidiary relationship came into existence.

Minority interest in share of net result for the year is identified and adjusted against the profit after tax. Excess of loss, if any, attributable to the minority over and above the minority interest in the equity of the subsidiary is absorbed by the Company.

- (iii) The Consolidated Financial Statements of Sharda International DMCC (a Subsidiary Company) have been prepared in accordance with International Financial Reporting Standards (IFRS) issued or adopted by the International Accounting Standards Board (IASB) and the applicable rules and regulations of the Dubai Multi Commodities Centre. These IFRS financial statements have been converted by management into financial statements as per Indian GAAP and used for the purpose of consolidation.
- (iv) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviation in accounting policies, if any and to the extent possible, are made in the Consolidated Financial Statements and are presented in the same manner as the Company's separate financial statements.
- (v) In translating the financial statements of the non-integral foreign subsidiaries for incorporation in the consolidated financial statements, the assets and liabilities, both monetary and non-monetary are translated at the closing rate, while income and expense items are translated as at the date of transaction. For practical reasons, a rate that approximates the actual exchange rates i.e. average rate for the period has been used and all resulting exchange differences are accumulated in the foreign currency translation reserve.
- (vi) Goodwill arising on consolidation is tested for impairment as at the balance sheet date.
- (vii) Investment in associates where the Company directly or indirectly holds significance influence, are accounted for using the equity method as per Accounting Standard 23 (AS-23) - "Accounting for Investments in Associates in Consolidated Financial Statements" notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules 2014. Accordingly, the share of profit / loss of the associate company (loss being restricted to the cost of investment) has been added to / deducted from the cost of investments. Cost of investment in associates, over the share of net assets at the time of acquisition of the shares in the associates is recognised in the financial statements as goodwill or capital reserves, as the case may be.
- (viii) The list of companies which are included in consolidation and the Parent Company's holdings therein are as under:

Sr. No.	Name	Country of incorporation	March 31, 2016	March 31, 2015
Subsidiaries:				
1	Axis Crop Science Private Limited	India	100.00%	100.00%
2	Nihon Agro Service Kabushiki Kaisha	Japan	100.00%	-
3	Sharda Agrochem Dooel Skopje*	Macedonia	100.00%	-
4	Sharda Balkan Agrochemicals Limited *	Greece	100.00%	100.00%
5	Sharda Chile SpA*	Chile	100.00%	100.00%
6	Sharda Costa Rica SA	Costa Rica	99.00%	99.00%
7	Sharda Cropchem Espana, S.L.	Spain	100.00%	100.00%
8	Sharda Cropchem Tunisia SARL*	Tunisia	99.00%	99.00%
9	Sharda De Guatemala, S.A.*	Guatemala	98.00%	98.00%
10	Sharda Del Ecuador CIA. LTDA*	Ecuador	99.50%	99.50%
11	Sharda Do Brasil Comercio DE Produtos Quimicos E Agroquimicos LTDA*	Brazil	99.00%	99.00%
12	Sharda Dominicana S.R.L.*	Dominican Republic	99.00%	-
13	Sharda EL Salvador S. A. DE CV*	El Salvador	99.00%	-
14	Sharda Hellas Agrochemicals Limited *	Greece	100.00%	100.00%
15	Sharda Hungary Kft*	Hungary	100.00%	100.00%
16	Sharda International DMCC	U.A.E.	100.00%	100.00%
17	Sharda Italia SRL*	Italy	99.00%	99.00%
18	Sharda Peru SAC*	Peru	99.95%	99.95%
19	Sharda Poland SP. ZO.O	Poland	100.00%	100.00%
20	Sharda Polska SP. ZO.O.*	Poland	100.00%	100.00%
21	Sharda Spain, S.L. *	Spain	100.00%	100.00%
22	Sharda Swiss SARL*	Switzerland	100.00%	100.00%
23	Sharda Taiwan Limited*	Taiwan	100.00%	100.00%
24	Sharda Ukraine LLC*	Ukraine	100.00%	100.00%
25	Sharda USA LLC *	USA	100.00%	100.00%
26	Shardacan Limited*	Canada	100.00%	100.00%
27	Shardarus LLC**	Russia	-	99.00%
28	Shardaserb DO.O *	Serbia	100.00%	100.00%
29	Sharzam Limited*	Zambia	99.99%	99.99%
30	Euroazijski Pesticidi D.O.O.	Croatia	100.00%	100.00%
31	Sharda Benelux BVBA*	Belgium	100.00%	100.00%
32	Sharda Bolivia SRL	Bolivia	99.00%	99.00%
33	Sharda Colombia S.A.S.	Colombia	99.48%	99.48%
34	Sharda De Mexico S. DE RL DE CV	Mexico	99.00%	99.00%
35	Sharda Europe BVBA	Belgium	100.00%	100.00%
36	Sharda International Africa (PTY) Limited	South Africa	100.00%	100.00%
37	Sharda Malaysia SDN. BHD.	Malaysia	100.00%	100.00%
38	Sharda Uruguay S.A.	Uruguay	100.00%	100.00%
39	Sharpar S.A.*	Paraguay	90.00%	90.00%
40	Siddhivinayak International Limited	U.A.E.	100.00%	100.00%
Associate:				
41	Sharda Private (Thailand) Limited	Thailand	49.00%	49.00%

* The financial statements of these companies are drawn for the calendar year ended December 31, 2015. All material adjustments for the effect of significant transactions or events occurred upto March 31, 2016, if any, have been given effect to in preparation of these Consolidated Financial Statements.

** The financial statements are prepared upto December 2, 2015 as the subsidiary has been liquidated as of that day.

NOTES

to consolidated financial statements for the year ended March 31, 2016

(c) Use of estimates

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

(d) Tangible fixed assets

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

(e) Depreciation on tangible fixed assets

Depreciation is provided after impairment, if any, using the straight-line method as per the useful lives of the assets estimated by the management, or at rates prescribed under Schedule II of the Companies Act 2013, except in respect of certain assets located outside India in whose case the estimated useful life of the assets has been assessed as per the condition of the assets. The Group has used the following rates to provide depreciation on its fixed assets.

Asset class	Estimated useful life	
	Useful life adopted by foreign subsidiaries	Schedule II adopted by Indian subsidiaries
Computers	6 to 7 years	3 years
Furniture and Fixtures	15 to 16 years	10 years
Office Equipments	21 to 22 years	5 years
Motor Cars	10 to 11 years	8 years
Cylinders	6 to 7 years	15 years

(f) Intangible assets and amortisation

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

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

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

Product Registration

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

Computer Software

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

(g) Impairment of assets

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

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

(h) Research and Development costs

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

(i) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Non-current investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in nature.

(i) Inventories

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

(k) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividends

Dividend income is recognized when the Group right to receive dividend is established by the reporting date.

(l) Foreign currency transactions

Foreign currency transactions and balances

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of the Group at rates different from those at which they were initially recorded during the year or reported in previous financial statements are recognized as income or as expenses in the year in which they arise.

(iv) Forward exchange contracts

The Group enters into forward contracts to hedge its assets and liabilities. The premium or discount arising at the inception of a forward contract is amortised as income or expense over the life of such contract. At the reporting date, forward contracts are revalued and gains/losses if any, are recognised in the Statement of Profit and Loss. Any profit or loss arising on cancellation or renewal of such a forward contract is recognised as income or expense in the period in which such cancellation or renewal is made.

(m) Derivative instruments

Derivative contracts, other than foreign currency forward contracts covered under AS 11 "The effects of changes in foreign exchange rates", are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the Statement of Profit and Loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

(n) Retirement and other employee benefits

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

Gratuity liability is a defined benefit obligation which is provided for on the basis of an actuarial valuation on Projected Unit Cost method made at the end of each financial year. Actuarial gains/(losses) are immediately taken to the Statement of Profit and Loss and are not deferred.

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

(o) Leases

Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(p) Income taxes

Tax expense Comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the Statement of Profit and Loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the Statement of Profit and Loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

NOTES

to consolidated financial statements for the year ended March 31, 2016

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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

(q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit after tax for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(r) Provisions

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

(s) Contingent liabilities

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

recognize a contingent liability but discloses its existence in the financial statements.

(t) Cash and cash equivalents

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

(u) Segment reporting

Identification of segments

The Group's operating businesses are organized 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 serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

Inter-segment transfers

The Group generally accounts for inter segment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

(v) Measurement of EBITDA

The Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Group does not include interest income, depreciation and amortization expense, finance costs and tax expense.

3. Share capital

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Authorised shares		
10,50,00,000 (Previous year: 10,50,00,000) equity shares of ₹ 10/- each	10,500.00	10,500.00
Issued, subscribed and fully paid-up shares		
9,02,20,495 (Previous year: 9,02,20,495) equity shares of ₹ 10/- each	9,022.05	9,022.05
Total issued, subscribed and fully paid-up share capital	9,022.05	9,022.05

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Equity shares

Particulars	As at 31-Mar-16		As at 31-Mar-15	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
At the beginning of the year	9,02,20,495	9,022.05	9,02,20,495	9,022.05
Outstanding at the end of the year	9,02,20,495	9,022.05	9,02,20,495	9,022.05

(b) Terms/rights attached to equity shares

The Company has one class of equity shares having a par value of ₹10 each. Each shareholder is eligible for dividend and one vote per share held. The dividend proposed by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date

Particulars	As at 31-Mar-16 No. of Shares	As at 31-Mar-15 No. of Shares
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium during FY 2011-12	7,21,76,396	7,21,76,396

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31-Mar-16		As at 31 March-15	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Mr. Ramprakash V. Bubna	1,41,52,686	15.69%	1,41,52,686	15.69%
Mrs. Sharda R. Bubna	1,41,52,685	15.69%	1,41,52,685	15.69%
Mr. Ashish R. Bubna*	1,51,80,000	16.83%	1,51,80,000	16.83%
Mr. Manish R. Bubna**	1,51,80,000	16.83%	1,51,80,000	16.83%
DSP Blackrock Mutual Fund	56,16,626	6.23%	35,60,218	3.95%

* Shareholding includes 10 Equity shares held jointly by Mr. Ashish R. Bubna and Mrs. Seema A. Bubna, with Mr. Ashish R. Bubna as the first holder.

** Shareholding includes 10 Equity shares held jointly by Mr. Manish R. Bubna and Mrs. Anisha M. Bubna, with Mr. Manish R. Bubna as the first holder.

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

NOTES

to consolidated financial statements for the year ended March 31, 2016

4. Reserves and surplus

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Capital reserve		
Balance as per the last audited financial statements	1,581.11	1,568.44
Add: On account of acquisition of subsidiaries	-	12.67
Closing balance	1,581.11	1,581.11
Securities premium account		
Balance as per the last audited financial statements	2,168.55	2,168.55
Closing balance	2,168.55	2,168.55
General Reserve		
Balance as per the last audited financial statements	664.93	664.93
Add: Amount transferred from surplus balance in the statement of profit and loss	0.01	-
Closing balance	664.94	664.93
Foreign currency translation reserve		
Balance as per the last audited financial statements	594.28	284.94
Add: Foreign currency translation reserve for the year	678.53	309.34
Closing balance	1,272.81	594.28
Surplus in the Statement of Profit and Loss		
Balance as per the last audited financial statements	51,420.31	41,865.50
Add: Profit for the year	17,497.03	12,297.12
Less: Depreciation as per Schedule II of Companies Act, 2013 (refer Note 10(a))	-	14.96
Less: Transfer to capital reserve on account of acquisition of residual stake in Axis Crop Science Private Limited.	-	12.67
Less: Proposed final dividend on equity shares (Amount per share ₹ Nil (Previous year: ₹ 2.50))	-	2,255.51
Less: Tax on final equity dividend	-	459.17
Add: Tax credit on final equity dividend	304.27	-
Less: Interim dividend on equity shares (Amount per share ₹3.00 (Previous year: ₹ Nil))	2,706.61	-
Less: Tax on interim dividend on equity shares	143.22	-
Net surplus in the Statement of Profit & Loss	66,371.78	51,420.31
Total	72,059.19	56,429.18

5. Long term provisions

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Provision for employee benefits:		
-Gratuity (refer Note 31)	92.62	54.82
	92.62	54.82

6. Short term borrowings

(₹ in Lacs)

Particulars	As at 31-Mar-16	As at 31-Mar-15
Buyer's credit (Secured) (refer Note below)	174.62	3,782.53
Others	25.36	24.13
Total	199.98	3,806.66
The above amount includes Unsecured borrowings	25.36	24.13

6.1 Buyer's Credit

is secured against hypothecation of stocks meant for exports and book debts. Buyer's credit is further secured by personal guarantees of four directors of the Company and by a lien on fixed deposits. Buyer's credit carries interest @ LIBOR plus 100 basis points p.a.

6.2 Others in Short term borrowings of ₹ 25.36 Lacs (Previous year: ₹ 24.13 Lacs) include:-

- loan amounting to ₹8.64 Lacs (Previous year: ₹7.86 Lacs) has been taken by Axis Crop Science Private Limited from Mr. Anil Kumta. It is repayable on demand and carries an interest rate of 8.00% p.a. (Previous year 11.00% p.a.);
- loan amounting to ₹ 16.36 Lacs (Previous year ₹15.95 Lacs) has been taken by Sharda Europe BVBA from Mr. Jacques Ryon. It is repayable on demand and does not carry any interest;
- loan amounting to Nil (Previous year ₹0.02 Lacs) has been taken by Shardarus LLC from Mr. Andrey Potseluev. It is repayable on demand and does not carry any interest;
- loan amounting to ₹ 0.36 Lacs (Previous year ₹ 0.30 Lacs) has been taken by Sharda Hungary Kft from Mr. Zoltan Papp. It is repayable on demand and does not carry any interest.

7. Trade payables

(₹ in Lacs)

Particulars	As at 31-Mar-16	As at 31-Mar-15
Trade payables		
-Total outstanding dues of creditors (including acceptances)	38,373.20	22,809.02
Total	38,373.20	22,809.02

8. Other current liabilities

(₹ in Lacs)

Particulars	As at 31-Mar-16	As at 31-Mar-15
Current maturity of long term borrowings	-	0.23
Interest accrued and not due on borrowings	1.80	17.67
Book Overdraft (Refer Note below)	-	50.98
Capital creditors	5,099.86	4,235.41
Advance from customers:		
- Deposits	51.15	41.80
- Other advances	446.28	360.75
Directors' commission	551.46	328.59
Salaries & bonus	310.42	279.32
Statutory dues	1,227.12	807.55
Unclaimed dividend	0.84	-
Other payables	169.26	1,083.99
Total	7,858.19	7,206.29

Note:

The special overdraft is secured by personal guarantees of four directors of the Company and by a lien on fixed deposits. The special overdraft is repayable on demand and carries interest of bank PLR plus 2.50% p.a.

NOTES

to consolidated financial statements for the year ended March 31, 2016

9. Short term provisions

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Provision for employee benefits		
Provision for gratuity (Refer Note 31)	16.61	12.34
Provision for leave benefits	23.21	23.47
	39.82	35.81
Other provisions		
Proposed final equity dividend	-	2,255.51
Provision for tax on final equity dividend	-	459.17
Provision for tax on interim equity dividend	1.40	-
Provision for income tax (Net of advance tax ₹6,437.85 (Previous Year: ₹ Nil))	392.92	255.52
Provision for reward scheme payable (Refer Note below)	141.10	153.21
Provision for product claims	0.01	14.38
	535.43	3,137.79
Total	575.25	3,173.60

Note:

The Company has implemented a reward scheme in certain countries where it operates, wherein the customer earns reward points upon purchase of the Company's products which entitle them to certain benefits in the form of excursion trips, etc. These points can either be utilised in the year of purchase or can be carried forward to the next year.

Particulars of reward scheme	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Opening Balance	153.21	-
Add: Booked during the year	675.25	305.69
Less: Utilised during the year	687.36	152.48
Closing Balance	141.10	153.21

10. Tangible assets

Description of Assets	Gross Block			Depreciation			Net Block			
	As at 01.04.2015	Additions during the year	Deductions during the year	Adjust-ments	As at 01.04.2015	Adjusted to reserves (refer Note (c) below)	Deductions during the year	Provided during the year	As at 31.03.2016	As at 31.03.2015
Office equipments	65.73	6.43	0.74	-	31.68	-	0.54	11.66	42.80	34.05
	(56.07)	(9.66)	-	-	(7.97)	(11.95)	-	(11.76)	(31.68)	-
Furniture and fixtures	135.54	1.16	-	-	66.01	-	-	16.41	82.42	69.53
	(124.86)	(10.68)	-	-	(50.38)	-	-	(15.63)	(66.01)	-
Motor cars	37.31	19.37	-	-	16.30	-	-	6.13	22.43	21.01
	(37.31)	-	-	-	(10.36)	-	-	(5.94)	(16.30)	-
Computers	91.81	9.71	-	-	71.95	-	-	12.86	84.81	19.86
	(86.48)	(5.33)	-	-	(51.48)	(3.01)	-	(17.46)	(71.95)	-
Cylinders	11.11	1.66	-	-	3.35	-	-	0.73	4.08	7.76
	(7.73)	(3.38)	-	-	(2.50)	-	-	(0.85)	(3.35)	-
Total - (Current year)	341.50	38.33	0.74	-	189.29	-	0.54	47.79	236.54	152.21
Total - (Previous year)	(312.45)	(29.05)	-	-	(122.69)	(14.96)	-	(51.64)	(189.29)	-

11. Intangible assets

Description of Assets	Gross Block			Amortisation			Net Block			
	As at 01.04.2015	Additions during the year	Deductions during the year	Adjustments (refer Note (c) below)	As at 01.04.2015	Adjusted to reserves	Deductions during the year	Provided during the year (refer Note (d) below)	As at 31.03.2016	As at 31.03.2015
Computer software	110.78	4.11	-	-	85.37	-	-	13.05	98.42	25.41
	(110.78)	-	-	-	(73.06)	-	-	(12.31)	(85.37)	-
Product registration	29,266.18	8,155.64	815.51	-	20,646.62	-	401.07	3,539.78	23,785.33	8,619.56
(Refer Note (b) below)	(24,623.86)	(4,816.79)	(9.67)	(164.80)	(18,469.09)	-	(89.68)	(2,267.21)	(20,646.62)	-
(Refer Note 33)										
Total - Current year	29,376.96	8,159.75	815.51	-	20,731.99	-	401.07	3,552.83	23,883.75	8,644.97
Total - Previous year	(24,734.64)	(4,816.79)	(9.67)	(164.80)	(18,542.15)	-	(89.68)	(2,279.52)	(20,731.99)	-

Note : (a) Effective April 1, 2014 the Group revised the useful life of certain fixed assets based on Schedule II of the Companies Act, 2013 for the purpose of providing depreciation. Accordingly, the carrying amount of such assets as on April 1, 2014 was depreciated over its remaining revised useful life. Further, an amount of ₹ Nil (Previous year: ₹ 14.96 Lacs) representing the carrying amount of assets with revised useful life as 'Nil' was adjusted against opening reserves as on April 1, 2014.

(b) Out of total product registrations aggregating ₹ 36,606.31 Lacs (Previous year: 29,266.18 Lacs), product registrations which are held in the name of certain third parties aggregate ₹ 674.64 Lacs (Previous year: ₹ 485.70 Lacs), for which the Company is the sole beneficiary.

(c) The data compensation element of product registration was initially capitalised based on management estimates. In the previous year the outcome of negotiations with contracting parties resulted in a reduction in that year of ₹ 164.80 Lacs in the gross block of product registrations with a corresponding reduction of ₹ 89.68 Lacs in accumulated amortisation.

(d) Amortisation of intangible assets of ₹ 3,552.83 Lacs (Previous year ₹ 2,279.52 Lacs) provided during the year comprises amortisation of ₹ 3,457.53 Lacs (Previous year ₹ 2,279.52 Lacs) pertaining to FY 2015-16 which has been disclosed in Note 28 and amortisation of ₹ 95.30 Lacs (Previous year ₹ Nil) pertaining to the period prior to FY 2015-16 which has been disclosed as prior period item in Note 39.

(e) Figures in brackets represent amounts pertaining to previous year.

NOTES

to consolidated financial statements for the year ended March 31, 2016

12. Non-current investments

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Non-trade investments		
(Valued at cost, unless stated otherwise)		
Investment in others (Unquoted)		
- DSP BlackRock FMP 111-12M Regular Nil (Previous year: 40,00,000) units of ₹10 each	-	400.00
- HDFC FMP 1001D August 2013(1) Series 27 Regular Nil (Previous year: 50,00,000) units of ₹ 10 each	-	500.00
Total	-	900.00
Aggregate amount of unquoted investments	-	900.00

13(a). Deferred tax liability (net)

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Deferred tax asset		
Others (Provision for gratuity, leave encashment & amalgamation expense)	30.17	19.46
Gross deferred tax asset	30.17	19.46
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortization charged for financial reporting	3,922.52	2,178.57
Gross deferred tax liability	3,922.52	2,178.57
Net deferred tax asset/ (liability)	(3,892.35)	(2,159.11)

13(b). Deferred tax asset (net)

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Deferred tax asset		
Others (Provision for gratuity, ex-gratia, leave salary)	-	7.42
Gross deferred tax asset	-	7.42
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortization charged for financial reporting	-	1.65
Gross deferred tax liability	-	1.65
Net deferred tax asset	-	5.77

14 Long term loans and advances

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Unsecured, considered good		
Security deposit	9.08	2.01
Other loans and advances		
- Loans to employees	6.00	12.00
- Advance tax (Net of provision for income tax of ₹12,698.22 Lacs (Previous Year ₹12,696.46 Lacs))	4,054.32	3,654.12
Total	4,069.40	3,668.13

15. Current investments

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Current investments (valued at lower of cost and fair value, unless stated otherwise)		
Unquoted mutual funds		
Axis Liquid Fund Nil (Previous year: 2,226) units of ₹ 1,000 each	-	34.47
Birla Sun Life Treasury Optimizer Plan Regular Plan Nil (Previous Year: 8,96,257) units of ₹ 100 each	-	1,510.88
DSP BlackRock FMP-Series111-12M - Regular 40,00,000 (Previous year: Nil) units of ₹10 each	400.00	-
HDFC Cash Management Fund - Savings Plan Nil (Previous year: 8,459) units of ₹1,000 each (₹ 10 each)	-	2.40
HDFC FMP 1001D August 2013(1) Series 27 Regular 50,00,000 (Previous year: Nil) units of ₹ 10 each	500.00	-
HDFC FMP 92D March 2016(1)- Regular SERIES 35 30,00,000 (Previous year: Nil) units of ₹ 10 each	300.00	-
HDFC Gilt Fund Long Term 39,51,878 (Previous Year: 85,62,564) units of ₹10 each	1,076.34	2,332.12
HDFC Liquid Fund - Direct Plan Nil (Previous year: 36,136) units of ₹ 1,000 each (₹ 10 each)	-	9.35
ICICI Prudential FMP Series 78-95 Days K 1,00,00,000 (Previous year: Nil) units of ₹10 each	1,000.00	-
ICICI Prudential Liquid - Regular Plan Nil (Previous year: 803) units of ₹ 100 each	-	1.62
ICICI Prudential Long Term Gilt Fund - Regular Plan 19,52,628 (Previous Year: 26,53,022) units of ₹ 10 each	888.49	1,207.18
IDFC Arbitrage Fund - Regular Plan 40,61,757 (Previous year: 40,61,757) units of ₹10 each	700.00	700.00
IDFC Arbitrage Plus Fund - Regular Plan 31,54,972 (Previous year: 31,54,972) units of ₹ 10 each	500.00	500.00
IDFC Cash Fund - Regular Nil (Previous year: 122) units of ₹ 10 each	-	2.02
IDFC Dynamic Bond Fund - Regular 1,06,34,076 (Previous year: 1,06,34,076) units of ₹ 10 each	1,733.67	1,733.68
Reliance Arbitrage Advantage Fund 33,42,603 (Previous year: Nil) units of ₹ 10 each	500.00	-
Reliance Fixed Horizon Fund - XXX- series9 20,00,000 (Previous year: Nil) units of ₹ 10 each	200.00	-
Tata Liquid Fund Plan A Nil (Previous year: 11,252) units of ₹ 1,000 each	-	271.50
Union KBC Asset Allocation Fund - Moderate Plan 4,39,499 (Previous year: 4,39,499) units of ₹ 10 each	54.16	54.16
Union KBC Capital Protection Oriented Fund Series 1 Nil (Previous year: 2,49,990) units of ₹ 10 each"	-	25.00
Union KBC Dynamic Bond Fund (refer Note below) 25,11,156 (Previous Year: 9,71,653) units of ₹ 10 each	311.06	103.25
Union KBC Fixed Maturity Plan Series 10 - Regular Plan Nil (Previous year: 10,00,000) units of ₹ 10 each	-	100.00
Union KBC Liquid Fund - Direct Plan 2,291 (Previous year: Nil) units of ₹ 1,000 each	34.58	-
Total	8,198.30	8,587.63
Aggregate amount of unquoted investments (Repurchase value ₹ 9,017.63 Lacs (Previous year: ₹ 8.971.22 Lacs))	8,198.30	8,587.63
Aggregate provision for diminution in value of investments	-	0.03

Note:

During the previous year there was a lien marked on the units of Union KBC Dynamic Bond Fund for ₹ 103.25 Lacs in favour of Union Bank of India for availment of additional working capital facilities in the form of Letters of Credit which has been released during the year.

NOTES

to consolidated financial statements for the year ended March 31, 2016

16. Inventories (valued at lower of cost and net realizable value)

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Finished goods (Stock in transit ₹ 1,726.04 Lacs (Previous year: ₹ 469.83 Lacs))	5,744.73	3,461.37
Traded goods	3,056.95	2,799.37
Raw materials (Stock in transit ₹ 2,933.54 Lacs (Previous year: ₹ 2,249.98 Lacs))	7,181.86	7,697.43
Total	15,983.54	13,958.17

17. Trade receivables

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	1,113.21	13,787.36
Other receivables	60,884.65	31,656.99
Total	61,997.86	45,444.35

18. Cash and bank balances

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Cash and cash equivalents		
Cash on hand	4.21	4.68
Balances with banks in current account	2,889.73	2,475.07
Balance with bank in unpaid dividend account	0.84	-
	2,894.78	2,479.75
Other bank balances (refer Note below)		
– Deposits with original maturity of less than 3 months	338.44	1,319.27
– Deposits with original maturity of more than 3 months but less than 12 months	3,132.64	3,224.51
– Deposits with original maturity of more than 12 months	121.55	-
	3,592.63	4,543.78
Total	6,487.41	7,023.53

Note:

There is a lien marked on deposits with bank in favour of Union Bank of India for an amount aggregating ₹ 3,471.08 Lacs (Previous year ₹ 4,539.87) for avilment of additional working capital facilities in the form of Letters of Credit and Bank Guarantees.

19. Short term loans and advances

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Unsecured, considered good		
Advances recoverable in cash or kind		
– Related party (refer Note 35)	0.02	1.68
– Others	277.56	367.60
	277.58	369.28
Other loans and advances		
– Prepaid expenses	147.28	135.50
– Security deposit	11.03	295.39
– Loans to employees	6.01	8.23
– Balances with statutory/government authorities	591.02	378.20
– Others	39.13	54.92
	794.47	872.24
Total	1,072.05	1,241.52

20. Other current assets

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Unsecured, considered good		
Forward contracts receivable	183.04	23.68
Accrued income	52.88	35.52
Others	35.26	61.30
Total	271.18	120.50

21. Revenue from operations

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Revenue from operations		
Export of goods (net)	1,21,857.98	1,06,106.47
Total	1,21,857.98	1,06,106.47

Note:

Revenue from operations include recoveries of quality and rate difference of ₹202.59 Lacs (Previous year: ₹263.15 Lacs) provided for in earlier years.

Details of products sold

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Agrochemicals	1,02,652.06	86,343.69
Belts	18,136.59	18,217.65
Others	1,069.33	1,545.13
Total	1,21,857.98	1,06,106.47

22(a). Other income

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Dividend income:		
-On current investments	0.04	32.25
Export incentives	70.20	48.98
Share of income from task force	37.87	89.86
Exchange rate fluctuation (net)	961.15	0.19
Profit on sale of current investments	941.69	1,418.18
Custom duty received	95.37	-
Income from custodian services	27.25	53.10
Bad debts/sundry balances recovered	-	86.22
Sundry balances	432.94	696.76
Miscellaneous income	254.72	278.95
Total	2,821.23	2,704.49

22(b). Interest Income

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Interest income		
-On bank deposits	144.69	166.73
-On others	10.46	0.42
Total	155.15	167.15

NOTES

to consolidated financial statements for the year ended March 31, 2016

23. Cost of materials consumed

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Inventory at the beginning of the year	7,697.43	2,752.68
Add: Purchases	31,805.22	27,213.23
	39,502.65	29,965.91
Less: Inventory at the end of the year	7,181.86	7,697.43
Total	32,320.79	22,268.48

24. Purchase of traded goods

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Agrochemicals	31,031.47	33,689.31
Belts	3,893.96	14,618.05
Others	14,522.18	1,367.15
Total	49,447.61	49,674.51

25. (Increase)/decrease in inventories

Particulars	(₹ in Lacs)		
	Year ended 31-Mar-16	Year ended 31-Mar-15	(Increase)/ decrease
Inventories at the end of the year			31-Mar-16
Traded goods	3,056.95	2,799.37	(257.58)
Finished goods	5,744.73	3,461.37	(2,283.36)
Total	8,801.68	6,260.74	(2,540.94)
Inventories at the beginning of the year			31-Mar-15
Traded goods	2,799.37	2,430.83	(368.54)
Finished goods	3,461.37	2,893.58	(567.79)
Total	6,260.74	5,324.41	(936.33)
(Increase)/decrease in inventories	(2,540.94)	(936.33)	

Details of finished goods and traded goods inventory

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Agrochemicals	8,801.69	6,260.74
Total	8,801.69	6,260.74

26. Employee benefit expenses

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Salaries, wages and bonus	2,660.49	2,377.03
Contribution to provident and other funds	11.09	10.30
Gratuity (Refer note 31)	53.83	26.71
Staff welfare expenses	23.98	22.89
Total	2,749.39	2,436.93

27. Other expenses

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Freight and forwarding expenses	1,109.46	1,378.64
Rent	391.54	322.65
Rates and taxes	100.36	203.29
Insurance	226.88	211.40
Repairs and maintenance:		
- Buildings	1.57	5.31
- Others	40.42	44.59
Advertising and sales promotion	927.00	668.13
Sales commission	1,812.78	2,072.97
Travelling and conveyance	1,241.51	1,314.21
Communication expenses	246.00	227.23
Office expenses	546.76	626.63
Legal and Professional fees	5,143.21	4,895.32
Cash discount	30.13	21.06
Directors sitting fees	27.60	16.88
Donation (refer Note 42)	282.73	151.11
Payment to auditor (refer Note below)	56.53	53.49
Provision/ (reversal) for diminution in value of current investment	(0.03)	0.03
Exchange differences (net)	-	1,821.49
Bad debts/advances written off	73.82	56.77
Unrealized loss on forward currency contracts	2.75	-
Bank charges	777.63	850.10
Loss on sale/ discard of fixed assets	211.02	321.96
Miscellaneous expenses	143.97	274.14
Total	13,393.64	15,537.40

Note:

Details of payment to auditor*

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
As auditor:		
-Audit fees	59.55	51.79
Other services - Certification	7.48	1.70
Total	67.03	53.49

* Out of which ₹ 10.50 Lacs is included under the head "Professional charges" in the current year

28. Depreciation and amortisation expense

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Depreciation of tangible assets	47.79	51.64
Amortisation of intangible assets (refer Note below)	3,457.53	2,279.52
Total	3,505.32	2,331.16

Note:

Of the total amortization of intangible assets expense of ₹ 3,552.83 Lacs (Previous year ₹ 2,279.52 Lacs) disclosed in Note 11, amortisation of ₹ 3,457.53 Lacs (Previous year ₹ 2,279.52 Lacs) stated above pertains to FY 2015-16 and amortisation of ₹ 95.30 Lacs (Previous year ₹ Nil) relating to the period prior to FY 2015-16 has been disclosed as prior period item in Note 39.

NOTES

to consolidated financial statements for the year ended March 31, 2016

29. Finance costs

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Interest	2.61	72.75
Others	52.57	7.12
Total	55.18	79.87

30. Earnings per share (EPS)

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Profit for the year (₹ in Lacs)	17,497.03	12,297.12
Weighted average number of equity shares outstanding	902,20,495	902,20,495
Earnings per Share		
Nominal value equity share (₹)	10.00	10.00
Basic and diluted earning per share (₹)	19.39	13.63

31. Employee retirement benefits

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on retirement calculated at 15 days of last drawn salary for each completed year of service.

Disclosures as required as per Accounting Standard (AS) - 15 "Employee Benefits" notified by the Companies (Accounting Standards) Rules, 2014 are given below:

a) Amounts recognised on account of defined benefit plan in the Statement of Profit and Loss	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Current service cost	16.52	11.18
Interest cost on benefit obligation	7.32	5.96
Expected return on plan assets	(2.72)	(3.12)
Net actuarial (gain)/loss recognized in the year	20.97	12.69
Net Expenses/(benefit) included under the head "Employee benefit expenses" in the Note 26	42.09	26.71
Actual return on plan assets	2.72	3.12

b) Amounts recognised on account of defined benefit plan in the Balance Sheet	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Present value of defined benefit obligation	130.00	107.24
Less: Fair value of plan assets	20.77	40.08
Net Liability included under the head "Provision for gratuity" in Note 5 and Note 9	109.23	67.16

c) Changes in the present value of defined benefit obligation	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Opening defined benefit obligation	107.24	77.38
Current service cost	16.52	11.18
Interest cost	7.32	5.96
Benefits paid	(21.65)	-
Actuarial (gains)/losses on obligation	20.59	12.72
Closing defined benefit obligation as at 31st March	130.02	107.24

d) Changes in the fair value of plan assets	As at 31-Mar-16	As at 31-Mar-15
Opening fair value of plan assets	40.08	36.93
Expected return	2.72	3.13
Benefits paid	(21.65)	-
Actuarial gains/(losses)	(0.38)	0.02
Closing fair value of plan assets as at 31st March	20.77	40.08

e) Major categories of plan assets as a percentage of fair value of total plan assets	As at 31-Mar-16	As at 31-Mar-15
Funds managed by insurer	100%	100%

f) Principal actuarial assumptions as at the balance sheet date	Year Ended 31-Mar-16	Year Ended 31-Mar-15
Discount rate	7.80%	7.70%
Expected rate of return on assets	7.80%	8.00%
Expected rate of salary increase	6.50%	5.10%
Mortality table	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Proportion of employees opting for early retirement	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

g) Gratuity plan (Funded)	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Defined benefit obligation	130.00	107.24	77.38	50.08	39.07
Plan assets	20.77	40.08	36.93	33.89	34.66
Deficit	(109.23)	(67.16)	(40.45)	(16.19)	(4.41)
Experience adjustments on plan liabilities loss	20.59	12.72	13.05	1.81	8.74
Experience adjustments on plan assets (gain) / loss	(0.38)	0.02	-	(19.30)	7.01

h) Defined contribution plans:	Year ended 31-Mar-16	Year ended 31-Mar-15
Amount recognised as an expenses and included in Note 26 under the head 'Contribution to provident and other funds'	11.09	10.30

32. Leases

Operating lease: Company as lessee

The Group has certain operating leases for office facility which are non cancellable. Such leases are generally with the option of renewal depending on the rent prevailing at the time of renewal. The lease term is 3 years (Previous year 3 years). There is no escalation clause in the lease agreement. There are no sub leases.

NOTES

to consolidated financial statements for the year ended March 31, 2016

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Within one year	139.12	273.04
After one year but not more than five years	-	136.52

33. Capitalisation of Expenditures

During the year, the Company capitalised the following expenses of revenue nature to the cost of Intangible Asset/Intangible Asset Under Development (IAUD), since these expenditures relate to such development. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the company.

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Consultancy for registration	1,107.25	825.47
Total	1,107.25	825.47

34. Segment information

The Company has disclosed business segment as primary segment. Segments have been identified and reported taking into account, the different risks and returns, the organization structure and the internal reporting systems.

- Agrochemicals** : Insecticides, Herbicides, Fungicides and Biocides
Belts : Conveyor Belts, V Belts and Timing Belts
Others : Dyes and Dye Intermediates and General Chemicals

The group considers secondary segment based on geographical locations. Outside India is further bifurcated into Europe, North American Free Trade Agreement (NAFTA), Latin America (LATAM) and Rest of the World (ROW).

Business segments

Particulars	(₹ in Lacs)							
	Continuing Operations				Total operations			
	Agrochemicals		Belts		Others			
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Revenue								
External sales	1,02,652.06	86,343.69	18,136.59	18,217.65	1,069.33	1,545.13	1,21,857.98	1,06,106.47
Inter segment sales	-	-	-	-	-	-	-	-
Other income	1,798.14	907.49	84.16	44.67	4.86	1.40	1,887.16	953.56
Total revenue	1,04,450.20	87,251.18	18,220.75	18,262.32	1,074.19	1,546.53	1,23,745.14	1,07,060.03
Results								
Segment results	21,996.73	14,887.30	3,203.31	2,456.84	25.65	92.23	25,225.69	17,436.37
Other income (Unallocated)							1,089.11	1,918.08
Unallocated expenses							(356.25)	(1,768.36)
Operating profit							25,958.55	17,586.09
Finance costs							(55.18)	-
Prior period adjustment							(49.97)	(45.32)
Net Profit before tax							25,853.40	17,540.77
Income taxes							(8,349.62)	(5,243.36)
Net Profit after tax but before minority interest							17,503.78	12,297.41
Minority interest							6.75	0.29
Net Profit after tax							17,497.03	12,297.12

Particulars	Continuing Operations				Total operations			
	Agrochemicals		Belts		Others		31-Mar-16	31-Mar-15
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15		
Other segment information								
Segment assets	1,07,894.31	76,241.25	7,221.13	6,199.45	392.48	1,083.15	1,15,507.92	83,523.85
Unallocated assets							16,574.30	21,139.52
Total assets	1,07,894.31	76,241.25	7,221.13	6,199.45	392.48	1,083.15	1,32,082.22	1,04,663.37
Segment liabilities	44,395.07	30,490.17	2,238.81	2,226.84	62.42	502.56	46,696.30	33,219.57
Unallocated liabilities							4,295.29	5,992.57
Total liabilities	44,395.07	30,490.17	2,238.81	2,226.84	62.42	502.56	50,991.59	39,212.14
Capital expenditure:								
Tangible assets (Unallocated)							38.33	29.05
"Intangible assets (Including IAUD*) (Allocated)"	15,060.98	10,138.10	-	-	-	-	15,060.98	10,138.10
Intangible assets (Unallocated)							4.11	-
Depreciation (Unallocated)							47.79	51.64
Amortization (Allocated)	3,539.78	2,267.21	-	-	-	-	3,539.78	2,267.21
Amortization (Unallocated)							13.05	12.31
Capital employed	63,499.24	45,751.08	4,982.32	3,972.61	330.06	580.59	68,811.62	50,304.28
Capital employed (Unallocated)							12,279.01	15,146.95

* IAUD - Intangible Asset Under Development

Geographical segments

The group's secondary segments are the geographic distribution of activities. Revenue and receivables are specified by location of customers while the other geographic information is specified by location of the assets. The following table presents revenue, expenditure and certain asset information regarding the Company's geographical segments:

Particulars	31-Mar-16							31-Mar-15					Total	
	Within India	Outside India					Total	Within India	Outside India					Total
		Europe	LATAM	NAFTA	ROW	Total			Europe	LATAM	NAFTA	ROW		
Revenue														
Sales to external customers	2,930.79	61,882.45	17,972.27	27,061.05	12,011.42	1,18,927.19	1,21,857.98	3,231.65	49,568.84	19,543.64	21,472.21	12,290.13	1,02,874.82	1,06,106.47
Other segment information														
Segment assets	21,143.24	68,252.17	14,144.54	20,314.45	8,227.82	1,10,938.98	1,32,082.22	25,760.07	45,305.09	14,066.96	13,747.55	5,783.70	78,903.30	1,04,663.37
Total assets														
Capital Expenditure														
Tangible fixed assets	37.26	-	0.77	0.30	-	1.07	38.33	11.93	10.99	6.03	0.10	-	17.12	29.05
Intangible assets (including IAUD)	147.30	7,115.67	567.82	5,764.45	1,469.85	14,917.79	15,065.09	81.27	6,133.95	1,064.77	2,364.66	493.45	10,056.83	10,138.10

(₹ In Lacs)

NOTES

to consolidated financial statements for the year ended March 31, 2016

35. Related party disclosures

(A) Names of related parties and related party relationship

(a) Related parties with whom transactions have taken place during the period/year

Key management personnel and relatives

Mr. Ramprakash V. Bubna	Chairman & Managing Director
Mrs. Sharda R. Bubna	Whole-time Director
Mr. Ashish R. Bubna	Whole-time Director
Mr. Manish R. Bubna	Whole-time Director
Mrs. Seema A. Bubna	Wife of Whole-time Director
Mrs. Anisha M. Bubna	Wife of Whole-time Director
Mr. Jacques Ryon	Director in Sharda Europe BVBA
Mr. Anil Kumta	Director in Axis Crop Science Private Limited
Mr. Gautam S. Arora	Chief Financial Officer (resigned effective 30.11.2015)
Mr. Conrad Fernandes	Chief Financial Officer (appointed effective 25.01.2016)
Mr. Jetkin N. Gudhka	Company Secretary
Enterprises owned or significantly influenced by key management personnel or their relatives	Jankidevi Bilasrai Bubna Trust
Associate	Sharda Private (Thailand) Limited

(B) Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Transactions with directors and their relatives

Particulars	(₹ in Lacs)	
	Year ended 31-Mar-16	Year ended 31-Mar-15
Nature of Transactions:		
Rent paid to:		
Mr. Ramprakash V. Bubna	30.76	30.34
Mrs. Sharda R. Bubna	99.98	98.60
Mr. Ashish R. Bubna	30.76	30.34
Mr. Manish R. Bubna	38.45	37.92
Mrs. Seema A. Bubna	38.45	37.92
Mrs. Anisha M. Bubna	38.45	37.92
Remuneration to Key Management Personnel:		
Mr. Ramprakash V. Bubna	150.00	150.00
Mrs. Sharda R. Bubna	30.00	30.00
Mr. Ashish R. Bubna	125.00	125.00
Mr. Manish R. Bubna	125.00	125.00
Mr. Anil Kumta	6.00	6.00
Mr. Gautam S. Arora (upto 30.11.2015)	97.36	112.45
Mr. Conrad Fernandes (from 25.01.2016)	13.28	-
Mr. Jetkin N. Gudhka	10.51	10.59
Directors' Commission:		
Mr. Ramprakash V. Bubna	261.85	156.65
Mr. Ashish R. Bubna	175.44	104.95
Mr. Manish R. Bubna	175.44	104.95

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Loan taken/(repaid) from		
Mr. Anil Kumta (including interest converted into loan current year ₹ Nil (Previous year ₹ 1.11 lacs))	0.78	-
IPO Expenses incurred on behalf of directors:		
Mr. Ramprakash V. Bubna	-	263.84
Mrs. Sharda R. Bubna	-	263.84
IPO Expenses recovered from directors:		
Mr. Ramprakash V. Bubna	-	265.12
Mrs. Sharda R. Bubna	-	265.12
Fixed deposits of directors placed / (released) as lien with bank for credit facility:		
Mr. Ramprakash V. Bubna	(213.74)	320.63
Mrs. Sharda R. Bubna	219.29	113.26
Others:		
Mr. Anil Kumta (Leave Encashment)	0.13	0.27
Mr. Anil Kumta (Travel Expenses)	4.30	2.96
Mr. Anil Kumta (Telephone Expenses)	0.24	0.26
Mr. Anil Kumta (Interest on unsecured loan)	0.69	0.87
Donations paid to:		
Donations paid to Jankidevi Bilasrai Bubna Trust	41.50	42.00

(C) Outstanding balance as at Balance Sheet date

Particulars	As At 31-Mar-16	As At 31-Mar-15
		(₹ in Lacs)
Loan balances:		
Mr. Anil Kumta	8.64	7.86
Mr. Jacques Ryon	16.36	17.20
Payable:		
Interest payable to Mr. Anil Kumta	0.62	0.78
Fixed deposits of directors placed as lien with bank for credit facility:		
Outstanding as at the Balance Sheet date		
Mr. Ramprakash V. Bubna (lien given)	1,206.10	1,419.84
Mrs. Sharda R. Bubna (lien given)	1,650.61	1,431.32

36. Capital and other commitments

Particulars	As at 31-Mar-16	As at 31-Mar-15
		(₹ in Lacs)
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	13,859.53	8,898.29

NOTES

to consolidated financial statements for the year ended March 31, 2016

37. Contingent liabilities

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Letters of credit	3,020.28	3,804.05
Service tax matter (refer Note below)	785.14	785.14
Claims against the Company not acknowledged as debt	357.73	337.98
Total	4,163.15	4,927.17

Note:

Future cash flows in respect of Service tax matter, if any, is determinable only on receipt of the judgement/decision pending with relevant authorities. The Company does not expect the outcome of the matter stated above to have a material adverse effect on the Company's financial condition, result of operations or cash flows.

38. Derivative instruments and unhedged foreign currency exposure

The Group, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to manage its exposure to foreign exchange rate variations primarily relating to trade payables and trade receivables. The counter party is generally a bank. These contracts are for a period between one day and one year.

Foreign exchange forward contracts outstanding as at the balance sheet date:

Nature of instrument	Foreign currency	As at 31-Mar-16		As at 31-Mar-15	
		Amount (FCY Mn.)	Amount (₹ in Lacs)	Amount (FCY Mn.)	Amount (₹ in Lacs)
Forward contract - Sell	USD	5.65	3,742.92	7.20	4,509.45
	EUR	7.91	5,932.23	5.20	3,515.10
	CAD	0.25	127.47	-	-
Forward Contract - Buy	USD	0.89	589.73	-	-

Foreign exchange exposure outstanding as at the balance sheet date:

Nature of instrument	Foreign currency	As at 31-Mar-16		As at 31-Mar-15	
		Amount (FCY Mn.)	Amount (₹ in Lacs)	Amount (FCY Mn.)	Amount (₹ in Lacs)
Unhedged currency exposure on:-					
a) Receivables					
	USD	17.02	11,685.69	14.46	9,053.36
	EUR	25.33	19,008.70	14.55	9,764.42
	GBP	0.88	838.09	1.49	950.47
	AUD	0.23	115.35	0.24	150.04
	PLN	23.11	4,063.20	22.55	3,734.18
	HUF	3.66	8.70	454.86	1,028.86
	CZK	32.96	911.00	13.56	334.55
	CAD	0.57	292.83	0.18	90.93
b) Payables					
	USD	36.66	24,306.78	30.62	1,29,178.23
	EUR	16.41	12,317.21	10.51	7,096.32
	HUF	223.67	532.86	160.10	362.12
	CZK	9.36	258.60	1.48	36.50
	PLN	3.56	625.19	0.36	59.49
	CHF	0.001	0.69	0.005	3.11
	GBP	0.04	41.35	0.27	220.24
	PHP	0.11	1.66	0.03	0.45

Nature of instrument	Foreign currency	As at 31-Mar-16		As at 31-Mar-15	
		Amount (FCY Mn.)	Amount (₹ in Lacs)	Amount (FCY Mn.)	Amount (₹ in Lacs)
	CAD	0.07	38.66	0.05	24.34
	ZAR	0.45	20.06	0.19	9.74
	AUD	0.01	6.56	0.003	2.16
	JPY	1.91	11.29	-	-

39. Prior period adjustments (net of tax)

Particulars	(₹ in Lacs)	
	As at 31-Mar-16	As at 31-Mar-15
Commission and Carriage and Forwarding expenses on sales	(100.93)	-
Legal and professional fees	82.05	-
Amortisation of intangible assets (refer Notes 11 & 28)	95.30	-
VAT expenses	-	0.54
Rates and Taxes	-	64.36
Service tax	-	2.30
	76.42	67.20
Tax adjustment on above	26.45	21.88
Total	49.97	45.32

40. Dividend remitted in foreign currency

Particulars	Year ended 31-Mar-16		Year ended 31-Mar-15	
	31-Mar-16	31-Mar-15	31-Mar-15	31-Mar-14
Year of remittance (ending on)	31-Mar-16	31-Mar-15	31-Mar-15	31-Mar-14
Year to which it relates	-	-	2013-14	-
Number of Equity shares held by non resident shareholder on which dividend was due	-	-	143,20,495	-
Face value per share (₹)	-	-	10.00	-
Dividend remitted (in ₹ Lacs)	-	-	286.41	-

41. Additional information related to the subsidiaries considered in the preparation of Consolidated Financial Statements

Sr. No.	Name of the Entity	Year Ended 31-Mar-16				Year Ended 31-Mar-15			
		Net Assets *		Share in profit or loss		Net Assets *		Share in profit or loss	
		As % of consolidated net assets / (liabilities)	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated net assets / (liabilities)	Amount	As % of consolidated profit / (loss)	Amount
Parent									
1	Sharda Cropchem Limited	90.11%	73,061.40	77.41%	13,544.38	89.48%	58,564.27	79.49%	9,774.61
Indian Subsidiaries									
2	Axis Crop Science Private Limited	(0.15%)	(123.75)	(0.96%)	(168.82)	0.07%	45.07	0.29%	35.83
Foreign Subsidiaries									
3	Euroazijski Pesticide d.o.o	0.03%	22.42	0.07%	11.86	0.02%	10.82	0.09%	11.30
4	Nihon Agro Service Kabushiki Kaisha	0.00%	0.59	0.00%	-	N.A	N.A	N.A	N.A
5	Sharda Agrochem Dooel Skopje	0.00%	-	0.00%	-	N.A	N.A	N.A	N.A

NOTES

to consolidated financial statements for the year ended March 31, 2016

Sr. No.	Name of the Entity	Year Ended 31-Mar-16				Year Ended 31-Mar-15			
		Net Assets *		Share in profit or loss		Net Assets *		Share in profit or loss	
		As % of consolidated net assets / (liabilities)	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated net assets / (liabilities)	Amount	As % of consolidated profit / (loss)	Amount
6	Sharda Balkan Agrochemicals Limited	0.00%	1.40	0.01%	1.02	0.00%	0.39	0.03%	4.12
7	Sharda Benelux BVBA	0.00%	3.22	(0.01%)	(1.25)	0.01%	4.48	(0.01%)	(0.91)
8	Sharda Bolivia SRL	(0.06%)	(51.67)	0.13%	22.87	(0.06%)	(40.93)	0.01%	1.14
9	Sharda Chile SpA	0.00%	-	0.00%	-	0.00%	-	0.00%	-
10	Sharda Colombia S.A.S	(0.04%)	(33.62)	2.95%	516.93	(0.91%)	(594.71)	(7.00%)	(861.39)
11	Sharda Costa Rica SA	0.00%	-	0.00%	-	0.00%	-	0.00%	-
12	Sharda Cropchem Espana, S.L.	0.17%	137.60	0.16%	27.29	0.07%	43.48	0.51%	63.03
13	Sharda Cropchem Tunisia SARL	0.00%	0.71	0.00%	-	0.00%	0.77	0.00%	-
14	Sharda De Guatemala, S. A.	0.00%	0.01	0.00%	-	0.00%	0.02	0.00%	(0.02)
15	Sharda De Mexico S. De RL DE CV	0.07%	54.29	5.79%	1,012.78	(1.55%)	(1,016.68)	(4.24%)	(521.09)
16	Sharda Del Ecuador CIA. LTDA	0.00%	0.23	0.00%	(0.04)	0.00%	0.26	0.00%	(0.10)
17	Sharda Do Brasil Comercio De Produtos Quimicos E Agroquimicos LTDA	(0.01%)	(11.23)	(0.07%)	(13.07)	0.00%	(0.04)	0.01%	1.13
18	Sharda Dominicana S.R.L.	0.00%	-	0.00%	-	N.A	N.A	N.A	N.A
19	Sharda EL Salvador S.A. DE CV	0.00%	-	0.00%	-	N.A	N.A	N.A	N.A
20	Sharda Europe BVBA	(0.01%)	(9.55)	0.00%	0.85	(0.01%)	(9.29)	0.01%	1.48
21	Sharda Hellas Agrochemicals Limited	0.00%	1.29	0.01%	0.94	0.00%	0.35	0.03%	4.10
22	Sharda Hungary Kft	(0.03%)	(22.94)	(0.41%)	(70.91)	0.00%	0.36	0.00%	(0.15)
23	Sharda International Africa (PTY) Ltd.	0.00%	0.01	0.00%	-	0.00%	0.01	0.00%	-
24	Sharda International DMCC	10.63%	8,619.63	17.23%	3,014.37	13.05%	8,550.13	30.29%	3,723.72
25	Sharda Italia SRL	0.00%	3.41	0.00%	0.20	0.00%	3.03	0.00%	0.40
26	Sharda Malaysia SDN. BHD.	0.00%	(0.47)	0.00%	0.10	0.00%	(0.57)	0.01%	1.14
27	Sharda Peru SAC	(0.20%)	(158.60)	(0.18%)	(31.52)	(0.22%)	(139.70)	(0.49%)	(59.91)
28	Sharda Poland SP. ZO.O	(0.45%)	(362.76)	(2.08%)	(362.54)	0.11%	74.04	1.00%	121.39
29	Sharda Polska SP. ZO.O.	0.00%	0.21	0.00%	0.34	0.00%	(0.15)	0.00%	0.53
30	Sharda Spain, S.L.	0.00%	(1.29)	0.00%	(0.78)	0.00%	(0.52)	(0.01%)	(0.73)
31	Sharda Swiss SARL	0.01%	6.35	0.02%	4.32	0.00%	1.95	0.00%	(0.39)
32	Sharda Taiwan Limited	0.00%	2.05	0.00%	0.01	0.00%	2.03	0.00%	0.02
33	Sharda Ukraine LLC	0.00%	0.03	0.00%	(0.01)	0.00%	0.04	0.00%	0.02
34	Sharda Uruguay S.A	0.00%	3.61	0.00%	(0.81)	0.01%	4.19	0.00%	0.10
35	Sharda USA LLC	0.00%	(0.07)	0.00%	-	0.00%	(0.08)	0.00%	-
36	Shardacan Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
37	Shardarus LLC	NA	NA	0.00%	0.01	0.00%	0.07	0.00%	(0.01)
38	Shardaserb DO.O.	0.00%	0.01	0.00%	0.22	0.00%	(0.23)	0.00%	(0.18)

Sr. No.	Name of the Entity	Year Ended 31-Mar-16				Year Ended 31-Mar-15			
		Net Assets *		Share in profit or loss		Net Assets *		Share in profit or loss	
		As % of consolidated net assets / (liabilities)	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated net assets / (liabilities)	Amount	As % of consolidated profit / (loss)	Amount
39	Sharpar S.A.	0.04%	32.50	0.00%	-	0.04%	25.99	0.01%	1.78
40	Sharzam Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
41	Siddhivinayak International Limited	(0.10%)	(84.39)	(0.03%)	(4.96)	(0.11%)	(74.98)	(0.03%)	(3.55)
	Minority Interests in all subsidiaries	(0.01%)	(9.39)	(0.04%)	(6.75)	0.00%	(2.64)	0.00%	(0.29)
	Total	100.00%	81,081.24	100.00%	17,497.03	100.00%	65,451.23	100.00%	12,297.12

* Net assets = total assets minus total liabilities

42. The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) as per the provisions of Section 135 of the Companies Act, 2013 amounts to ₹ 270.30 Lacs. During the year the Company has spent an amount of ₹ 270.41 Lacs on CSR activities for education, health care, medical relief, skill development etc. included in Note 27 of the Statement of Profit & Loss.

43. Previous year figures have been regrouped/ reclassified wherever necessary, to conform to current year's classification.

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

**For and on behalf of the Board of Directors of
SHARDA CROP CHEM LIMITED**

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

Ramprakash V. Bubna
[Chairman & Managing Director]
DIN No. 00136568

Ashish R. Bubna
[Whole-time Director]
DIN No. 00945147

Conrad Fernandes
[Chief Financial Officer]

Jetkin Gudhka
[Company Secretary]

Place : Mumbai
Date : May 25, 2016

To,
Karvy Computershare Pvt. Ltd
Karvy Selenium Tower B,
6th Floor, Plot No 31 & 32
Financial District,
Nanakramguda, Serilingampally Mandal
Hyderabad – 500 032

Updation of Shareholder Information

I/We request you to record the following information against my/our Folio No./DP ID/Client ID:

General Information:

Folio No./DP ID/Client ID:	
Name of the first named Shareholder:	
PAN:*	
CIN/Registration No.:* (applicable to Corporate Shareholders)	
Tel No. with STD Code	
Mobile No.:	
Email Id:	

* Self attested copy of the documents(s) enclosed

Bank Details

IFSC:	
MICR:	
Bank A/c Type:	
Bank A/c. No.: *	
Name of the Bank:	
Bank Branch Address:	

* A blank cancelled cheque is enclosed to enable verification of bank details

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/We would not hold the Company/RTA responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained by you till I/We hold the securities under the above mentioned Folio No./ Beneficiary Account.

Place:

Date:

Signature of Sole/First Holder

SHARDA CROP CHEM LIMITED

Corporate Identity No. L51909MH2004PLC145007
Registered Office: Domnic Holm, 29th Road, Bandra (West), Mumbai – 400 050
Tel. No.: 91 22 6678 2800 Fax No.: 91 22 6678 2828
Email address: co.sec@shardaintl.com Website: www.shardacropchem.com



ATTENDANCE SLIP

13th ANNUAL GENERAL MEETING ON SATURDAY, 3rd SEPTEMBER, 2016 AT 3.00 P.M.

at National Stock Exchange Auditorium, Plot No. C/1, G Block, Bandra-Kurla Complex,
B. K. C. Road, Bandra (East) Mumbai – 400 051

Registered Folio / DP ID and Client ID	
Name and Address of the Shareholder(s)	
No. of shares held	
Joint Holder 1	
Joint Holder 2	

I/We hereby record my/our presence at the 13th Annual General Meeting of the Company at National Stock Exchange Auditorium, Plot No. C/1, G Block, Bandra-Kurla Complex B.K.C. Road, Bandra (East), Mumbai – 400 051 on Saturday, 3rd September, 2016 at 3.00 P.M.

Member's/Proxy's Signature

Notes:

1. Please complete the Folio/DP ID - Client ID No. and name, sign this Attendance Slip and hand it over at the Entrance of the Meeting Hall.
2. The copy of the Annual Report for 2015-16 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form has been sent to the email ids of the shareholders whose email ids are registered with the Company and physical copies have been posted to those shareholders individually at their registered address, whose email ids are not registered with the Company.

SHARDA CROPCHEM LIMITED

Corporate Identity No. L51909MH2004PLC145007
Registered Office: Domnic Holm, 29th Road, Bandra (West), Mumbai – 400 050
Tel. No.: 91 22 6678 2800 Fax No.: 91 22 6678 2828
Email address: co.sec@shardaintl.com Website: www.shardacropchem.com



PROXY FORM

[Pursuant to Section 105(6) of Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member (s)	
Registered address	
Email Id	
Folio No/ DP ID- Client ID No.	

I/We, being the member(s) of _____ shares of Sharda Cropchem Limited, hereby appoint:

- Name: _____
Address: _____
Email Id: _____ Signature: _____, or failing him;
- Name: _____
Address: _____
Email Id: _____ Signature: _____, or failing him;
- Name: _____
Address: _____
Email Id: _____ Signature: _____, or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirteenth Annual General Meeting of the Company, to be held on Tuesday, 3rd day of September, 2016 at 3.00 p.m. at National Stock Exchange Auditorium, Plot No. C/1, G Block, Bandra-Kurla Complex B.K.C. Road, Bandra (East), Mumbai – 400 051 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
Ordinary Business	
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2016, together with the Reports of the Board of Directors and Auditors thereon.
2.	To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2016, together with the Report of the Auditors thereon.
3.	To confirm the payment of Interim Dividend declared by the Board of Directors on March 14, 2016 on Equity Shares as dividend for the Financial Year ended March 31, 2016.
4.	To appoint a Director in place of Mr. Ashish R. Bubna (DIN: 00945147), who retires by rotation and being eligible, offers himself for re-appointment.
5.	Ratification of Appointment of Statutory Auditor.

Signed this _____ day of _____, 2016

Signature of shareholder: _____

Signature of proxy holder(s): _____

Affix
Revenue
Stamp

Notes:

- This form of proxy in order to be effective should be duly completed, stamped and deposited at the registered office of the Company at Domnic Holm, 29th Road, Bandra (West), Mumbai – 400 050, not less than 48 hours before the commencement of the Meeting.
- A Proxy need not be a member of the Company.
- For Resolutions and Notes, please refer to the Notice of the 13th Annual General Meeting.
- Please complete all details including details of member(s) in above box before submission.
- A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.





Sharda Cropchem Limited

Registered Office:

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29th Road, Bandra (West)
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