

INDEPENDENT AUDITOR'S REPORT

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

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **SHARDA POLAND SP.ZO.O.**, which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with



ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.;
 - (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of



Changes in Equity dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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



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



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

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



7. In respect of Statutory Dues:

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



14. During the year under consideration, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures; hence comments under this clause are not called for.

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

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

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



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



1. Corporate information

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

2. Basis of preparation

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

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

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

2.1 Summary of significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Foreign currency translation

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

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes:

- Disclosures for valuation methods, significant estimates and assumptions (Note 40)
- Financial instruments (including those carried at amortised cost) (Note 40)

(d) Revenue Recognition

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

Sale of goods

Revenue from sale of goods is recognized when control of the goods have been passed to the buyer. Revenue from the sale of goods is measured at amount of consideration which an entity expects to be entitled in exchange for transferring promised goods to the customer, net of returns and allowances, trade discounts, volume rebates and cash discounts. The Company operates a loyalty programme where customers accumulate points for purchases made. Revenue related to the award points is deferred and recognised when the points are redeemed. The amount of revenue is based on the number of points redeemed relative to the total number expected to be redeemed.

(e) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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



(f) Use of estimates

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

(g) Property, Plant and Equipment and Depreciation

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Depreciation is provided after impairment, if any, using the straight-line method as per the useful lives of the assets estimated by the management, or at rates prescribed under Schedule II of the Companies Act 2013.

(h) Intangible assets and amortisation

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

The useful lives of intangible assets are assessed as finite.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life are considered to modify the amortisation period, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Computer Software

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

Research and Development costs, Product Registration and Licences

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- It is probable that future economic benefits will flow to the Company and the Company has control over the asset

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

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

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

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

(i) Lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(j) Inventories

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

(k) Provisions

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



(l) Contingent Liabilities

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

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

(m) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank.

(n) Earnings per share

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

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



SHARDA POLAND SP. ZO.O

BALANCE SHEET AS AT MARCH 31, 2019

(Amount in INR)

Particulars	Note No	As at 31-Mar-19	As at 31-Mar-18
ASSETS			
Non -Current Assets			
Other Non- Current Assets	3	195,247	205,737
		195,247	205,737
Current assets			
Inventories	4	221,863,629	277,825,840
Financial assets			
Trade Receivables	5	131,368,825	174,996,508
Cash & cash equivalents	6	1,341,837	833,640
Other Current Assets	7	1,002,022	3,426,403
Total current assets		355,576,313	457,082,391
Total assets		355,771,560	457,288,128
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	96,269	96,269
Other equity			
Retained earnings	9	35,473,885	13,657,600
Other reserves	9	(19,959,945)	(19,328,983)
Total equity		15,610,209	(5,575,114)
Current liabilities			
Financial liabilities			
Trade Payables	10	330,840,336	369,346,295
Other Payables	11	1,158,209	67,444,371
Current tax liabilities	12	-	350,345
Provisions	13	-	24,629,845
Other current liabilities	14	8,162,806	1,092,386
Total current liabilities		340,161,351	462,863,242
Total equity and liabilities		355,771,560	457,288,128

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

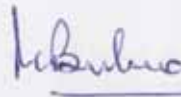
As per our report of even date
For V.K.BESWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 101083W



KUNAL V. BESWAL
[PARTNER]
Membership Number - 131054
PLACE : MUMBAI
Date: April 15, 2019



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



R. V. Bubna
[President]

SHARDA POLAND SP. ZO.O

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

(Amount in INR)

Particulars	Note No	Year ended 31-Mar-19	Year ended 31-Mar-18
Revenue from Operations	15	362,012,487	396,291,659
Other Income	16	31,050,566	383,336
Total income		393,063,053	396,674,995
Expenses			
Purchase of traded goods	17	299,082,335	591,134,089
(Increase)/ decrease in inventories	18	43,626,881	(231,370,871)
Employee benefit expenses	19	855,512	-
Finance costs	20	51,356	290,731
Other expenses	21	27,166,133	22,329,569
Total expenses		370,782,217	382,383,518
Profit before tax		22,280,836	14,291,477
Tax expenses			
Current tax		464,551	1,801,911
Deferred tax		-	-
Total Tax expense		464,551	1,801,911
Profit for the year		21,816,285	12,489,566
Other Comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(630,962)	(21,284,226)
Income tax effect		-	-
Other comprehensive income for the year, net of tax		(630,962)	(21,284,226)
Total comprehensive income for the year		21,185,323	(8,794,660)
Earning per equity share			
Equity share of par value of PLN 50 each			
Basic & Diluted		218,163	124,896

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

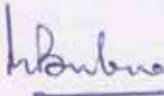
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KUNAL V.BESWAL
[PARTNER]
Membership Number - 131054
PLACE : MUMBAI
Date: April 15, 2019



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



R. V. Bubna
[President]

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

(Amount in INR)

Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18
Cash flow from operating activities		
Profit before tax for the year	22,280,836	14,291,477
Profit before tax	22,280,836	14,291,477
Adjustments to reconcile profit before tax to net cash flows	-	-
Operating profit before working capital changes	22,280,836	14,291,477
Movements in working capital :		
Decrease / (increase) in other current assets	2,424,381	-
Increase/ (decrease) in trade payables	(38,505,959)	227,822,805
Increase / (decrease) in short-term provisions	(24,629,845)	11,483,469
Increase/ (decrease) in other current liabilities	7,070,420	(4,032,198)
Increase/ (decrease) in other Financial Assets	-	(3,303,245)
Decrease / (increase) in trade receivables	43,627,683	(58,446,965)
Decrease / (increase) in inventories	55,962,211	(231,370,871)
Decrease / (increase) in other Payables	(66,286,162)	66,285,447
Decrease / (increase) in other non-current assets	10,490	(28,054)
Cash generated from / (used in) operations	1,954,055	22,701,865
Income taxes paid (net of refunds)	(814,896)	(1,060,707)
Net cash flow from/ (used in) operating activities (A)	1,139,159	21,641,158
Cash flows from investing activities		
Net cash flow from/ (used in) investing activities (B)	-	-
Cash flows from financing activities		
Proceeds / (repayment) of short term borrowings	-	-
Net cash flow from/ (used in) in financing activities (C)	-	-
Exchange difference on translation of assets and liabilities (D)	(630,962)	(21,284,226)
Net increase/(decrease) in cash and cash equivalents (A + B + C+D)	508,197	356,932
Cash and cash equivalents at the beginning of the year	833,640	476,708
Cash and cash equivalents at the end of the year	1,341,837	833,640
Components of cash and cash equivalents		
With banks- on current account	1,341,837	833,640
Total cash and cash equivalents (note 7)	1,341,837	833,640

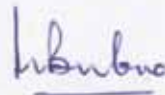
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As per our report of even date
For V.K.BESWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 101083W

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



KUNAL V.BESWAL
[PARTNER]
Membership Number - 131054
PLACE : MUMBAI
Date: April 15, 2019

R. V. Bubna
[President]

SHARDA POLAND SP. ZO. O

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2018

(Amount in INR)

Particulars	Equity Share Capital	Reserves & Surplus	Items of other comprehensive income	Total equity
		Retained earnings	Foreign Currency translation reserve	
As on 01 April 2017	96,269	1,168,034	1,955,243	3,219,546
Net Profit for the period		12,489,566	-	12,489,566
Other comprehensive income		-	(21,284,226)	(21,284,226)
Total Comprehensive Income		12,489,566	(21,284,226)	(8,794,660)
As on 31 March 2018	96,269	13,657,600	(19,328,983)	(5,575,114)

FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR)

Particulars	Equity Share Capital	Reserves & Surplus	Items of other comprehensive income	Total equity
		Retained earnings	Foreign Currency translation reserve	
As on 01 April 2018	96,269	13,657,600	(19,328,983)	(5,575,114)
Net Profit for the period		21,816,285	-	21,816,285
Other comprehensive income		-	(630,962)	(630,962)
Total Comprehensive Income		21,816,285	(630,962)	21,185,323
As on 31 March 2019	96,269	35,473,885	(19,959,945)	15,610,209

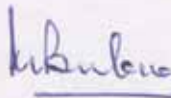
The accompanying notes are an integral part of the financial statements.

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

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



KUNAL V.BESWAL
[PARTNER]
Membership Number - 131054
PLACE : MUMBAI
Date: April 15, 2019

R. V. Bubna
[President]

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

3 Other Non - Current Assets

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Security Deposit	195,247	205,737
Total	195,247	205,737

4 Inventories

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Finished goods	221,863,629	277,825,840
Total	221,863,629	277,825,840

5 Trade Receivables

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Trade Receivables ,unsecured considered good	131,368,825	174,996,508
Total	131,368,825	174,996,508

6 Cash & cash equivalents

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Balance with Bank	1,341,837	833,640
Total	1,341,837	833,640

7 Other Current assets

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Statutory Dues Receivable	-	3,378,159.00
Other Current assets	1,002,022	48,244
Total	1,002,022	3,426,403

8 Equity share capital

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Authorised shares 100 (Previous year : 100) Shares of 50 PLN each	96,269	96,269
Issued, Subscribed & fully paid up shares 100 (Previous year : 100) Shares of 50 PLN each	96,269	96,269
Total Issued, Subscribed & fully paid up share capital	96,269	96,269



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

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

Particulars	Equity Shares		Equity Shares	
	As at 31-Mar-2019		As at 31-Mar-2018	
	Number	INR	Number	INR
At the beginning of the period	100	96,269	100	96,269
Issued during the period	-	-	-	-
Outstanding at the end of the period	100	96,269	100	96,269

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

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

9 Other equity

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
	INR	INR
Deficit		
Balance as per the last financial statement	13,657,600	1,168,034
Add : Profit/(Loss) for the year	21,816,285	12,489,566
Closing Balance	35,473,885	13,657,600
Foreign Currency Translation Reserve		
Balance as per the last financial statement	(19,328,983)	1,956,243
Add : Changes for the period	(630,962)	(21,284,226)
Closing Balance	(19,959,945)	(19,328,983)
Total	15,513,940	(5,671,383)

10 Trade Payables

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
	INR	INR
Trade payables	330,840,336	369,346,295
Total	330,840,336	369,346,295

11 Other Payables

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
	INR	INR
Other Payables	1,158,209	67,444,371
Total	1,158,209	67,444,371



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

12 Liabilities for Current Tax

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
	INR	INR
Provision for tax	-	350,345
Total	-	350,345

13 Provisions

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
	INR	INR
Provision for Expenses	-	24,629,845
Total	-	24,629,845

14 Other Current liabilities

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
	INR	INR
Statutory Dues Payable	8,162,806	-
Expected return from Customers	-	1,092,386
Total	8,162,806	1,092,386

15 Revenue from Operations

Particulars	Year ended 31-Mar-2019	Year ended 31-Mar-2018
	INR	INR
Sales of Agro Chemicals	362,012,487	396,291,659
Total	362,012,487	396,291,659

16 Other income

Particulars	Year ended 31-Mar-2019	Year ended 31-Mar-2018
	INR	INR
Miscellaneous Income	31,046,091	14,321
Foreign Exchange Gain	-	369,015
Interest on loan	4,475	-
Total	31,050,566	383,336

17 Purchase of traded goods

Particulars	Year ended 31-Mar-2019	Year ended 31-Mar-2018
	INR	INR
Purchases of Agro Chemicals	299,082,335	591,134,089
Total	299,082,335	591,134,089



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

18 (Increase)/ decrease in inventories

Particulars	Year ended	Year ended
	31-Mar-2019	31-Mar-2018
	INR	INR
Inventories at the end of the year	221,663,629	277,825,840
Traded goods		
Add / (Less): Exchange rate fluctuation on account of average rate transferred to currency translation reserve	9,715,105	
Inventories at the beginning of the year	277,825,840	46,454,969
Traded goods		
Add / (Less): Exchange rate fluctuation on account of average rate transferred to currency translation reserve	(2,620,225)	
Total	43,626,881	(231,370,871)

19 Employee benefit expenses

Particulars	Year ended	Year ended
	31-Mar-2019	31-Mar-2018
	INR	INR
Salaries & wages	855,512	-
Total	855,512	-

20 Finance costs

Particulars	Year ended	Year ended
	31-Mar-2019	31-Mar-2018
	INR	INR
Interest expense	51,356	281,048
Interest on loan	-	9,683
Total	51,356	290,731

21 Other expenses

Particulars	Year ended	Year ended
	31-Mar-2019	31-Mar-2018
	INR	INR
Power and fuel	318,423	85,757
Freight and forwarding charges	2,956,624	3,970,348
Rent	1,298,644	1,202,488
Rates and taxes	165,458	476,585
Insurance	127,800	133,767
Sales Commission	6,696,684	9,305,588
Communication costs	266,747	135,475
Legal and professional fees	1,019,250	1,108,432
Storage Charges	6,550,741	4,249,995
Miscellaneous expenses	825,929	427,824
Foreign Exchange Loss	5,130,969	-
Bank charges	545,052	671,946
Disposing Materials	115,564	-
Repairs and maintenance		
Others	386,878	561,364
Consultancy expense (GEP)	961,372	-
Total	27,166,133	22,329,569



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

22 Fair Value Measurements

	31 March 2019			31 March 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Security deposits	-	-	195,247	-	-	205,737
Total Financial Assets	-	-	195,247	-	-	205,737
Financial Liabilities						
Total Financial liabilities	-	-	-	-	-	-

23 Contingent liabilities and Commitments

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

24 Earnings per share (EPS)

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Basic and diluted earning per share:		
Profit after taxation as per statement of profit and loss	21,816,285	12,489,588
Weighted average number of equity shares outstanding	100	100
Basic and diluted earning per share	218,163	124,896
Nominal Value of equity share (PLN)	50.00	50.00

25 Segment reporting

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

26 Related Party Disclosures

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

Particulars	
(i) Parent company	Sharda Cropchem Limited
(ii) Fellow Subsidiary	Sharda Cropchem Espana SL

Related party transactions:

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

- Transactions with Related Party

Particulars	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Unsecured loan given:		
Sharda Cropchem Espana SL	1,518,913	-
Unsecured loan taken:		
Sharda Cropchem Espana SL	-	12,491,383
Unsecured loan repaid		
Sharda Cropchem Espana SL	1,518,913	12,484,724
Interest on unsecured Loan taken		
Sharda Cropchem Espana SL		9,683
Interest on unsecured Loan given		
Sharda Cropchem Espana SL	4,475	
Purchase of traded goods:		
Sharda Cropchem Limited	299,051,754	591,134,089



Outstanding balances	As at	As at
	31-Mar-2019	31-Mar-2018
	INR	INR
Trade payables:		
Sharda Cropchem Limited	330,840,336	369,346,295

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

27 Previous year figures

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

As per our report of even date

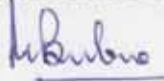
For V.K.BESWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 101083W



KUNAL V. BESWAL
[PARTNER]
Membership Number - 131054
PLACE : MUMBAI
Date: April 15, 2019



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



R. V. Bubna
[President]