

T. P. Ostwal & Associates

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of

Ihsedu Agrochem Private Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **IHSEDU AGROCHEM PRIVATE LIMITED**, which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the 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 the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of 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 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 and the Order under section 143(11) of the Act.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, and its profit and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the 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 prescribed under section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors as on March 31, 2016 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



- 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:
- The Company has discussed the impact of pending litigations on its financial position in Note 35 of the Financial Statements
 - Since company did not have any long term contracts including of derivatives, there are no material foreseeable losses on account of such contracts.
 - There was no amount which required to be transferred to the Investor Education and Protection Fund by the Company.
2. 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 B", a statement on the matters specified in paragraphs 3 and 4 of the Order.

For T. P. Ostwal & Associates

Chartered Accountants

(Registration No. 124444W)



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T.P Ostwal

(Partner)

Membership No.30848

Place: Mumbai

Date: 03 MAY 2016

Annexure A to the Independent Auditor's report of even date on the Standalone Financial Statements **Ihsedu Agrochem Private 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 **Ihsedu Agrochem Private Limited**. ("the Company") as of March 31, 2016 in conjunction with our audit of the 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my 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, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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



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

Meaning of Internal Financial Controls Over Financial Reporting

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

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 T. P. Ostwal & Associates

Chartered Accountants

(Registration No. 124444W)



T.P. Ostwal

(Partner)

Place: Mumbai

Date: 03 MAY 2016

Membership No.30848

ANNEXURE B TO THE AUDITORS' REPORT

Referred to in paragraph 2 of our report of even date on the financial statements for the year ended March 31, 2016 of **Ihsedu Agrochem Private Limited** and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we state that:

- (i) (a) The Company has generally maintained proper books and records showing full particulars, including quantitative details and situations of fixed assets
- (b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are physically verified, periodically. In our opinion, periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its business. According to information and explanations given to us, no material discrepancies were noticed on such verification;
- (c) The title deeds of immovable properties of the company are held in the name of the company.
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management. There is no material discrepancy noticed by management during the year. The discrepancies noticed have been dealt with in the books of account appropriately;
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered by clause (76) of Section 2 of the Companies Act, 2013.
- (iv) Since there are no investments made or loan granted or guarantees given by the company, compliance with the provisions of Section 185 and 186 of the Companies Act, 2013 is not applicable.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public.
- (vi) According to the information and explanation given to us, the Central Government vide Companies (Cost Records and Audit) Rules, 2014 prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013. The company has maintained the cost records and accounts as required by the Companies (Cost Records and Audit) Rules, 2014.



(vii) In respect of statutory dues:

(a) According to the information and explanation given to us and according to the records

(b) of the Company as examined by us, undisputed statutory dues including, income tax, custom duty, excise duty, service tax, cess and other statutory dues have been regularly deposited during the year with the appropriate authorities. No undisputed amounts payable were outstanding as at March 31, 2016 for a period of more than six months from the date on which they become payable.

(b) According to the information and explanation given to us and based on the records of the Company examined by us, dues of income tax, VAT and other statutory dues outstanding as on March 31, 2016 which have not been deposited on account of any dispute are tabulated below:-

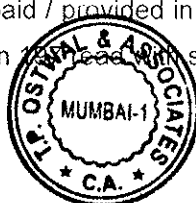
Name of Statute	Nature of Dues	Amount	Period to which it relates (Financial Year)	Forum where pending
Income Tax Act, 1961	Income Tax	404,320/-	2012-13	CIT (Appeals)
Gujarat VAT, 2003	VAT	3,025,946/-	2007-08	Gujarat Value Added Tax Tribunal
		1,294,025/-	2009-10	
		11,271,235/-	2010-11	

(viii) According to the information and explanations given to us, and based on the verification of records of the company, the company has not defaulted in repayment of loans or other borrowings from financial institutions, banks, Government or due to debenture holders.

(ix) According to the information and explanations provided to us and as per the records of the company examined by us, company has not raised funds by way of public issue/ follow-on offer (including debt instruments) and term loans.

(x) To the best of our knowledge and belief and according to the information and explanation given to us, no fraud by the Company or any fraud on the Company by its officers/ employees has been noticed or reported, during the year.

(xi) Managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 135 read with schedule V to the Companies Act.



- (xii) In our opinion and according to information and explanations given to us, Company is not a Nidhi Company.
- (xiii) All transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details of the same have been disclosed in the Financial Statements in Note 34 as required by the accounting standards and Companies Act, 2013.
- (xiv) During the year under review the company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures.
- (xv) During the year under review, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934.

For T. P. Ostwal & Associates
Chartered Accountants
(Registration No. 124444W)



A handwritten signature in black ink, appearing to be "T.P. Ostwal".

T.P. Ostwal
(Partner)

Membership No.30848

Place: Mumbai

Date: 03 MAY 2016

Ihsedu Agrochem Private Limited

BALANCE SHEET AS AT MARCH 31, 2016

(Amount in ₹)

Particulars	Note No.	March 31, 2016	March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	1	73,235,700	73,235,700
Reserves and Surplus	2	512,985,106	440,767,557
Non-Current Liabilities			
Long-Term Borrowings	3	15,000,000	45,000,000
Deferred Tax Liabilities (net)	4	101,123,596	83,702,530
Other Long-Term Liabilities	5	-	306,152
Current Liabilities			
Short-Term Borrowings	6	1,664,598,680	1,047,362,611
Trade Payables	7	233,852,814	230,473,208
Other Current Liabilities	8	158,882,538	61,405,645
Short-Term Provisions	9	20,522,637	15,575,783
TOTAL		2,780,201,071	1,997,829,186
ASSETS			
Non-current assets			
Fixed assets	10		
Tangible Assets		567,859,780	573,892,656
Capital Work-in-Progress		-	13,521,481
Non Current Investments	11	6,000	6,000
Long-Term Loans and Advances	12	24,661,556	33,149,862
Other Non-Current Assets	13	450,500	150,500
Current assets			
Inventories	14	838,611,677	458,707,090
Trade Receivables	15	852,779,092	602,569,111
Cash and Bank Balances	16	106,290,510	58,109,505
Short-Term Loans and Advances	17	295,436,431	208,366,018
Other Current Assets	18	94,105,525	49,356,963
TOTAL		2,780,201,071	1,997,829,186
Significant Accounting Policies			
Notes on Financial Statements	1 to 41		
As per our Report of even date			

For T. P. Ostwal & Associates

Chartered Accountants

(Registration No: 124444W)

T. P. Ostwal

(Partner)

Membership No:30848



Place: Mumbai

Date: 03 MAY 2016

For and on behalf of the Board of Directors

Chairman

Director

Director

Company Secretary

Ihsedu Agrochem Private Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(Amount in ₹)

Particulars	Note No.	March 31, 2016	March 31, 2015
INCOME:			
Revenue from Operations	19	8,748,276,714	9,784,672,011
Other Income	20	10,875,382	5,245,966
Total Revenue		8,759,152,096	9,789,917,977
EXPENDITURE:			
Cost of Materials Consumed	21	6,422,329,432	6,104,970,817
Purchases of Stock-in-Trade		1,245,553,303	2,275,863,727
Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	22	54,627,286	362,397,251
Employee Benefits Expense	23	86,985,286	67,524,435
Finance Costs	24	164,522,254	193,475,384
Depreciation and Amortization Expense	10	28,482,899	28,924,523
Other Expenses	25	698,537,712	779,998,474
Total Expenses		8,701,038,172	9,813,154,611
Profit/(Loss) Before Tax		58,113,924	(23,236,636)
Less: Tax Expenses			
Current Tax		12,115,000	-
Deferred Tax		17,421,066	(10,870,135)
Short/(Excess) Provision of Tax for earlier Years		-	(2,931,084)
Add: MAT Credit Entitlement		6,533,608	844,347
Profit/(Loss) for the Year		35,111,466	(8,591,070)
Earnings per Equity Share of Face Value of ₹ 10/- Each			
Basic and Diluted EPS (in ₹)	32	4.79	(1.17)

Significant Accounting Policies

Notes on Financial Statements

1 to 41

As per our Report of even date

For T. P. Ostwal & Associates

Chartered Accountants

(Registration No: 124444W)

T. P. Ostwal

(Partner)

Membership No:30848

Place: Mumbai

Date: 03 MAY 2016



For and on behalf of the Board of Directors

Chairman

Director

Director

Company Secretary

Ihsedu Agrochem Private Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	(Amount in ₹)	
Particulars	March 31, 2016	March 31, 2015
A Cash Flow from Operating Activities		
Net Profit/(Loss) Before Tax	58,113,924	(23,236,636)
Adjustments for :-		
Depreciation & Amortization	28,482,899	28,924,523
Loss/(Profit) on Sale of Assets	(119,253)	52,544
Interest Received	(2,342,209)	(1,181,673)
Forward Contract Loss/(Gain)	(23,568,947)	50,848,939
Short/(Excess) Provision Written Back	(8,850)	(8,550)
Wealth Tax Provision	-	70,000
Interest Paid	164,522,254	193,475,384
Operating Profit before Working Capital Changes	225,079,818	248,944,532
Adjusted for :-		
(Increase)/Decrease In Inventories	(379,904,587)	745,746,397
(Increase)/Decrease In Trade Receivables	(250,209,982)	259,226,738
(Increase)/Decrease In Short Term Loans & Advances	(87,070,413)	(1,692,449)
(Increase)/Decrease In Long Term Loans & Advances	11,836,436	7,882,638
(Increase)/Decrease In Other Current Assets	15,926,468	3,454,761
(Increase)/Decrease In Other Non Current Assets	(300,000)	-
Increase/(Decrease) In Trade Payables	3,379,606	(35,794,766)
Increase/(Decrease) In Long Term & Short Term Provisions	5,016,854	1,476,524
Increase/(Decrease) In Other Long Term Liabilities	(306,152)	-
Increase/(Decrease) In Other Current Liabilities	97,476,893	(313,079,417)
	(584,154,877)	667,220,427
B Cash Flow from Investing Activities		
Purchase of Fixed Assets	(9,383,789)	(15,186,177)
Sale of Investment	-	5,000
Sale of Fixed Assets	574,500	176,444
Interest Received	2,342,209	1,181,673
Net Cash from /(used in) Investing Activities	(6,467,080)	(13,823,060)
C Cash Flow from Financing Activities		
Borrowings	587,236,069	(667,204,584)
Taxes Paid	(8,929,522)	(7,990,084)
Dividend Paid	-	(3,661,785)
Tax on Distributed Profits	-	(622,320)
Wealth Tax Paid	(61,150)	(61,450)
Interest Paid	(164,522,254)	(193,475,384)
Net Cash from/(used in) Financing Activities	413,723,144	(873,015,607)
Net Increase/(Decrease) in Cash Equivalents	48,181,005	29,326,292
Cash & Cash equivalent		
At the beginning of the year	58,109,505	28,783,213
At the end of the year	106,290,510	58,109,505

As per our report of even date

For T. P. Ostwal & Associates

Chartered Accountants

(Registration No: 124444W)

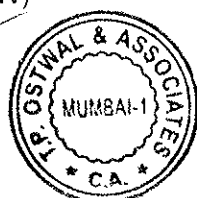
T. P. Ostwal

(Partner)

Membership No:30848

Place: Mumbai

Date: 03 MAY 2016



For and on behalf of the Board of Directors

Chairman

Director

Director

Company Secretary

Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 1: Share Capital

(a) Authorised/Issued/Subscribed and Paid Up

Particulars	March 31, 2016		March 31, 2015	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹ 10/- each	7,500,000	75,000,000	7,500,000	75,000,000
Equity Shares Class A of ₹ 10/- each	2,500,000	25,000,000	2,500,000	25,000,000
	10,000,000	100,000,000	10,000,000	100,000,000
Issued, Subscribed and Paid up				
Equity Shares of ₹ 10/- each fully paid up	5,500,000	55,000,000	5,500,000	55,000,000
Equity Shares Class A of ₹ 10/- each	1,823,570	18,235,700	1,823,570	18,235,700
	7,323,570	73,235,700	7,323,570	73,235,700

(b) Reconciliation of outstanding number of shares

(b.1) Reconciliation of outstanding number of equity shares

Particulars	March 31, 2016		March 31, 2015	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	7,323,570	73,235,700	7,323,570	73,235,700
Shares outstanding at the end of the year	7,323,570	73,235,700	7,323,570	73,235,700

(b.2) Reconciliation of outstanding number of Class A equity shares

Particulars	March 31, 2016		March 31, 2015	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	1,823,570	18,235,700	1,823,570	18,235,700
Shares outstanding at the end of the year	1,823,570	18,235,700	1,823,570	18,235,700



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 1: Share Capital (continued...)

(c) Details of shareholders holding more than 5 % shares

(c.1) Details of shareholders holding more than 5 % equity shares

Name of Shareholder	March 31, 2016		March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jayant Agro-Organics Limited and its nominees.	5,500,000	75.10%	5,500,000	75.10%

(c.2) Details of shareholders holding more than 5 % Class A equity shares

Name of Shareholder	March 31, 2016		March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Arkema Asie SAS	1,823,570	24.90%	1,823,570	24.90%

(d) Rights, preferences and restrictions attached to equity shares:

The Company has two classes of equity shares viz Equity Shares and Class A Equity Shares each having a face value of ₹10/- per share. Both classes of shares carry one vote per share held and have equal right to receive dividend except as follows:

Equity shares vide Article 209 of Articles of Association ("Articles") carry in addition to other rights voting rights on the dealings pertaining to the Land as defined in the Article 2 of Articles ("Land") of the Company such as transfer, sale, creation of encumbrance, lease, grant of third party rights, grant of right to use, any construction or alteration to the Land, any changes or work done on the Land. They are also entitled to receive dividend declared out of and is attributable to the proceeds of sale or lease or license of the Land held by the company. In case of winding up/liquidation such shares shall have full right on the proceeds realized from the sale or disposal of Land held by the Company.

Class A Equity Shares do not carry any voting rights on the dealings pertaining to the Land of the Company: transfer, sale, creation of encumbrance, lease, grant of third party rights, grant of right to use, any construction or alteration to the Land, any changes or work done on the Land, and are not be entitled to receive any dividend on such shares which is declared out of and is attributable to the proceeds of sale or lease or license of the Land held by the company. In case of winding up/liquidation such shares shall not have any right on the proceeds realized from the sale or disposal of Land held by the Company.

(e) Equity Shares held by Holding Company :

Particulars	March 31, 2016		March 31, 2015	
	₹		₹	
Holding Company				
55,00,000 (P.Y. 55,00,000) equity shares are held by Jayant Agro-Organics Limited and its nominees.	55,000,000		55,000,000	



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 2: Reserves and Surplus

	(Amount in ₹)	
Particulars	March 31, 2016	March 31, 2015
General Reserve		
Balance at the beginning of the year	19,024,395	21,605,583
Less: Impact of Change in method of depreciation	-	3,735,439
Reversal of Deferred Tax Liability	-	(1,154,251)
Balance at the end of the year	(a) 19,024,395	19,024,395
Foreign Currency Fluctuation Reserve		
Balance at the beginning of the year	6,650,039	56,253,156
Add/ (Less): Foreign Currency Fluctuation Reserve (during the year)	37,106,083	(49,603,117)
Balance at the end of the year	(b) 43,756,122	6,650,039
Securities Premium Account		
Balance at the beginning of the year	279,170,331	279,170,331
Add: During the year	-	-
Balance at the end of the year	(c) 279,170,331	279,170,331
Surplus		
Balance at the beginning of the year	135,922,792	144,513,862
Add: Net Profit/(Loss) for the current year	35,111,466	(8,591,070)
Less: Proposed Dividend	-	-
Dividend Distribution Tax	-	-
Balance at the end of the year	(d) 171,034,258	135,922,792
Total (a+b+c+d)	512,985,106	440,767,557

Note 3: Long Term Borrowings

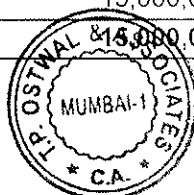
	(Amount in ₹)	
Particulars	March 31, 2016	March 31, 2015
Term loans - Secured		
From a Bank #	15,000,000	45,000,000
	15,000,000	45,000,000

(3.1) Term loans from a bank are secured by exclusive charge on land and building, factory premises (present and future), hypothecation of plant and machinery and fixed assets of the company including Capital Work-in-Progress.

Corporate Guarantee of Holding Company and personal guarantee given by 3 directors.

(3.2) Term loan maturity profile:

Financial Year	₹
2017-18	15,000,000
	15,000,000



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 4: Deferred Taxation

Deferred Tax Working As per Accounting Standard 22

(Amount in ₹)		
Particulars	March 31, 2016	March 31, 2015
Opening Deferred Tax Liability	83,702,530	95,726,916
Add: Deferred Tax Liability		
Difference of net block claimed as per Income Tax Act over net block as per the books of accounts	11,327,741	(3,888,409)
Reversal of asset on account of business loss	8,113,235	-
Total (a)	103,143,506	91,838,507
Less: Deferred Tax Asset		
Expenses allowable on actual payment basis	2,019,910	22,742
Business Loss	-	8,113,235
Total (b)	2,019,910	8,135,977
Deferred Tax Liability (Net)	Total (a-b)	83,702,530

Note 5: Other Long Term Liabilities

(Amount in ₹)		
Particulars	March 31, 2016	March 31, 2015
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	-	306,152
	-	306,152

Note 6: Short Term Borrowings

(Amount in ₹)		
Particulars	March 31, 2016	March 31, 2015
Secured		
From banks*	1,614,598,680	847,362,611
Unsecured		
From a bank	50,000,000	200,000,000
	1,664,598,680	1,047,362,611

* Working capital loans from banks are secured by first *pari passu* hypothecation charge on stock and debtors. They are collaterally secured by equitable mortgage of land, buildings, factory premises of Company and corporate guarantee of Holding Company and personal guarantee by 3 directors.

Note 7: Trade Payables

(Amount in ₹)		
Particulars	March 31, 2016	March 31, 2015
Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	233,852,814	230,473,208
	233,852,814	230,473,208



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 8: Other Current Liabilities

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Interest Accrued and Due on Borrowings	527,928	1,421,109
Current Maturities of Long-Term Debt	30,000,000	53,448,855
Advances from Customers	6,854,929	2,946,237
Creditors for Capital Goods	-	199,867
Security Deposit	13,000,000	-
Statutory Dues	2,569,060	3,021,099
Bank Accounts Overdrawn	105,930,621	368,478
	158,882,538	61,405,645

Note 9: Short Term Provisions

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Provision for Employee Benefits		
Bonus	3,397,692	2,752,955
Compensated Absences	13,361,067	12,273,156
Gratuity	3,763,878	479,672
Other Provisions		
Wealth Tax	-	70,000
	20,522,637	15,575,783



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 10: Fixed Assets

Particulars	Gross Block				Depreciation / Amortisation					Net Block	
	As at April 1, 2015	Additions/ Adjustments during the year	Deductions/A adjustments during the year	As at March 31, 2016	As at April 1, 2015	For the year	Deductions/A adjustments during the year	Transfer to Reserve	Upto March 31, 2016	As at March 31, 2016	As at March 31, 2015
Tangible assets											
Freehold land	26,970,735	-	-	26,970,735	-	-	-	-	-	26,970,735	26,970,735
Buildings	128,424,555	340,448	-	128,765,003	25,915,028	5,707,481	-	-	31,622,509	97,142,494	102,509,527
Plant and machinery	633,305,278	20,978,100	-	654,283,378	202,489,205	19,481,253	-	-	221,970,458	432,312,920	430,816,073
Office Equipment	4,531,225	396,617	-	4,927,842	3,156,006	364,639	-	-	3,520,645	1,407,197	1,375,219
Computers	1,967,405	145,852	-	2,113,257	1,467,170	211,597	-	-	1,678,767	434,490	500,235
Furniture and fittings	5,214,916	80,900	-	5,295,816	2,974,101	626,186	-	-	3,600,287	1,695,529	2,240,815
Vehicles	16,753,602	963,353	2,320,100	15,396,855	7,273,550	2,091,743	1,864,853	-	7,500,440	7,896,415	9,480,052
Total	817,167,716	22,905,270	2,320,100	837,752,886	243,275,060	28,482,899	1,864,853	-	269,893,106	567,859,780	573,892,656
Previous Year	803,929,529	14,289,874	1,051,687	817,167,716	211,437,797	28,924,523	822,699	3,735,439	243,275,060	573,892,656	
Capital work-in-progress										-	13,521,481

(Amount in ₹)



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 11: Non Current Investments

	(Amount in ₹)	
Particulars	March 31, 2016	March 31, 2015
Other Investments (At Cost)		
National Saving Certificate	6,000	6,000
	<u>6,000</u>	<u>6,000</u>

Note 12: Long Term Loans and Advances

	(Amount in ₹)	
Particulars	March 31, 2016	March 31, 2015
Unsecured and Considered Good		
Security Deposits	219,765	11,655,728
(a)	<u>219,765</u>	<u>11,655,728</u>
Other Loans and Advances		
Loan to Employees	1,191,688	1,592,161
Advance Income Tax	4,146,599	7,332,077
MAT Credit Entitlement	19,103,504	12,569,896
(b)	<u>24,441,791</u>	<u>21,494,134</u>
Total (a+b)	<u>24,661,556</u>	<u>33,149,862</u>

Note 13: Other Non-Current Assets

	(Amount in ₹)	
Particulars	March 31, 2016	March 31, 2015
Other Bank Balances		
Margin Money with Bank	450,500	150,500
	<u>450,500</u>	<u>150,500</u>

Note 14: Inventories

	(Amount in ₹)	
Particulars	March 31, 2016	March 31, 2015
Raw Materials, Chemicals and Packing Materials	476,757,900	45,618,398
Finished Goods	345,410,727	387,037,630
Traded Goods	-	13,000,383
Stores and Spares	16,443,050	13,050,679
(For mode and method of valuation refer point F of Note 27)		
	<u>838,611,677</u>	<u>458,707,090</u>
Productwise Description of Finished and Traded Goods		
Castor Oil	327,314,186	379,647,618
Hybrid Seed	-	589,657
By-Products	18,096,541	19,800,738
	<u>345,410,727</u>	<u>400,038,013</u>

Note 15: Trade Receivables

	(Amount in ₹)	
Particulars	March 31, 2016	March 31, 2015
Unsecured and Considered Good		
Over Six months	-	-
Others	852,779,092	602,569,111
	<u>852,779,092</u>	<u>602,569,111</u>



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 16: Cash and Bank Balances

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Cash and Cash Equivalents		
Cash on hand	127,088	286,676
Balance with Banks		
- in Current Accounts	104,969,822	57,771,829
Other Bank Balances		
Fixed Deposit with Bank	1,193,600	51,000
	106,290,510	58,109,505

Note 17: Short Term Loans and Advances

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Others - Unsecured, considered good		
VAT and Other Taxes Recoverable	294,910,486	207,592,142
Loan to Employees	525,945	773,876
	295,436,431	208,366,018

Note 18: Other Current Assets

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Export Incentive Receivable	19,368,716	33,246,498
Mark to Market Gain on Forward Contracts	71,043,961	10,368,931
Prepaid Expenses	1,010,005	-
Advance to Creditors	2,682,843	5,741,534
	94,105,525	49,356,963



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 19: Revenue from Operations

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Sale of Products		
Finished Goods	8,609,372,237	9,491,743,771
Less: Excise Duty	9,658,815	7,400,504
	8,599,713,422	9,484,343,267
 Sale of Services	141,027,112	160,810,819
Power Generation Income	8,976,806	9,526,606
 Other Operating Income		
Foreign Exchange Gain/(Loss)	(1,440,626)	129,991,319
	8,748,276,714	9,784,672,011

19.1 Details of Products Sold

Castor Oil	7,717,991,783	8,359,387,742
Hybrid Seeds	4,006,610	9,367,501
By-Products	877,715,029	1,115,588,023
	8,599,713,422	9,484,343,267

19.2 Details of Manufactured and Traded Goods

Manufactured Goods	7,279,923,227	7,131,861,659
Traded Goods	1,319,790,195	2,352,481,608
	8,599,713,422	9,484,343,267

Note 20: Other Income

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Net Gain on Foreign Exchange Fluctuation	4,359,316	-
Storage Charges	1,136,500	427,500
Interest Income	2,342,209	1,181,673
Miscellaneous Receipts	182,400	588,106
Sundry Balances Written Back	2,474,722	1,677,637
Profit on Sale of Asset	119,253	-
Insurance Claim	260,982	1,371,050
	10,875,382	5,245,966

Note 21: Cost of Raw Materials Consumed

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Raw Material	6,356,715,494	6,026,332,289
Chemicals	65,613,938	78,638,528
	6,422,329,432	6,104,970,817

21.1 Principle Raw material

Castor Seed	6,356,715,494	6,026,332,289
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Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 22: Changes in inventories of finished goods, work-in-process and stock-in-trade

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Increase/(Decrease) in Stock		
Opening Stock		
Finished Goods	387,037,630	719,549,384
Traded Goods	13,000,383	42,885,880
	400,038,013	762,435,264
Closing Stock		
Finished Goods	345,410,727	387,037,630
Traded Goods	-	13,000,383
	345,410,727	400,038,013
Increase/(Decrease) in Stock	(54,627,286)	(362,397,251)

22.1 Major components of Finished and Traded Goods

Opening Stock		
Castor Oil	379,647,618	732,496,856
Hybrid Seed	589,657	8,698,598
By-Products	19,800,738	21,239,810
	400,038,013	762,435,264
Closing Stock		
Castor Oil	327,314,186	379,647,618
Hybrid Seed	-	589,657
By-Products	18,096,541	19,800,738
	345,410,727	400,038,013

Note 23: Employee Benefits Expense

	(Amount in ₹)	
Particulars	March 31, 2016	March 31, 2015
Salaries and Incentives	75,209,753	61,656,313
Contributions to Provident Fund and Other Funds	10,541,331	5,130,922
Staff Welfare Expenses	1,234,202	737,200
	86,985,286	67,524,435

Note 24: Finance Costs

	(Amount in ₹)	
Particulars	March 31, 2016	March 31, 2015
Interest Expense		
Banks	156,200,254	174,442,219
Companies	-	10,707,345
Other Borrowing Cost		
Processing Fees	8,322,000	8,325,820
	164,522,254	193,475,384



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 25: Other Expenses

(Amount in ₹)

Particulars	March 31, 2016	March 31, 2015
Consumption of Stores and Spares	25,867,185	33,982,497
Consumption of Packing Materials	74,998,972	87,845,220
Power and Fuel	98,155,121	90,091,207
Rent, Rates and Taxes	13,739,692	11,231,335
Repairs & Maintenance		
Building	1,250,386	958,314
Machinery	13,879,120	13,689,299
Others	4,752,753	3,871,510
Insurance	4,473,421	7,325,409
Freight, Coolie and Cartage	366,425,767	378,120,060
Corporate Social Responsibility Expenditure (Refer Note 36)	1,160,538	1,793,512
Storage Charges	37,895,176	49,261,485
Brokerage on Sales	4,719,012	3,778,530
Brokerage on Purchases	5,438,573	5,325,107
Loss on Sale of Asset	-	52,544
Loss on Foreign Exchange Fluctuation	-	47,787,514
Other Operating Expenses	43,114,922	42,489,977
Auditors Remuneration		
Statutory Audit Fees	1,030,500	870,790
Tax Audit Fees	171,750	168,540
Transfer Pricing Audit Fees	131,100	129,214
Income Tax Matters	964,824	1,035,398
Others	368,900	191,012
	698,537,712	779,998,474



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 26: Corporate Information

Ihsedu Agrochem Private Limited was incorporated on February 4, 2000 having CIN U11200MH2000PTC124048 and is subsidiary of Jayant Agro-Organics Limited. Company is mainly engaged in manufacturing and trading of various grades of castor oil.

Note 27: Significant Accounting Policies

A Basis of Accounting

The financial statements are prepared to comply in all material respects with the mandatory Accounting Standards under section 133 of the Companies Act, 2013 (as amended). The financial statements have been prepared under the historical cost convention on an accrual basis in accordance with the generally accepted accounting principles in India.

B Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the period. Although these estimates are based upon management's best knowledge of current events, plans and actions, actual results could differ from these estimates. Any revision to accounting estimates and assumptions are recognized prospectively.

C Fixed Assets

Tangible assets are stated at cost less accumulated depreciation and net of impairment, if any. Cost comprises the purchase price and any attributable / allocated cost of bringing the asset to its working condition for its intended use. The cost also includes direct costs and other related incidental expenses. Pre-operative expenses including trial run expenses (net of revenue) are capitalized.

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost comprises the acquisition price, development cost and any attributable / allocable incidental cost of bringing the asset to its working condition for its intended use.

Capital work in progress is stated at cost less impairment losses, if any. Cost comprises of expenditure incurred in respect of capital projects under development and includes any attributable / allocable cost and other incidental expenses. Revenue earned, if any, before capitalisation from such capital projects are adjusted against the capital work in progress.

Borrowing costs relating to acquisition/ construction/ development of tangible assets, intangible assets and capital work in progress which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

D Borrowing Costs

Borrowing costs that are directly attributable to the acquisition of qualifying asset or for long - term project development are capitalised as part of their costs. Borrowing costs are considered as part of the asset cost when the activities that are necessary to prepare the asset for their intended use are in progress. Other borrowing costs are recognized as an expense, in the period in which they are incurred.



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

E Depreciation

i) Tangible Assets:

Depreciation on assets is provided from the date asset is put to use on straight line method as per the useful life of the assets estimated by the management or at the rates prescribed under Schedule II of the Companies Act, 2013.

Depreciation method, useful life and residual value are reviewed periodically.

Assets of ₹ 5,000/- or less are fully depreciated in the year of purchase.

Assets on lease is amortized over the period of lease.

ii) Intangible Assets:

Intangible Asset is amortised using straight line method over the estimated useful life, not exceeding 5 years. Amortisation method, useful life and residual value are reviewed periodically.

F Valuation of Inventories

Inventories are valued at lower of cost and net realizable value except by-products which are valued at net realizable value.

Cost of inventories of finished goods and work-in-process includes material cost, cost of conversion and other costs.

Cost of inventories of raw material, material cost of finished goods as well as work-in-process, Chemicals, Packing Materials, stores and spare parts are valued at weighted average cost.

G Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Sales are recognized when goods are supplied. Turnover includes sale of goods, services, scrap, export incentives and are net of sales tax/value added tax and excise duty.

Revenue from services is recognised pro-rata over the period of the contract as and when services are rendered.

Dividend income is recognized when right to receive the payment is established by the Balance Sheet date.

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

H Accounting of Claims

Claims receivable are accounted at the time when such income has been earned by the Company depending on the certainty of receipts. Claims payable if any, are accounted at the time of acceptance.

Claims raised by Government Authorities regarding taxes and duties, which are disputed by the Company, are accounted based on the merits of each claim.

Export incentive and duty drawback claims are accounted on accrual basis.



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

I Foreign Currency Transactions

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities on the closing date denominated in foreign currencies are recognized in the Statement of Profit and Loss as per AS 11. In case such monetary items are covered by forward contracts, gain or loss on the same is accounted in the statement of profit and loss as per AS 11.

Hedge Reserve : In order to recognize the impact of fluctuation in foreign currency rates arising out of instruments acquired to hedge highly probable forecast transactions, in appropriate accounting periods, the Company applies the principles of recognition set out in the Accounting Standard 30- Financial Instruments - Recognition and Measurement (AS-30) as suggested by the Institute of Chartered Accountants of India. Accordingly, the unrealized gain/(loss) (net) consequent to foreign currency fluctuations, in respect of effective hedging instruments, represented by simple forward covers, to hedge future exports, are carried as a Hedging Reserve and ultimately set off in the statement of Profit and Loss when the underlying transaction arises.

J Sundry Debtors

Sundry debtors are stated after writing off debts which are not recoverable. Adequate provision is made for debts if considered doubtful.

K Impairment of Assets

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

L Employee Benefits

Defined Contribution Plan

Retirement benefits in the form of contribution to provident fund and pension fund are charged to statement of profit and loss.

Entitlements to annual leave and sick leave are recognized when they accrue to the employees. Sick leave can only be availed and annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. Provision for Leave Encashment is based on year end leave balance.

Defined Benefit Plan

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Company has taken a policy from Life Insurance Corporation of India ("LIC") to meet its gratuity obligations and contributes annual premium to the fund maintained by LIC. Company has made appropriate provision for payment of gratuity to those employees which are not covered under the gratuity scheme so managed by LIC.



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

M Taxes on Income

Current Tax

Current Tax is determined as the amount of tax payable in respect of taxable income for the year after availing exemptions and deductions at the rates applicable under the Income Tax Act, 1961.

Deferred Taxation

Deferred tax reflects the tax effects of timing differences between accounting income and the taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets, if any, are reviewed as at each Balance Sheet date to reassess realization.

Minimum Alternative Tax (MAT)

Minimum Alternative Tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of MAT under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will be able to utilize the MAT Credit Entitlement within the period specified under the Income Tax Act, 1961.

N Earnings Per Share (EPS)

Basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues, including for changes effected prior to the approval of the financial statements by the Board of Directors.

O Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

P Provisions, Contingent Liabilities and Contingent Assets

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 will be required to settle the obligation, in respect of which a reliable estimate can be made.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably may not, require an outflow of resources. A contingent liability also arises in rare cases where there is a probable liability that cannot be recognized because it cannot be measured reliably.

Where there is a possible obligation or a present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized in the financial statements as this may result in the recognition of income that may never be realised.

Q Proposed Dividend

Dividend recommended by the Board of Directors is provided for in the accounts, pending approval at the Annual General Meeting.

R Cash and Cash Equivalents:

Cash and cash equivalents comprise cash on hand and cash at bank including fixed deposits and cheques in hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

S Current / Non-Current Classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities

T Leases

Where the Company is the Lessee

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating lease. Operating lease payments are recognized as an expense in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Where the Company is the Lessor

Assets representing lease arrangements given under operating leases are included in fixed assets. Lease income is recognized in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Initial direct costs related to lease contracts are recognized immediately in the statement of profit and loss.



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 28: Expenditure In Foreign Currency

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Brokerage and Commission	2,796,811	1,753,505
Insurance on Export Sales	451,880	518,236
Selling and Distribution Expenses	10,725,722	-
Ocean Freight	92,907,080	89,679,302
	106,881,493	91,951,043

Note 29: Value of Imports on C.I.F. Basis

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Packing Material	5,498,711	6,125,813
	5,498,711	6,125,813

Note 30: Earning in Foreign Currency

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
FOB Value of Export	7,678,419,734	8,665,497,689
	7,678,419,734	8,665,497,689

Note 31: Break up of Consumption

Particulars	March 31, 2016		March 31, 2015	
	%	Value ₹	%	Value ₹
Raw Material and Chemicals				
Indigenous	100.00	6,422,329,432	100.00	6,104,970,817
Import	-	-	-	-
Total	100.00	6,422,329,432	100.00	6,104,970,817
Stores and Spares				
Indigenous	100.00	25,867,185	100	33,982,497

Note 32: Earning Per Share

Particulars	March 31, 2016	March 31, 2015
Net Profit Available for Equity Shareholders	35,111,466	(8,591,070)
Number of Shares	7,323,570	7,323,570
Basic and Diluted Earning Per Share (in ₹)	4.79	(1.17)
Face Value Per Equity Share (in ₹)	10	10



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 33: Employee Benefit Expense

The Company has recognised, in the Statement of Profit and Loss the following amount as contribution made under defined contribution plans.

(Amount in ₹)

Benefit (Contribution to)	March 31, 2016	March 31, 2015
Provident Fund	5,113,122	3,939,287

The Company's contributions paid / payable during the year towards provident fund and superannuation fund are charged in the Statement of Profit and Loss every year. Superannuation fund is recognised by the Income-tax authorities and administered by various trustees.

Reconciliation of opening and closing balances of Defined Benefit Obligation

Particulars	Gratuity (Funded)	
	March 31, 2016	March 31, 2015
Defined Benefit Obligation at beginning of year	8,744,102	5,742,350
Current Service Cost	993,060	778,385
Interest Cost	699,528	457,121
Actuarial Gain/(Loss)	(65,927)	2,194,279
Benefits Paid	(975,729)	(428,033)
Defined Benefit Obligation at year end	9,395,034	8,744,102

Reconciliation of opening and closing balances of fair value of Plan Assets

Particulars	Gratuity (Funded)	
	March 31, 2016	March 31, 2015
Fair Value of Plan Assets at beginning of year	7,860,539	6,609,654
Expected Return on Plan Assets	707,532	597,111
Employer Contribution	1,823,548	1,081,807
Benefits Paid	(975,729)	(428,033)
Fair Value of Plan Assets at year end	9,415,890	7,860,539

Reconciliation of fair value of Plan Assets and Obligations

Particulars	Gratuity (Funded)	
	March 31, 2016	March 31, 2015
Fair Value of Plan Assets	9,395,034	8,744,102
Present Value of Obligation	9,415,890	7,860,539
Amount recognised in Balance Sheet	(20,856)	883,563

Expenses recognised during the year

Particulars	Gratuity (Funded)	
	March 31, 2016	March 31, 2015
Current Service Cost	993,060	778,385
Interest Cost	699,528	457,121
Expected Return on Plan Assets	(707,532)	597,111
Actuarial (Gain) / Loss	(65,927)	2,194,279



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 33: Employee Benefit Expense (continued...)

Details of the funded post retirement gratuity plan which is a defined benefit plan are given below, which is certified by the actuary and relied upon by the auditors:

Assumptions and definitions:

Particulars	March 31, 2016	March 31, 2015
Discounting rate	8.00%	8.00%
Rate of increase in compensation level	5.00%	5.00%
Attrition rate	1 - 3%	1 - 3%
Retirement age	62	62
Mortality table	Indian assured lives mortality (2006-08) Ultimate	

Note 34: Related Party Disclosures:

(As identified by the Management)

Related party disclosures as required by Accounting Standard 18, "Related Party Disclosures", issued by the Institute of Chartered Accountants of India are given below :-

a) List of related parties

i. Ultimate Holding Company

Jayant Finvest Limited

ii. Holding Company

Jayant Agro-Organics Limited

iii. Fellow Subsidiary

Ihsedu Coreagri Services Private Limited

Ihsedu Itoh Green Chemicals Marketing Private Limited

iv. Associates

Arkema Asie SAS

Arkema France

Casda Biomaterials Co. Limited

Vithal Castor Polyols Private Limited

v. Entities controlled by directors/relatives

Udeshi Trust

Gokulmani Agricom Limited

Enlite Chemical Industries Limited

Gokuldas K. Udeshi Investments

Innovative Micro Systems Private Limited

Akhandanand Engineering & Trading Company

vi. Key Management Personnel

Name

Designation

Abhay V. Udeshi

Chairman

Mulraj G. Udeshi

Wholtime Director

Jayraj G. Udeshi

Wholtime Director

Bharat M. Udeshi

Wholtime Director

Sudhir V. Udeshi

Director

Jean Marc Biragnet

Director

Suresh Ramchandran

Nominee Director

Krunal G. Veni

Company Secretary



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 34: Related Party Disclosures: (continued...)

b) Transaction with related parties during the year :

(Amount in ₹)

Particulars	Ultimate holding Company	Holding Company	Fellow Subsidiary	Associates	Controlled by director & relatives	Key Management Personnel
Sale of Goods						
Jayant Agro-Organics Limited	- (-)	304,998,016 (214,779,320)	- (-)	- (-)	- (-)	- (-)
Arkema France	- (-)	- (-)	- (-)	2,745,763,336 (3,016,822,589)	- (-)	- (-)
Casda Biomaterials Co. Limited	- (-)	- (-)	- (-)	446,063,836 (136,528,928)	- (-)	- (-)
Vithal Castor Polyols Private Limited	- (-)	- (-)	- (-)	5,963,423 (-)	- (-)	- (-)
Processing Charges Received						
Jayant Agro-Organics Limited	- (-)	141,027,113 (160,809,475)	- (-)	- (-)	- (-)	- (-)
Purchase of Goods						
Jayant Agro-Organics Limited	- (-)	167,799,347 (150,378,603)	- (-)	- (-)	- (-)	- (-)
Remuneration						
Remuneration to Executive Directors	- (-)	- (-)	- (-)	- (-)	- (-)	12,889,887 (9,937,089)
Remuneration to Company Secretary	- (-)	- (-)	- (-)	- (-)	- (-)	641,471 (221,683)
Interest Paid						
Ihsedu Itoh Green Chemicals Marketing Private Limited	- (-)	- (-)	- (1,015,151)	- (-)	- (-)	- (-)
Jayant Agro-Organics Limited	- (-)	- (9,115,069)	- (-)	- (-)	- (-)	- (-)
Jayant Finvest Limited	- (575,332)	- (-)	- (-)	- (-)	- (-)	- (-)
Interest Received						
Arkema France	- (-)	- (-)	- (-)	721,345 (-)	- (-)	- (-)
Rent Paid						
Udeshi Trust	- (-)	- (-)	- (-)	- (-)	13,275,264 (10,830,416)	- (-)
Dividend Paid						
Jayant Agro-Organics Limited	- (-)	- (2,750,000)	- (-)	- (-)	- (-)	- (-)
Arkema Asie SAS	- (-)	- (-)	- (-)	- (911,785)	- (-)	- (-)
Loans Repaid						
Jayant Agro-Organics Limited	- (-)	- (245,041,066)	- (-)	- (-)	- (-)	- (-)
Ihsedu Itoh Green Chemicals Marketing Private Limited			- (11,500,000)			
Reimbursement of Expenses						
Jayant Agro-Organics Limited	- (-)	15,285,782 (14,174,335)	- (-)	- (-)	- (-)	- (-)
Balances as at March 31, 2016						
Trade Payable						
Jayant Agro-Organics Limited	- (-)	- (15,545,742)	- (-)	- (-)	- (-)	- (-)
Trade Receivable						
Vithal Castor Polyols Private Limited	- (-)	- (-)	- (-)	1,092,672 (-)	- (-)	- (-)
Arkema France	- (-)	- (-)	- (-)	262,134,955 (-)	- (-)	- (-)
Casda Biomaterials Co. Limited	- (-)	- (-)	- (-)	38,767,736 (-)	- (-)	- (-)

Note: Figures in bracket represents the amount of previous year.



Ihsedu Agrochem Private Limited

Notes on Financial Statements for the year ended March 31, 2016

Note 35: Contingent Liabilities

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Claims against company not acknowledged as debts-		
Income Tax Act, 1961	404,320	55,780
Industrial Dispute Act, 1947	388,623	310,600
Gujarat Value Added Tax Act, 2003	15,591,206	4,319,970

Note 36: Expenditure towards Corporate Social Responsibility (CSR) activities

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
a) Gross amount required to be spent by the Company during the year:	1,020,000	2,180,000

b) Amount spent during the year on:

Sr. No.	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of asset	-	-	-
(ii)	On purpose other than (i) above			
	- Rural Development & Promoting Education	1,160,538	-	1,160,538
	Total	1,160,538	-	1,160,538

Note 37: Outstanding Forward Contracts

Forward Contracts of ₹ 891,290,878 (USD 12.79 Million) (PY ₹ 373,767,941 (USD 5.90 Million)) are outstanding as on March 31, 2016.

Note 38: Dues to Micro, Small and Medium Enterprises:

The Company is in the process of identifying the Micro, Small and Medium Enterprises as defined under the "The Micro, Small and Medium Enterprises Development Act, 2006." However, based on the information so far available with the Company, the Company has no dues to micro and small enterprises during the year ended March 31, 2016.

Note 39: Capital Commitment

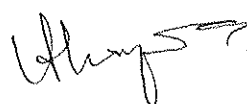
Estimated amount of contracts remaining to be executed on capital account amounted to ₹ Nil (P.Y. ₹ 1,250,000/-).

Note 40: Export Incentive on Incremental Export Turnover

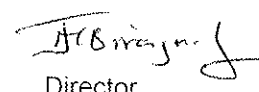
Claim for export incentive on its incremental export turnover achieved is not accrued in the books of accounts in absence of certainty and notification issued by Directorate General of Foreign Trade from time to time.

Note 41: Previous year figures are re-grouped and re-arranged to conform to current year's classification.

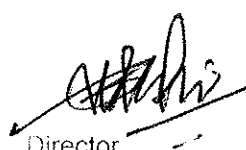
For and on Behalf of Board of Directors



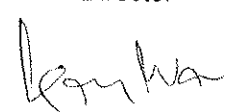
Chairman



Director



Director



Company Secretary

Place: Mumbai

Date: **03 MAY 2016**

